

September 1, 2016

Ms. Elizabeth Appel
Office of the Special Trustee for American Indians
1849 C Street, N.W., MS-3642
Washington, DC 20240

Ms. Appel:

On behalf of the largest professional association of real estate appraisers in the world, thank you for the opportunity to comment on the implementation of the Indian Trust Asset Reform Act of 2016 ("ITARA"). The Appraisal Institute is pleased ITARA reaffirms self-determination for Native American Tribes regarding government authority and economic development, but we do have several concerns with provisions found in Title III of the Act.

Minimum Qualifications

Sec. 305 of ITARA allows the Secretary to establish minimum qualifications for individuals to prepare appraisals and valuations of Indian trust property. With this in mind, we respectfully request the Department of Interior recognizes the importance and complexity of the appraisal process, and establish strong appraisal qualifications, such as requiring the use of appraisers who have a professional designation from nationally recognized organizations. Designations such as those conferred by the Appraisal Institute are based on demonstrated competency - education, experience, comprehensive examinations, peer review/demonstration of knowledge and continuing education. Competency is especially important in situations on trust land where there is conflict between individual Native Americans interests, and the interests of the tribes.

Appraisal Review

As mentioned above, Sec. 305(C)(1) states no review is required. However, this does not change the fact that appraisal review is an important function within the agency appraisal processes. This would be like performing accounting functions without any audit process. This dramatically increases risks relating to the appraisal process. As such, we support the Secretary to also require appraisers have experience with appraisal review in the qualification requirements, as demonstrated through professional designations or experience.

Standards

With the overhaul of the qualifications for appraisers, the Department has a unique opportunity to protect the public trust by requiring generally accepted appraisal standards also are included in the appraiser qualification criteria. Generally recognized appraisal standards enhance the credibility and reliability of the appraisals being performed¹, which is wholly consistent with ITARA and the Department's mission.

Like the Department of Interior, our organization's goal is to ensure the very best and most competent appraisers prepare appraisals in land exchanges, conservation easements, and other federal acquisitions. We strongly encourage the Department of Interior to establish strong appraisal requirements for ITARA to maintain the public trust. Thank you again for the opportunity to comment. Please contact Bill Garber, Director of Government and External Relations at 202-298-5586, bgarber@appraisalinstitute.org or Brian Rodgers, Manager of Federal Affairs, at 202-298-5597, brodgers@appraisalinstitute.org.

Sincerely,

Appraisal Institute

¹ The Appraisal Institute publishes the Standards of Valuation Practice, found here http://www.appraisalinstitute.org/assets/1/29/SVP_effective_1-15-2015_final.pdf