

**NEBRASKA REAL PROPERTY APPRAISER BOARD
NRPAB OFFICE MEETING ROOM, FIRST FLOOR
NEBRASKA STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH, LINCOLN, NE**

April 15, 2021 Meeting Minutes

A. OPENING

Chairperson Christopher Mustoe called to order the April 15, 2021 meeting of the Nebraska Real Property Appraiser Board at 9:08 a.m., by electronic telecommunication in the Nebraska Real Property Appraiser Board's office on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska, as permitted by Executive Order 21-02.

B. NOTICE OF MEETING

Chairperson Mustoe announced the notice of the meeting was duly given, posted, published, and tendered in compliance with the Open Meetings Act, and all board members received notice simultaneously by email. Publication of official notice of the meeting appeared on the State of Nebraska Public Calendar found at www.nebraska.gov on April 5, 2021. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. Materials generally used by the Board for this meeting were available in the public folder for inspection by the public, in accordance with the Open Meetings Act. A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Christopher Mustoe of Omaha, Nebraska, Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, and Cody Gerdes of Lincoln, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Specialist Allison Nespor, and Administrative Specialist Katja Duerig, who are all headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

Chairperson Mustoe reminded those present for the meeting that the agenda cannot be altered 24 hours prior to the meeting except for emergency items according to the Open Meetings Act. Board Member Walkenhorst moved to adopt the agenda as printed. Board Member Downing seconded the motion. With no further discussion, the motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Luhrs moved that the Board go into executive session for the purpose of reviewing applicants for credentialing; applicants for appraisal management company registration; investigations; pending litigation, or litigation which is imminent as evidenced by communication of a claim or threat of litigation; and employee performance evaluation. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. Board Member Downing seconded the motion. The time on the meeting clock was 9:12 a.m. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Luhrs moved to come out of executive session at 9:55 a.m. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Break from 9:55 a.m. to 10:00 a.m.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Mustoe welcomed all to the meeting and announced Cody Gerdes as the new District 1 representative on the Board. Board Member Gerdes thanked the Chairperson for the recognition, and expressed happiness regarding his appointment. Chairperson Mustoe finished by indicating that he is looking forward to having meetings in-person again. Jack Rose and Julie Schroer were members of the public in attendance.

H. BOARD MEETING MINUTES

1. APPROVAL OF FEBRUARY 18, 2021 MEETING MINUTES

Chairperson Mustoe asked for any additions or corrections to the February 18, 2021 meeting minutes. With no discussion, Chairperson Mustoe called for a motion. Board Member Downing moved to adopt the February 18, 2021 meeting minutes as presented. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

I. DIRECTOR'S REPORT

1. APPRAISER AND AMC REPORTS

a. Appraiser Count Report

Director Kohtz presented seven charts outlining the number of appraisers as of April 15, 2021. The Director reported that he had no specific comments and asked for questions or comments. There was no discussion.

b. Temporary Credential Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of March 31, 2021. The Director asked for any questions or comments. There was no further discussion.

c. Supervisory Appraiser Count Report

Director Kohtz presented two charts outlining the number of supervisory appraisers as of April 15, 2021. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

d. AMC Count Report

Director Kohtz presented two charts outlining the number of AMCs as of April 15, 2021. The Director reported that he had no comments, and asked for any questions or comments. BLS Nespor noted that the point where all AMCs are renewing annually, rather than every other year, has been reached. Director Kohtz thanked BLS Nespor for the information. There was no discussion.

2. EXECUTIVE AUTHORITY APPROVAL REPORT

Director Kohtz presented two Executive Authority Approval Reports for the real property appraisers and applicants, and education activities and instructors, that have been approved under the executive authority granted to waive rules pertaining to examinations and applications as a result of Governor Ricketts's 2020 State of Emergency Proclamation made on March 13, 2020, for the period between February 9, 2021 and April 6, 2021. The Director noted that there were no new AMC registrations during this time. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz concluded his report by welcoming Board Member Gerdes to his first meeting, and stated that he looks forward to serving him. The Director informed Board Member Gerdes that the office is open for questions or concerns anytime. Board Member Gerdes thanked Director Kohtz. There was no further discussion.

