



FEDERAL RESERVE BANK *of* KANSAS CITY

July 11, 2017

**Supervision and Regulation (SR) Letter 17-4: Interagency Advisory on the Availability of Appraisers**

**Attention:** Chief Executive Officer of Each Tenth District State Member Bank and Holding Company

**In Brief:** The Federal Reserve, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency (the agencies) issued an advisory to inform insured depository institutions and bank holding companies of two existing options that may address appraiser shortages: temporary practice permits and temporary waivers.

**Highlights:** The agencies issued this advisory to respond to concerns raised by bankers during the 2015 Economic Growth and Regulatory Paperwork Reduction Act review about the ability of rural banks to obtain timely appraisals and the shortage of appraisers in rural areas.

Two existing options that may address appraiser shortages include temporary practice permits and temporary waivers:

- Temporary practice permits issued by state appraiser regulatory agencies allow state certified and licensed appraisers to temporarily provide their services in states where they are not certified or licensed, including those experiencing a shortage of appraisers, subject to limitations in states' laws.
- Temporary waivers may be issued by the Appraisal Subcommittee of the Federal Financial Institution Examination Council that waive requirements relating to the certification or licensing of individuals to perform appraisals under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act in states or geographic political subdivisions when certain conditions are met.

The advisory discusses temporary practice permits and temporary waivers in greater detail, including the procedures to apply for each of these options.

**Contact:** Please direct any questions concerning the advisory to your Federal Reserve Bank of Kansas City central point of contact at (800) 333-1010.

**Internet Link:** A copy of Federal Reserve SR Letter 17-4 is available on the Board's public web site at: <https://www.federalreserve.gov/supervisionreg/srletters/sr1704.htm>