Maine Board of Real Estate Appraisers 35 State House Station Augusta, ME 04333 Phone: (207) 624-8518

Email: catherine.pendergast@maine.gov

Department of Professional & Financial Regulation

To: Board Members

From: Catherine E. Pendergast

Date: June 25, 2025

Subject: Rulemaking Chapter 220: Educational Course Requirements

The comment period for Chapter 220: Educational Course Requirements rulemaking ended June 20, 2025. One comment was received. Following are the Basis Statement and Summary of Comments and Small Business Impact Statement for review. A draft response to the singular comment is included in the Basis Statement and Summary of Comments for consideration.

Does the Board wish to adopt the rule?

DRAFT FOR BOARD DISCUSSION – NOT THE OFFICIAL POSITION OF THE DEPARTMENT OR THE BOARD

02 DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION

298 OFFICE OF PROFESSIONAL AND OCCPUATIONAL REGULATION

BOARD OF REAL ESTATE APPRAISERS

BASIS STATEMENT AND SUMMARY AND RESPONSES TO COMMENTS

<u>Basis Statement</u>: The Maine Board of Real Estate Appraisers (the "Board") is charged by the Legislature with the regulation of real estate appraisers in the State of Maine for the sole purpose of protecting the public health and welfare. The Legislature granted the Board rulemaking authority pursuant to 32 M.R.S. § 14012.

The proposed rulemaking would repeal and replace the following chapter(s)

Chapter 220: Educational Course Requirements

Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Appraisal Qualifications Board (AQB) establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state license. States are required to implement appraiser licensing requirements that are no less stringent than those issued by the AQB in the Real Property Appraiser Qualification Criteria (Criteria). As the AQB modified continuing education requirements in the 2026 Criteria, set to be effective January 1, 2026, the Maine Board of Real Estate Appraisers is required to adopt these changes.

Notice of the proposed rulemaking was published in the Maine Secretary of State weekly notice on May 21, 2025, in the Portland Press Herald, the Kennebec Journal, the Bangor Daily News, and the Sun Journal on May 21, 2025, posted on the Board of Real Estate Appraisers webpage on May 20, 2025; interested parties were emailed a copy of the rulemaking package on May 20, 2025. The Fact Sheet was filed with the Legislative Council on May 14, 2025.

Written comments were accepted through 5:00 pm EST on June 20, 2025.

Summary of Comments and Responses:

One comment was received in opposition.

Larry L'Heureux – Appraiser CG469 – He has not encountered appraisal bias and believes the course is unnecessary and should not be required for licensure.

Board Response:

The Board thanks the commenter but does not adopt the comment. The Appraisal Qualifications Board (AQB) establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state license. States are required to implement licensing requirements that are no less stringent than those issued by the AQB in the Real Property Appraiser Qualification Criteria (Criteria). The AQB modified education criteria in the 2026 Criteria effective January 1, 2026 which requires the Maine Board of Real Estate Appraisers to adopt these changes.

Pendergast, Catherine

From: Larry L'Heureux < larry@theappraisalcompany.us>

Sent: Tuesday, May 20, 2025 8:54 AM

To: Pendergast, Catherine

Subject: Proposed Rule Concerning Bias in Real Estate Appraising

EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Ms. Pendergast

In my 35 years of real estate appraising in ME I have not once encountered an appraisal product that could be considered biased toward any party using the appraisal report. Having not encountered any bias at all, it is my opinion that the proposed rule is unnecessary and should not be required for licensing. There are many courses much more relevant and educational to actually doing the job, and given the high cost of maintaining a license, it is an added burden that takes away from more relevant topics.

Sincerely

Larry

Laurent L'Heureux, MBA Certified General Real Estate Appraiser #CG469 813-758-8847 Larry@TheAppraisalCompany.us

Small Business and Economic Impact Statement

(5 M.R.S. § 8052(5-A))

AGENCY: 02-298, Department of Professional and Financial Regulation, Office of Professional of Occupational Regulation, Board of Real Estate Appraisers

NAME, ADDRESS, PHONE NUMBER, E-MAIL OF AGENCY CONTACT PERSON: Catherine E. Pendergast, 35 State House Station, Augusta, ME 04333-0035, 207-624-8518, TTY: Maine relay 711, Catherine.Pendergast@maine.gov

CHAPTER NUMBER AND RULE TITLE:

Chapter 220: Educational Course Requirements (repeal and replace)

TYPES AND NUMBER OF SMALL BUSINESSES SUBJECT TO THE RULE: The Board currently licenses 83 Appraisal Management Companies, 156 Licensed Appraisers, 172 Certified Residential Appraisers, 248 Certied General Appraisers, 29 Trainees and 67 Temporary Licensees. Title 5 M.R.S. § 8052 (5-A) defines "small business" as businesses that have 20 or fewer employees. The Board of Real Estate Appraisers does not collect sufficient information to reliably estimate the number of licensees that are small businesses as defined in 5 M.R.S. § 8052(5-A).

PROJECTED REPORTING, RECORD-KEEPING AND OTHER ADMINISTRATIVE COSTS REQUIRED FOR COMPLIANCE WITH THE PROPOSED RULE, INCLUDING THE TYPE OF PROFESSIONAL SKILLS NECESSARY FOR PREPARATION OF THE REPORT OR RECORD: None. Licensees will continue to comply with record keeping and submission of forms to the Board in the same manner as they do now.

PROBABLE IMPACT ON AFFECTED SMALL BUSINESSES: None.

LESS INTRUSIVE OR LESS COSTLY, REASONABLE ALTERNATIVE METHODS OF ACHIEVING THE PURPOSES OF THE PROPOSED RULE: None. Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Appraisal Qualifications Board (AQB) establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state license. States are required to implement appraiser licensing requirements that are no less stringent than those issued by the AQB in the Real Property Appraiser Qualification Criteria (Criteria). As the AQB modified continuing education requirements in the 2026 Criteria, set to be effective January 1, 2026, the Maine Board of Real Estate Appraisers is required to adopt these changes.