



State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS BOARD

KATHLEEN BABINEAUX BLANCO
GOVERNOR

August 25,2006

Ms. Virginia M. Gibbs, Chairperson
Appraisal Subcommittee
2000 K Street, NW, Suite 310
Washington, DC 20006

Dear Ms. Gibbs:

In your letter dated June 26, 2006, you noted three areas of concern or weaknesses in the Louisiana Real Estate Appraisal Program. The areas noted were complaint investigation and resolution, the lack of a reliable means of validating continuing education claims, and issuing appraiser credentials supported by outdated or expired examination results. These weaknesses concern us also and will be addressed in the following manner:

- Complaint Investigation and Resolution

When the review was conducted in April I, there were a number of cases that had been open for over a year. Since that time, most of the cases have been, or will be, resolved in a very short time.

In order to become and remain in compliance with the requirements of Title XI and ASC Policy Statement 10, the supervisor of the Investigative Division has begun and will continue to hold, weekly status meetings to monitor the progress on all open cases. Also, two of the six investigators for the Louisiana Real Estate Commission and Louisiana Real Estate Appraisers Board will work solely on appraisal complaints until all appraisal cases are current. In addition, two other investigators will begin training in October so they may assist with the investigation of appraisal complaints when necessary, and an additional investigator is being hired to help with the real estate cases.

- Validation of Continuing Education Claims for Renewal

The Appraiser Board is in the process of auditing ten percent of the total number of certified credentials. The credentials to be audited were selected by the computer and a certified letter was sent to each, requiring that proof of education be forwarded to the Board. Should the certified credential holder fail to provide the requested documentation, disciplinary proceedings will be initiated.

Ms. Gibbs
August 25, 2006
Page 2

For future renewals, the continuing education hours will be tracked by the computer, which is being reprogrammed to capture the necessary information. Also, for the upcoming 2007-2008 renewal period, certified credential holders will be required to furnish copies of their continuing education certificates before their renewal applications will be processed.

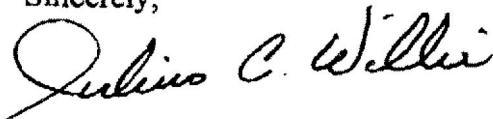
- Outdated or Expired Examination Results

The Appraiser Board has issued 284 certified appraiser credentials since August 1, 2001, the date on which the two year validity of examination results became effective. Fifteen of those credentials were issued in spite of outdated or expired examination results. The fifteen certified credential holders have scheduled to retest. Should any of the credential holders fail to pass the examination, disciplinary proceedings will be initiated.

In the future, to prevent a reoccurrence of this problem, a complete history of the application will be presented to the Board at the time it considers the request for certification.

The Louisiana Real Estate Appraisers Board has worked and will continue to work diligently to correct the weaknesses cited in our program. We have available and will apply the resources necessary to maintain a program that meets all the criteria established by the Appraisal Subcommittee.

Sincerely,



Julius C. Willie, Executive Director
Louisiana Real Estate Appraisers Board

JCW/ahb

cc: Mr. R. Wayne Pugh, Chairman