

CHILDERS/  
MANZULLO/BACHMANN  
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.

