



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 David Desjardins and I am the President and CEO of Acadia Federal Credit Union. We are headquartered in Fort Kent and serve more than 16,000 members who live, work, worship, or attend school in Aroostook, Hancock, Penobscot, Piscataquis, and Washington Counties. We respectfully submit the following testimony **in opposition to LD 2062**.

We are concerned that the language in Section 1 of this bill, that would exempt appraisals from professional standards, would worsen the already acute appraisal shortage. Counties like Aroostook expect over two months wait for an appraiser in the summer for residential loans, and a minimum turnaround time of 100 days.

Knowing the shortage would only worsen as the existing appraiser available to us was nearing retirement, Acadia took the initiative to “home grow” our own internal appraiser. We had an existing employee that was interested in pursuing her appraisal license and our credit union, being so far north in Maine and having only one choice available for us to use, took on the VERY expensive route of finding an existing R/E appraiser that was looking at retiring to be the mentor for this program (required by the State of Maine). Not only did we pay the employee fulltime wages and benefits while she went through all of the schooling and courses, we also had to enter into a contract with the retiring appraiser and pay him a hefty fee to mentor our employee.

Passing all the State requirements, including the final exam, was a hefty burden, but eventually she became a licensed appraiser. However, the requirements of licensure proved so onerous that within a year she left the field. The State has made it so difficult to become an appraiser, that there seems to be no interest in pursuing this career.

Now, institutions like ours are forced to use broker value opinions or automated valuation models instead of real appraisals. This increases lending risk and decreases the amount of loans we are able to provide to our community. In Aroostook County, there is only one individual available to do agricultural loans, but all his work is done with the Farm Services Administration, so financial institutions like ours serving our most rural parts of the state are not able to provide agricultural loans.

We recognize that retaining the USPAP requirements in Section 2 of this bill will not alone solve this problem, but feel any state deviation from federal professional guidelines will only encourage the board to make it more challenging to become an appraiser.

The lack of a qualified appraiser means that small financial institutions serving our most rural parts of the state are not able to provide agricultural loans to those in need. We want to thank the committee for hearing our concerns regarding this issue, and hope to see progress made in the future toward solutions in this area.