J. FINANCIAL REPORT AND CONSIDERATIONS – APRIL 2021

1. APPROVAL OF FEBRUARY RECEIPTS AND EXPENDITURES

The receipts and expenditures for February were presented to the Board in the Budget Status Report. Director Kohtz brought attention to a \$3,349.99 Data Processing Expense, noting that this expenditure includes the costs for the move of the online renewal application with EFW payment feature from the test environment to production. The Director moved on to a \$616.95 Publication & Print Expense, which includes the agency's quarterly copy services fee. Finally, the Director made note of the \$28.00 Awards Expense for former Board Member Ben Hynek's service award plaque. Director Kohtz reported that expenditures for the month of February totaled \$27,381.89, which amounts to 48.84 percent of the budgeted expenditures for the fiscal year; 66.58 percent of the fiscal year has passed. Revenues reported for February were \$15,196.41, and total revenues amount to 92.03 percent of the projected revenues for the fiscal year. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the General Ledger for February. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

Board Member Luhrs moved to accept and file the February 2021 financial reports for audit. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

2. APPROVAL OF MARCH RECEIPTS AND EXPENDITURES

The receipts and expenditures for March were presented to the Board in the Budget Status Report. Director Kohtz remarked that the \$350.00 Dues & Subscription Expense was paid to AARO in the month of March for the Board's membership. In addition, the Director noted a Legal Related Expense of \$15.00 for court documents related to an application. Director Kohtz reported that expenditures for the month of March totaled \$22,772.64, which amounts to 54.14 percent of the budgeted expenditures for the fiscal year; 75.07 percent of the fiscal year has passed. Revenues reported for March were \$18,802.22, and total revenues amount to 96.97 percent of the projected revenues for the fiscal year. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the General Ledger for March. The Director reported that he had no specific comments, and asked for any questions or comments. There was no further discussion.

Director Kohtz presented three graphs showing expenses, revenues, and cash balance. The Director once again announced the expenditures and revenues for the month of March for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director then remarked that the cash balance for the AMC Fund is \$302,474.33, the Appraiser Fund is \$407,074.77, and the overall cash balance for both funds is \$709,549.10. Director Kohtz then asked for any questions related to the graphs. There was no further discussion.

Board Member Walkenhorst moved to accept and file the March 2021 financial reports for audit. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

3. PER DIEMS

Director Kohtz informed the Board that he had no per diem requests for this meeting, and asked if any board members had a request for the Board to consider. There was no further discussion.

K. GENERAL PUBLIC COMMENTS

Chairperson Mustoe asked for any public comments. Jack Rose appeared before the Board, and introduced himself as a certified residential real property appraiser, and a supervisory real property appraiser for three trainee real property appraisers. Mr. Rose brought attention to materials sent by him to Director Kohtz, which were included in the public meeting documents and sent to each board member. Mr. Rose began his appearance by referencing a graph with the total number of Nebraska real property appraisers over a seven-year period, noting that the number stays stable, around 650. Rose noted that the number of appraisers who actually reside in Nebraska has trended downward from around 490 in 2013 to 430 now, roughly a 12% decline. Rose expressed concern that trainee real property appraisers are not obtaining certified or licensed credentials quickly enough to make up for the decline in the number of in-state real property appraisers. According to Rose, this is the reason for his appearance before the Board.

Rose indicated that he had two recommendations to share with the Board to make the trainee real property appraiser experience more efficient. First, Rose understands through conversations with trainee real property appraisers that it is their opinion that the credentialing requirements are too rigorous, and the real property appraisal practice experience review process takes too long. Mr. Rose remarked that two current trainee real property appraisers under his control submitted their experience logs for Board review in December 2020; both are still waiting to be approved to sit for the national exam. Rose indicated that confusion concerning the real property appraisal practice experience reported in these logs is related to the space for describing the extent of the real property appraisal practice experience on the experience log being too small to describe the work performed. According to Rose, the trainee real property appraiser experience review process should become more informal, and emails or text messages should be utilized by the Board to communicate with real property appraiser applicants and supervisory real property appraisers, rather than letters. Rose also feels that the real property appraisal practice experience review process could be expedited. One recommendation made by Rose includes providing a way for real property appraiser applicants to speak directly with the real property appraisers who perform reviews of their work product.

