

February 23, 2017

Oregon House Committee on Business and Labor
RE: H.B. 2501 - 79th Oregon Legislative Assembly – 2017 Regular Session

Mr. Chair and Members of the Committee:

My name is Carl Stillman, Stillman & Associates, Inc. in Salem, OR.
I am in opposition to House Bill 2501.

My real estate appraisal practice focuses exclusively on commercial agricultural properties. Unlike my colleagues in the single family residential market I rarely if ever contract with Appraisal Management Companies (AMC's). Still, I have strong concerns regarding most of the language in the bill.

With regard to Section 1 – what is the definition of a “completed” appraisal report and who determines when the report is “complete?” Requiring payment within 31 days of a “completed” report is a non-starter unless there is an accompanying definition of “completed.” In any event, payment arrangements for services rendered are better left to the appraiser and client.

With regard to Section 3 – I strongly object to the Appraiser Certification and Licensure Board (ACLB) setting “payment rates” for appraisal services. What other professional group operating in Oregon’s private sector has “payment rates” set by its regulating board? The term “customary and reasonable” as it relates to payment rates is fraught with unintended consequences. What is a customary and reasonable payment rate for a multi-tract farm property totaling several thousand acres, an industrial facility involving multiple special use structures, or for complex right-of-way/condemnation assignments? This Bill represents an overreach into the business affairs of professional real estate appraisers and will impact the ability of appraisers to efficiently offer their services to clients.

With regard to Section 6 - The two little words “**or for**” added in Section 6(3)(a) seem to open up an avenue for unlicensed real estate appraisal activity, but perhaps this is the real intent of the bill.

To reiterate, I am opposed to H.B. 2501 for a number of reasons, but primarily for its attempt to regulate the free market with respect to “customary and reasonable” “payment rates.”

Sincerely,



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