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LATE TESTIMONY

PRESENTATION OF THE PROFESSIONAL AND VOCATIONAL LICENSING DIVISION

TO THE HOUSE COMMITTEE ON
ECONOMIC REVITALIZATION AND BUSINESS

TWENTY-SIXTH LEGISLATURE
Regular Session of 2011

Tuesday, February 8, 2011
8:00 a.m.

TESTIMONY ON HOUSE BILL NO. 846, RELATING TO APPRAISALS.

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Alan Taniguchi, Executive Officer for the Real Estate Appraiser Program, Professional and Vocational Licensing Division ("PVLD") of the Department of Commerce and Consumer Affairs ("Department"). Thank you for the opportunity to present testimony on House Bill No. 846, Relating to Appraisals. The Department opposes this bill.

This bill seeks to require a real estate appraiser to comply with the Uniform Standards of Appraisal Practice (USPAP) when acting as an appraiser or as an arbitrator in an arbitration to determine the fair market value of real estate.

Testimony on House Bill No. 846
Tuesday, February 8, 2011
Page 2

This bill seeks to amend the Real Estate Appraiser statute, §466K, HRS and the Department believes this is not the appropriate statute for this amendment as it deals with arbitration.

Thank you for the opportunity to testify and we ask that this bill be held.

LATE TESTIMONY

**HB 846
RELATING TO APPRAISALS**

**PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.**

FEBRUARY 8, 2011

Chair McKelvey and Members of the House Committee on Economic
Revitalization & Business:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on HB 846, "A BILL FOR AN ACT RELATING TO APPRAISALS." We respectfully oppose this bill.

This bill requires real estate appraisers to comply with the Uniform Standards of Professional Appraisal Practice when acting as arbitrators. We understand that appraisers who serve as arbitrators are not usually engaged in the practice of real estate appraisal, as the arbitration process is similar to an alternate dispute resolution proceeding to reach a compromise solution. Requiring arbitrators to use the Uniform Standards of Professional Appraisal Practice may impose a standard that is not applicable to their proceeding. The result may be an increase in costs and the lengthening of the arbitration process.

Based on the aforementioned, we respectfully request that this bill be held in Committee.

Thank you for the opportunity to testify.