Mr. Rose then proceeded to his second recommendation. From his materials, he presented a document from the Iowa Real Estate Appraiser Examining Board titled, "List of Potential Supervisors." According to Rose, trainee real property appraisers have expressed to him difficulties finding supervisory real property appraisers. Rose noted that one trainee real property appraiser indicated that contact was made with 85 real property appraisers, and only four responded, of whom three said "no." Mr. Rose suggested that a public list of qualified, potential supervisory real property appraisers, much like the Iowa list, could be helpful for trainee real property appraisers. Rose suggested that the Board consider creating such a list.

Rose finished his appearance by informing the Board that he hopes that the trainee real property appraisers under his charge are approved by the Board and pass the exam, so that he may take on new trainee real property appraisers. Chairperson Mustoe thanked Mr. Rose for his time and the information presented. The Chairperson asked for any additional comments from the public. With no more discussion, Chairperson Mustoe proceeded to Education.

L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS: No discussion.

M. UNFINISHED BUSINESS: No discussion.

N. NEW BUSINESS

1. USPAP COMPLIANCE REVIEW PROGRAM

Director Kohtz reported that he and Chairperson Mustoe have had conversations regarding the vetting of USPAP Compliance Review Reports. The Director stated that, until now, any notes from staff related to the USPAP Compliance Review Report were primarily included on applicant board review forms. Director Kohtz informed the Board that both he and Chairperson Mustoe agreed that a more thorough review by staff is needed prior to the Board's review of a USPAP Compliance Review Report. The Director presented the AARS USPAP Compliance Review Report Review Document and the SME USPAP Compliance Review Report Review Document to the Board for consideration. Director Kohtz noted that the AARS USPAP Compliance Review Report Review Document has a summary section not included on the SME USPAP Compliance Review Report Review Document because investigative reports include this information already. The Director explained that the intent of these documents is to provide an overview of the USPAP Compliance Review Report and the appraisal review services contractor before the Board evaluates the content of the USPAP Compliance Review Report. In addition, Director Kohtz noted the Yes/No checkbox for whether the contractual obligations were met and informed the Board that this box concerns the contractual requirements and does not refer to competency related to the content of the USPAP Compliance Review Report. Director Kohtz reported that part of this new process includes centralizing appraisal review services contractor information. Board staff will create appraisal review services contractor files that include contracts, completed USPAP Compliance Review Reports, and other relevant information.

Director Kohtz then presented the State of Nebraska Vendor Performance Program guide to the Board for consideration. The Director declared that this is a relatively new program for the State, developed to better manage vendor performance for State contracts. Director Kohtz informed the Board that this program could be used to formalize the approach to notifying appraisal review service contractors about issues with their USPAP Compliance Review Reports or other contractual obligations. There are two basic notices included in the program; notification of unsatisfactory performance, and request for vendor performance improvement. The notification of unsatisfactory performance would be sent directly to the contractor, and the request for vendor performance improvement would be submitted to Administrative Services for review prior to being sent to the contractor. Director Kohtz added that a notice would only be sent to a contractor upon the Board's request after review of the AARS USPAP Compliance Review Report Review Document or the SME USPAP Compliance Review Report Review Document. Director Kohtz informed the Board that the VPP program also includes a star-rating system that the agency could use, but the Director advised against it because of the small number of appraisal review service contracts for the Board, and the fact that no other State agencies would need the review of the vendor. The Director reiterated that this program is optional, but it would provide a more formal approach to the review of the Board's appraisal review services contractors.

