



In Opposition to

***LD 2062: An Act to Amend the Laws Governing Real Estate Appraisers and Appraisal Management Committees***

Committee on Innovation, Development, Economic Advancement and Business  
January 23, 2024

Good Afternoon, Senator Curry, Representative Roberts, and distinguished members of the Committee on Innovation, Development, Economic Advancement and Business,

My name is Lori Michaud and I am the President of the Maine Association of Mortgage Professionals. We are comprised of professionals from banks, credit unions, independent mortgage firms, and affiliate members which include title companies, insurance companies, and appraisal management companies. Our 56 members represent companies from every part of the mortgage process. We respectfully submit the following testimony **in opposition to LD 2062.**

Those board members serving in the appraisal positions of the Board of Real Estate Appraisers are professionals who should follow the federal industry requirements of their profession (Uniform Standards of Professional Appraisal Practice - USPAP). It is only fair for those who are critiquing and commenting on an appraisers' work to have to follow the same standards they are enforcing. It is our fear that exempting them completely from USPAP, as Section 1 of the bill proposes, would further slow down the licensing of new appraisers, at a time when the shortage of appraisers is having a significant impact on our industry.

More than 70% of appraisers are over the age of 50, with more than 20% over the age of 65. Appraisers are retiring, and we have fewer choices when it comes to qualified appraisers. During periods of high volume, we are seeing increased fees. Maine is one of the most expensive states for an appraisal. This hurts consumers and the overall housing market.

For commercial properties, the timelines are longer, and the cost for commercial appraisals can be upwards of \$2,000 or \$5,000 in Northern Maine. As the housing market picks back up, this appraisal crunch will only continue to worsen. We desperately need more appraisers in Maine, and for those already working to be able to move up in licensing requirements.

I attended the previous two Board meetings of the appraisal board. Two appraisers applied to move up in licensure status. Upon submitting the applications, rather than simply making a determination on the application, the board cited the appraisers for violations of USPAP. After much discussion and many months of back and forth and legal fees for the submitting appraisers, the complaints were dropped, and the prospective appraisers told by the board that they could resubmit.

If the board is to be citing individuals for violations of USPAP, they must be held to those same standards. LD 2062 in its current form would be a step back. We thank the committee for the opportunity to testify on this issue, and for their consideration of this bill. It is our hope we can bring awareness to the appraisal shortage in Maine and develop solutions in the future.