

The Honorable Gale A. Norton  
Secretary  
United States Department of the Interior  
1849 C Street, NW  
Washington, DC 20240



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January 24, 2005

The Honorable Gale A. Norton  
Secretary  
United States Department of the Interior  
1849 C Street, NW  
Washington, DC 20240

Dear Secretary Norton:

On behalf of the more than 25,000 members of the undersigned professional appraisal organizations, we would like to commend the Department on the release of Order Number 3258 regarding Policy Guidance Concerning Land Valuation and Legislative Exchanges.

This Order provides policy clarification on land valuation issues, real property appraisals, and legislative land exchanges. During the past year, the Department has taken significant steps to ensure that land transactions are conducted with integrity and earn public confidence. These steps include, among other things, implementing reforms to improve the management of real property appraisals, establishing the Appraisal Services Directorate, and issuing Land Transaction Principles.

We believe this Order serves taxpayers well by making clear that appraisals are to be performed in accordance with nationally accepted appraisal standards and that the use of "public interest value" or alternative methods of valuation is strictly prohibited barring further direction from Congress. Our organizations believe that public interest value concepts should not be applied when the purpose of the appraisal is to estimate market value. We also strongly support strengthening the Department's policies regarding appraisals prepared for third parties or "unsolicited" appraisals. Under the new policy, appraisers will now be required to include the Department as an intended user, which will serve to clarify the interested parties involved in the transaction.

We commend the Department for having the foresight to promote appraiser independence and policies that protect the integrity of the appraisal process. Our organizations encourage other federal agencies to take note and follow the lead of the Department of the Interior.

Sincerely,

Appraisal Institute  
American Society of Appraisers  
American Society of Farm Managers and Rural Appraisers