Chairperson Mustoe stated that it made sense to him to keep a contract, the USPAP Compliance Review Report, and any follow-up communications stored together. Board Member Walkenhorst agreed. Chairperson Mustoe asked for clarification as to how this program would be implemented. Director Kohtz replied that there are a few options. If the AARS USPAP Compliance Review Report Review Document and the SME USPAP Compliance Review Report Review Document are approved today, staff could start using them immediately. The Director indicated that it is the Board's choice whether to adopt use of the VPP, and if the Board chose to, an internal procedure document could be developed to formally adopt use of the program and describe its use by the Board. Chairperson Mustoe noted that changes could be made to any of these documents if the process is modified in the future. Director Kohtz agreed.

Board Member Luhrs moved to approve the AARS USPAP Compliance Review Report Review Document and the SME USPAP Compliance Review Report Review Document as presented. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Walkenhorst moved to request the Director to draft an internal procedure document to formally adopt use of the State of Nebraska Vendor Performance Program. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Break from 10:45 a.m. to 10:50 a.m.

O. LEGISLATIVE REPORT AND BUSINESS

1. CURRENT LEGISLATION

Director Kohtz presented the second legislative report of the current session to the Board for review. The Director informed the Board that he will provide a summary of the critical bills, but will not discuss the less critical bills unless a board member requests discussion. Discussion took place for the following bills:

LB23 – Director Kohtz reported that this was approved by the Governor on March 17, 2021, and commented that this was record time for a bill introduced on the Board’s behalf. There was no further discussion.

LB83 – Director Kohtz reminded the Board that this bill amends the Open Meetings Act to modernize the way public bodies hold virtual meetings, and reported that it was placed on Final Reading for April 15, 2021. The Director indicated that he will begin researching how to make the Board’s virtual meetings compliant with the Act, and also what equipment is needed to hold virtual meetings outside of an emergency situation. There was no further discussion.

LB368 – The Director reported that this bill provides for a late fee to be assessed if political subdivisions required to file a report with the Auditor of Public Accounts fail to file such report by the applicable due date. Director Kohtz announced that this bill was approved by the Governor on March 31, 2021. There was no further discussion.

LB380 – Director Kohtz informed the Board that this bill appropriates funds for the expenses of Nebraska State Government for the biennium ending June 30, 2023. This bill was placed on General File with AM93, which incorporates the Appropriations Committee’s recommendations, on April 1, 2021. There was no further discussion.

LB423 – The Director reminded the board that this bill requires that home inspectors register with the Secretary of State’s Office. AM433 limits the fee for registration at \$300.00, and requires that liability insurance in the amount of at least \$250,000 is held by the registrant. The bill was placed on Select File on April 7, 2021. There was no further discussion.

LB446 – Director Kohtz informed the Board that this bill adopts the Nebraska Housing Index and Financing Investment Systems Act, which creates a comprehensive, sustainable, and collaborative data system that would include the statewide status of housing stock as well as the types and amounts of state and federal funding available to housing developers. This bill was placed on General File with AM86, which redrafts language but does not appear to make a substantial change, on March 3, 2021. There was no further discussion.

LB501 – The Director reported that LB501 would codify Nebraska law permitting the owner of property burdened by an easement to relocate an easement without the consent of the holder of the easement running across the property. AM526 combines additional bill language into LB501. The bill was placed on Select File on April 7, 2021. There was no further discussion.

Director Kohtz asked for any questions or comments concerning the legislative report. The Director asked if there is a bill that is not included in the report that may be of importance to the Board, that he be contacted to have it added to the list. There was no further discussion.

2. TITLE 298 UPDATE

a. Summary or Proposed Changes to Title 298 March 25, 2021 Draft

Director Kohtz presented the Summary of Proposed Changes to Title 298 March 25, 2021 Draft document to the Board for review. The Director noted that this document details all of the changes made to Title 298 in the March 25, 2020 draft.

b. Title 298 Draft March 25, 2021

Director Kohtz presented the March 25, 2021 Title 298 Draft to the Board for review. The Director reported that the majority of the changes are to harmonize Title 298 with the statutory changes made through LB808 (2020) and LB23 (2021). Director Kohtz noted that there are a few substantial changes included in the draft not related to LB808 or LB23, and also some general language updates made for clarification, consistency, to correct spelling and grammar errors, and to update section references. Director Kohtz informed the Board that he would not go through every change found in the draft, specifically those directly related to LB808 and LB23, or the general language updates, but reminded the Board that board members are free to bring up and discuss any of the changes.

