

5/8/17

Senate Business and Transportation Committee

RE: Support for HB 2189

Dear Mr. Chair and Members of the Committee:

For the record, I am John Donnerberg. I'm testifying today in support of HB 2189. My firm is a small, family owned practice specializing in complex right-of-way acquisition appraisals. I'm the 2017 Past President of the Greater Oregon Chapter of the Appraisal Institute. The Appraisal Institute is the largest professional organization of real estate appraisers in Oregon. Our organization strongly supports HB 2189.

Proposed HB 2189 will give significant legal protection from frivolous lawsuits. The bill will modernize Oregon's regulations by matching current federal record keeping laws. Without this protection, appraisers are exposed to unreasonable levels of financial liability and overly burdensome defense costs for historic allegations of misconduct.

Our chapter members report numerous instances of state investigations of work completed in excess of the standard 5-year record keeping rule. This places undue burdens on small appraisal firms because of the high cost associated with defending frivolous lawsuits and historic state enforcement allegations.

While potential lawsuits and enforcement investigations are a reality of this business, they are far more difficult to defend when dealing with cases 5 or more years old. The perception of market data and file recollection become exceedingly more difficult to present and defend over time. More importantly it is simply unfair to expect an appraiser to recall every fact and opinion rendered without the benefit of work files that may have been lost or destroyed after meeting the 5-year record keeping rules established under federal law.

I request that your committee enact the proposed legislation in support of a healthy and viable appraisal industry here in Oregon.

Respectfully submitted,

John Donnerberg, MAI
Oregon Certified Appraiser
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