

**AMENDMENT TO DISCUSSION DRAFT OF  
SEPTEMBER 25, 2009  
OFFERED BY MR. GARY G. MILLER OF CALI-  
FORNIA, MR. CHILDERS OF MISSISSIPPI, MR.  
MANZULLO OF ILLINOIS, AND MRS. BACH-  
MANN OF MINNESOTA**

Page 99, after line 15, insert the following new section:

**1 SEC. 140. APPRAISAL INDEPENDENCE REQUIREMENTS.**

2 (a) PROMULGATION OF NEW REQUIREMENTS.—The  
3 Director shall lead a Negotiated Rulemaking Committee  
4 under the Federal Advisory Committee Act and the Nego-  
5 tiated Rulemaking Act to promulgate appraisal independ-  
6 ence requirements for residential loan purposes, and such  
7 Committee shall promulgate such requirements not later  
8 than the end of the 60-day period beginning on the date  
9 of the enactment of this Act.

10 (b) CERTAIN REGULATION REQUIREMENTS.—Regu-  
11 lations promulgated by the Negotiated Rulemaking Com-  
12 mittee under this section—

13 (1) shall not prohibit lenders, the Federal Na-  
14 tional Mortgage Association, or the Federal Home  
15 Loan Mortgage Corporation from accepting any ap-

1       praisal report completed by an appraiser selected,  
2       retained, or compensated in any manner by a mort-  
3       gage loan originator—

4               (A) licensed or registered in accordance  
5               with Section 1501 et seq. of the SAFE Mort-  
6               gage Licensing Act of 2008; and

7               (B) subject to State or Federal laws that  
8               make it unlawful for a mortgage loan originator  
9               to make any payment, threat, or promise, di-  
10              rectly or indirectly, to any appraiser of a prop-  
11              erty, for the purposes of influencing the inde-  
12              pendent judgment of the appraiser with respect  
13              to the value of the property, except that nothing  
14              in this section shall prohibit a person with an  
15              interest in a real estate transaction from asking  
16              an appraiser to—

17                      (i) consider additional, appropriate  
18                      property information;

19                      (ii) provide further detail, substan-  
20                      tiation, or explanation for the appraiser's  
21                      value conclusion; or

22                      (iii) correct errors in the appraisal re-  
23                      port; and

24               (2) shall include a requirement that lenders and  
25               their agents compensate appraisers at a rate that is

1 customary and reasonable for appraisal services per-  
2 formed in the market area of the property being ap-  
3 praised.

4 (c) SUNSET.—Effective on the date the appraisal  
5 independence requirements are promulgated pursuant to  
6 subsection (a), the Home Valuation Code of Conduct an-  
7 nounced by the Federal Housing Finance Agency on De-  
8 cember 23, 2008, shall have no force or effect.