The Director first guided the Board to page O.27, and indicated that Chapter 2 § 002.09(9) is amended to add “or non-traditional client” after “traditional client” to clarify that verification on the experience log must indicate that the client is traditional or non-traditional.

The Director then moved to page O.33, and informed the Board that the approval procedures for trainee real property appraiser credential applicants, supervisory real property appraiser applicants, real property appraiser credentialing through reciprocity applicants, initial appraisal management company registration applicants, and initial education activity applicants, are amended to allow the Director to approve the applications when the minimum requirements are met, and no extenuating circumstances exist requiring Board expertise. Director Kohtz indicated that the application of any applicant that may not meet one or more requirements will be placed before the Board for consideration at its next meeting. Director Kohtz added that approval procedures for real property appraiser credential applicants who apply through education, experience, and examination, and continuing education activity renewal applicants will remain the same. The Director brought attention to the following amended sections:

- Chapter 2 § 004.01C – New applications for trainee real property appraiser.
- Chapter 2 § 004.01K – New applications for supervisory real property appraiser.
- Chapter 3 §§ 001.03 through 001.06 – New applications for licensed and certified real property appraisers by reciprocity.
- Chapter 6 §§ 002.02C and 002.02D – New applications for qualifying education activities.

- Chapter 6 §§ 003.02C and 003.02D – New applications for continuing education activities.
- Chapter 6 §§ 004.04C and 004.04D – New applications for supervisory real property appraiser and trainee courses.
- Chapter 6 §§ 005.02C and 005.02D – New applications for instructors of an education activity.
- Chapter 7 §§ 001.03 and 001.04 – New applications for registration as an appraisal management company.

Director Kohtz then guided the Board to O.38, and indicated that Chapter 3 § 002.03 is amended to clarify that the application of any applicant who may not meet one or more requirements for approval as a temporary real property appraiser will be placed before the Board for consideration at its next meeting. Director Kohtz indicated the same amendment is made to Chapter 4 § 003.04 for real property appraiser renewal applications, and Chapter 7 § 002.03 for appraisal management company registration renewal applications. These amendments merely reflect what is current practice.

The Director closed his reporting of these changes by informing the Board that the executive approval process put into place under the Governor's State of Emergency Proclamation made on March 13, 2020 has worked so well that he and Chairperson Mustoe have discussed adopting the procedures permanently. Director Kohtz remarked that these procedure changes improve the agency's performance and efficiency. Director Kohtz asked for any questions related to these amendments. Chairperson Mustoe agreed that the executive approval process has been smooth, and said he thinks it is a good idea for the agency to continue this. There was no further discussion.

Director Kohtz then brought attention to the other substantial change in the Title 298 draft, and pointed the Board to O.49. The Director informed the Board that staff recently had to review an application for an online education activity on which the instructors listed on the IDECC certificate did not match the instructors submitted for approval. Director Kohtz informed the Board that Title 298 only requires that the activity be IDECC approved, not the instructors. The Director discussed this matter with ASC Policy Manager Tidwell, who confirmed that the Real Property Appraiser Qualifications Criteria only requires that the activity be approved. Director Kohtz informed the Board that during review of this matter, a couple of other issues related to IDECC approval were found. The Director notified the Board of the following amendments in the draft:

