

From: Anonymous  
Subject: Regulation Z -- Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth In Lending Act

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Comments:

The Dodd-Frank Act requires appraisers to receive "customary and reasonable compensation" for appraisal services. It appears the Federal Reserve Board altered this provision when it published its Interim Final Rule. The Rule contains two presumptions of compliance for the compensation issue. One comes straight from the statute while the other maintains the status quo and will be used by some Appraisal Management Companies to circumvent Congress's intent. This presumption allows the use of AMC fees to determine what is customary and reasonable. Morrison & Foerster provided the following analysis, which highlights this issue. "Unlike the second presumption of compliance discussed below, the first presumption of compliance does not prohibit the inclusion of fees paid by AMCs in any such survey. In fact, the Board's Supplementary Information expressly confirms that the regulation and Commentary do not prohibit this. This borders on the incredible, given the Dodd-Frank Act's express prohibition on the use of such information in what has become the second presumption of compliance." The Dodd-Frank Act is the law of the land. Our Congress passed this legislation and it was signed into law by the President. I ask that you please take a second look at the rule and change it as to comply with the intent of Dodd-Frank legislation.