

The Honorable Larry Luick
North Dakota Senate
Chair, Agriculture and Veterans Affairs Committee.

RE: SB2152

Dear Chairman Luick and Members of the Senate Agricultural and Veterans Affairs Committee:

The North Dakota Appraisers Association (NDAA) was established in 2016 and represents approximately 140 Appraiser Members within the State of North Dakota. The NDAA is an association of Appraisers for Appraisers. Our primary goals include - Gaining greater public trust and confidence through non-partisan interaction with legislative bodies, government regulatory agencies and other related organizations; Promoting high standards of conduct within the appraisal profession; To foster and promote the appraisal profession through outreach to affiliated industries.

The NDAA strongly supports SB2152, which proposes to amend Subsection 6 of Section 11-18-02.2 of the North Dakota Century Code by removing the exemption for agricultural lands under 80 acres from full consideration disclosure.

Why This Legislation Matters to the Public and Appraisers

The elimination of the 80-acre exemption will have far-reaching positive effects:

- **Enhanced Transparency:** The exemption is often used to avoid disclosing sales prices on smaller tracts, including those sold at auction or through private transactions. By removing this loophole, more comprehensive market data will be available to all stakeholders, fostering a more transparent real estate market.
- **Market Relevance:** As agricultural land values continue to rise, smaller tracts—less than 80 acres—represent a significant portion of the market. Comprehensive data from these sales is critical for accurate valuation, especially in rural markets where data is already limited.
- **Improved Financing Access:** Young and beginning farmers, who frequently purchase smaller parcels as a stepping stone into the industry, face additional hurdles when comparable sales data is unavailable. Better data supports more equitable financing opportunities and reduces barriers to entry.

Benefits for Constituents and the Economy

Better access to sales information benefits a wide range of stakeholders, including consumers, legal professionals, real estate agents, and financial institutions. Transparent and accessible market data helps:

- Reduce the time and cost associated with appraisals, allowing appraisers to work more efficiently.
- Improve trust and confidence in property valuations, as data-driven decisions lead to more credible appraisals.
- Empower buyers and sellers with better information, improving negotiation outcomes and ensuring fair market value discovery.

Additionally, financial institutions have long voiced concerns about the time required to complete appraisals. Improved access to reliable sales data through the removal of this exemption will streamline data verification, allowing appraisers to complete assignments more quickly, ultimately reducing consumer wait times and costs.

Conclusion

The North Dakota Appraisers Association believes that removing the 80-acre exemption will enhance the credibility, efficiency, and timeliness of appraisal services, benefiting the appraisal profession and the public alike. We respectfully ask the Committee to recommend a "Do Pass" recommendation on SB2152. In support of this recommendation, NDAA past President and current Board Member, Bill Gion, will be providing in-person testimony and available for questions.

Respectfully submitted,



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