- Language is amended to strike “is certified by the International Distance Education Certification Center” and add “meets the requirements of Section 001.07A of this Chapter” to specify that an IDECC certificate must be submitted, or the activity must be conducted by an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education, that awards academic credit for the distance education courses. This change recognizes that the education submission may include either option, not just the IDECC certificate in Chapter 6 § 002.02A.5; Chapter 6 § 003.02A.5; Chapter 6 § 004.04A.5.
- Chapter 6 §§ 002.02A.2j, 003.02A.2k, 004.04A.2j is added to ensure that an online or correspondence activity conducted by an accredited college, community college, or university provides interaction in a reciprocal environment where the student has verbal or written communication with the instructor. Colleges, community colleges, or universities are not required to hold IDECC certification for online or correspondence education activities. For all activities that are IDECC approved, interaction in a reciprocal environment where the student has verbal or written communication with the instructor is a condition for approval.
- Language is amended to strike “certified by the International Distance Education Certification Center” and add, “the qualification for online or correspondence delivery specified in Section 001.07A of this Chapter” to the reasons for resubmission of, or rescinding, an approved qualifying education activity, continuing education activity, or supervisory real property appraiser and trainee course. This amendment includes activities conducted by accredited colleges, community colleges, or universities that offers distance education programs and are approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education, that awards academic credit for the distance education courses in Chapter 6 § 002.03A; Chapter 6 § 002.04A; Chapter 6 § 003.03A; Chapter 6 § 003.04B; Chapter 6 § 004.05A; Chapter 6 § 004.06A.
- Chapter 6 § 003.02A.2j is added to clarify that written evidence must be included with a continuing education submission indicating that an appropriate mechanism is in place to ensure that the credential holder demonstrates knowledge of subject matter for an online or correspondence activity. This Real Property Appraiser Qualifications Criteria is met for qualifying education and the supervisory real property appraiser and trainee course by examination.

Director Kohtz asked for any questions related to these amendments. There was no further discussion.

Director Kohtz reminded the Board that he did not cover any of the changes related to LB808 and LB23, or the general language updates, and asked for any questions or comments concerning the Title 298 draft. The Director then informed the Board that the next step would include a preliminary review by the Governor's Policy and Research Office, the Attorney General's Office, and the ASC. Board Member Luhrs moved to approve the Title 298_Draft March 25, 2021 for preliminary review by the Governor's Policy and Research Office, the Attorney General's Office, and the ASC. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

3. OTHER LEGISLATIVE MATTERS: No discussion.

P. ADMINISTRATIVE BUSINESS

1. GUIDANCE DOCUMENTS: No discussion.

2. INTERNAL PROCEDURAL DOCUMENTS: No discussion.

3. FORMS, APPLICATIONS, AND PROCEDURES

a. Revised NRPAB Employee Handbook

Director Kohtz presented the revised NRPAB Employee Handbook to the Board for consideration. The Director informed the Board that the handbook is updated every other year to include the latest changes to the NAPE/ASFCME Labor Contract, and any other State policy or procedure changes that have taken place since the last update. Director Kohtz reminded the Board that all members have had an opportunity to review the redlined draft before the meeting. The spelling, grammar, and formatting issues were taken care of in the finalized version. Once the finalized version is approved by the Board, it is sent to State Personnel for approval. Director Kohtz asked for any questions or comments. There was no further discussion. Board Member Luhrs moved to approve the NRPAB Employee Handbook as presented. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

b. Revised Appraiser Forms and Applications

Director Kohtz presented the following revised appraiser forms and applications to the Board for consideration:

- i. Real Property Appraisal Practice Experience Log Requirements Document**
- ii. NRPAB Applicant Real Property Appraisal Practice Experience Log**
- iii. Application for Registration as a Supervisory Real Property Appraiser**
- iv. Application for Trainee Real Property Appraiser**

The Director informed the Board that the documents were updated to address the changes included in LB808, LB23, and the latest Title 298 update. Director Kohtz asked for any questions or comments. There was no further discussion. Board Member Luhrs moved to approve the Real Property Appraisal Practice Experience Log Requirements Document, NRPAB Applicant Real Property Appraisal Practice Experience Log, Application for Registration as a Supervisory Real Property Appraiser, and Application for Trainee Real Property Appraiser as presented. Board Member Downing seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

c. Revised Education Applications

Director Kohtz presented the following revised education applications to the Board for consideration:

