



August 11, 2003

Forest Service  
United States Department of Agriculture  
Attention: Director of Lands  
Mail Stop 1104  
Washington, D.C. 20250-1140

To Whom It May Concern:

On behalf of the more than 18,000 members of the Appraisal Institute, thank you for the opportunity to comment on the U.S. Department of Agriculture (Forest Service) Notice of Proposed Directives for Appraising Recreation Residence Lots and for Managing Recreation Resident Uses under the Cabin User Fee Fairness Act.

Our comments are directed specifically at the provision of a "peer review" process contemplated by the Department for establishing recreation residence lot value during the transition period of the Cabin User Fee Fairness Act of 2000 (CUFFA). We appreciate that the Department has the confidence in our organization and our members to propose regulations under which "peer reviews" of certain appraisals would be conducted. However, such a "review" process could place a professional appraisal organization in the middle of private business disputes while collecting a fee for review work. As a not for profit association, the Appraisal Institute could only undertake such a role where the Department would be willing to provide appropriate immunity or indemnification. Once assured of such, our organization would be eager to assist with the implementation of this directive.

Regarding the process, we suggest use of the term "review by an approved third party" or something similar, rather than "peer review," which has specific connotations in the profession and may be confusing. Peer review is understood within the profession to be a formal process to determine compliance with Standards of Professional Appraisal Practice or a Code of Ethics.

Should the department be unable to provide indemnification, we suggest that the Department form a review panel for the express purpose of routing appraisal reviews to members of professional organizations for bid. The Department and the permit holders would agree on a person from the approved panel. Such a system would be similar to arbitration provisions or other contractually established dispute resolution mechanisms, where two parties agree to select an appraiser from a pool of approved individuals.

The regulations should provide a mechanism for identifying a pool of qualified independent appraisers who can do this type of work. To help address any perception that an individual has an interest with the Department, one of the qualifications for service in the pool is that the

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appraiser is a designated member of a sponsoring organization of The Appraisal Foundation. Another qualification could be successful completion of a course or seminar offered by a sponsoring organization of The Appraisal Foundation that specifically addresses how to handle these types of assignments. Of course, we would be pleased to notify our members of the existence of this panel and encourage qualified members to apply.

One further suggestion is for the Department to submit the review request through an appraisal management company, such as AI Direct Connection. The Department would require that both parties agree on the appraiser and that the appraiser be a member of the appropriate sponsoring organization of The Appraisal Foundation.

We appreciate the opportunity to comment. Should you have any questions, please contact Don Kelly, Vice President of Public Affairs, at 202-298-5583, [dkelly@appraisalinstitute.org](mailto:dkelly@appraisalinstitute.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Hummel". The signature is fluid and cursive, with a large, stylized initial "A" and "H".

Alan Hummel, SRA  
President, Appraisal Institute