

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed
Vote: 6 - 4 - 0
Yeas: Fagan, Holvey, Kennemer, Matthews, Witt, Doherty
Nays: Barton, Thatcher, Thompson, Weidner
Exc.: 0
Prepared By: Jan Nordlund, Administrator
Meeting Dates: 2/11, 2/25, 2/27

WHAT THE MEASURE DOES: Reduces from 60 days to 45 days the amount of time in which appraisal management company must pay independent contract appraiser after appraisal report is submitted.

ISSUES DISCUSSED:

- Role of appraisal management companies (AMCs)
- What is considered customary and reasonable amount of time to be paid
- Time needed by AMC to review final documents
- Appraisers seeking payment when AMC goes out of business
- Ability to negotiate a different pay schedule
- Typical cost of an appraisal

EFFECT OF COMMITTEE AMENDMENT: Require appraisers be paid within 45 days.

BACKGROUND: An appraisal management company (AMC) is an external third party that oversees an appraisal panel of more than 15 appraisers in Oregon or at least 25 appraisers in the United States. An AMC, by statutory definition, is authorized by its client (generally a financial institution) to recruit and retain appraisers, contract with individual appraisers to perform assignments, manage the appraisal process, and review and verify the appraisers' work. An AMC is not a company that employs real estate appraisers exclusively as employees for the performance of appraisals. An AMC must be registered with the Oregon Appraiser Certification and Licensure Board unless it is a subsidiary of and owned and controlled by a federally regulated financial institution.