

### C. Comment Regarding Automatic Suspension From the Appraiser Roster

*Comment: Appraisers who are licensed or certified in multiple states should also be subject to automatic suspension.* Under the November 30, 2001, proposed rule, only those appraisers licensed or certified in a single state would be subject to automatic suspension from the Appraiser Roster due to state disciplinary action. Three commenters recommended that the scope of automatic suspensions be expanded to include appraisers licensed or certified in multiple states. The commenters suggested that such appraisers should be automatically suspended from the Appraiser Roster if they lose their license or certification due to disciplinary action in any state.

*HUD Response.* HUD agrees with the commenters and has revised the proposed rule accordingly.

*Comment: HUD should clarify that voluntarily electing not to renew a state license or certification does not constitute "disciplinary action" for purposes of automatic suspension from the Appraiser Roster.* One commenter made this suggestion. The commenter wrote that depending on state law, if an appraiser willingly allows his or her license to expire, it might appear that the license expired due to disciplinary action. The commenter suggested that the final rule clarify that the voluntary expiration of a state appraisal license or certification does not constitute a disciplinary action.

*HUD Response.* HUD has revised the regulatory text to be more sensitive to the issue raised by the commenter.

Specifically, the final rule clarifies that an appraiser whose licensing or certification in a state has expired is automatically suspended from the Appraiser Roster in that state and may not conduct FHA appraisals in that state until HUD receives evidence that demonstrates renewal. The appraiser may continue to perform FHA appraisals in other states in which the appraiser is licensed or certified.

*Comment: HUD should report appraisers who have been removed from the Appraiser Roster to the appropriate state appraisal licensing authorities.* Three commenters made this suggestion.

*HUD Response.* HUD will provide this information to states as appropriate.

*Comment: Appraisers should not be removed from Appraiser Roster prior to state review of case.* One commenter wrote that anytime HUD's review process determines that an appraiser is performing unethical or substandard work, the appraiser should be suspended from the Appraiser Roster and referred by HUD to the appropriate state agency for disciplinary action. The commenter wrote that an appraiser should not be removed from the Appraiser Roster until the state agency has had the opportunity to review the case and determine whether disciplinary action is appropriate. According to the commenter, this method will protect appraisers from the administrative burden of reapplying for placement on the Appraiser Roster.

*HUD Response.* The suggestion made by the commenter is outside the scope of the November 30, 2001, proposed rule. At this time, HUD does not anticipate making any changes to the

Appraiser Roster removal procedures. HUD believes that the existing removal procedures are sufficient to safeguard the interests of FHA homebuyers, HUD, and appraisers included on the Appraiser Roster.

## IV. Findings and Certifications

### Regulatory Planning and Review

The Office of Management and Budget (OMB) reviewed this rule under Executive Order 12866, *Regulatory Planning and Review*. OMB determined that this proposed rule is a "significant regulatory action" as defined in section 3(f) of the Order (although not an economically significant regulatory action under the Order). Any changes made to this rule as a result of that review are identified in the docket file, which is available for public inspection in the office of the Department's Rules Docket Clerk, Room 10276, 451 Seventh Street, SW, Washington, DC 20410-0500.

### Paperwork Reduction Act

The information collection requirements contained in this final rule have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and are pending OMB approval. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

The burden of the information collections in this rule is estimated as follows:

### REPORTING AND RECORDKEEPING BURDEN

Section reference	Number of parties	Number of responses per respondent	Estimated average time for requirement (in hours)	Estimated annual burden (in hours)
§ 200.202(b)(1) and (c) (submission of evidence of compliance with AQB standards).	1,800	1 × .33	.50	900

In accordance with 5 CFR 1320.8(d)(1), HUD is soliciting comments from members of the public and affected agencies concerning this collection of information to:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Interested persons are invited to submit comments regarding the information collection requirements in this proposal. Comments must be received within sixty (60) days from the date of this proposal. Comments must refer to the final rule by name and docket number (FR-4620) and must be sent to:

Lauren Wittenberg, HUD Desk Officer,  
Office of Management and Budget,  
New Executive Office Building,