- i. Application for Approval as a Qualifying Education Activity in Nebraska**
- ii. Application for Approval as a Continuing Education Activity in Nebraska**
- iii. Application for Renewal as a Continuing Education Activity in Nebraska**
- iv. Application for Approval as a Supervisory Real Property Appraiser and Trainee Course**
- v. Application for Approval as Instructor in Nebraska**

The Director informed the Board that the applications were updated to address the changes included in LB808, LB23, and the latest Title 298 update. In addition, these applications were reformatted to better guide education providers through the submission requirements, and to also match the formatting of the Board's other applications. Director Kohtz asked for any questions or comments. There was no further discussion. Board Member Downing moved to approve the Application for Approval as a Qualifying Education Activity in Nebraska, Application for Approval as a Continuing Education Activity in Nebraska, Application for Renewal as a Continuing Education Activity in Nebraska, Application for Approval as a Supervisory Real Property Appraiser and Trainee Course, and the Application for Approval as Instructor in Nebraska as presented. Board Member Luhrs seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Q. OTHER BUSINESS

1. BOARD MEETINGS

a. 2021 Strategic Planning Meeting

Director Kohtz brought attention to the end of the fiscal year, and announced that it is time to schedule this year's strategic planning meeting. The Director reminded the Board that no strategic planning meeting was held last year due to the Covid-19 pandemic. Director Kohtz continued by saying that in the past, the Board held the strategic planning meeting on the same day, the day before, or the day after the regular June board meeting. Director Kohtz added that the meeting has been held in May as well. The Director said scheduling is dependent on the board members who travel. Board Member Luhrs asked about the length of the strategic planning meeting. Director Kohtz responded that he plans for four hours, but the meeting has not been getting close to that length during recent years. Board Member Luhrs expressed interest in having the strategic planning meeting in the afternoon the day before the June regular meeting as he must drive from Imperial. Chairperson Mustoe agreed that this makes sense for the board members who must travel, and suggested scheduling the 2021 Strategic Planning Meeting for 2 p.m. the day before the June regular meeting. Board Member Downing moved to schedule the 2021 Strategic Planning Meeting for 2 p.m. on Wednesday, June 16, 2021. Board Member Luhrs seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

2. CONFERENCES/EDUCATION: No discussion.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE

a. Real Estate Valuation and Fairness Act of 2021

Director Kohtz presented a discussion draft of a House Bill titled, "Real Estate Valuation Fairness and Improvement Act of 2021." The Director reported that the discussion draft declares that the Federal Home Owner's Loan Corporation and the Federal Housing Administration valued property or refused to make loans secured by property in communities of color. This House Bill would require that the ASC facilitate the establishment and convening of a taskforce to study discrimination in the housing market. The Director asked for any questions or comments. There was no further discussion.

b. ASC Meeting; June 2, 2021 – Washington, D.C.

Director Kohtz reported that the next ASC meeting will be held on June 2, 2021, in Washington, D.C. The Director asked for any questions or comments. There was no further discussion.

c. ASC September 9, 2020 Meeting Minutes

Director Kohtz presented the ASC September 9, 2020 Meeting Minutes to the Board for review. The Director informed the Board that he had no specific comments, and asked for any questions or comments. There was no further discussion.

d. ASC October 5, 2020 Meeting Minutes

Director Kohtz presented the ASC October 5, 2020 Meeting Minutes to the Board for review. The Director informed the Board that he had no specific comments, and asked for any questions or comments. There was no further discussion.

6. THE APPRAISAL FOUNDATION

a. TAF Special Edition Newsletter

Director Kohtz presented The Appraisal Foundation's special edition newsletter announcing the extension of the 2020-2021 edition of USPAP to be valid through 2022. The Director asked for any questions or comments. There was no discussion.

b. TAF March Newsletter

Director Kohtz presented The Appraisal Foundation's March newsletter to the Board for review. The Director asked for any questions or comments. There was no discussion.

c. TAF April Newsletter

Director Kohtz presented The Appraisal Foundation's April newsletter to the Board for review. The Director asked for any questions or comments. There was no discussion.

d. Appraiser Qualifications Board

i. First Exposure Draft of a Proposed Change to the Real Property Appraiser Qualification Criteria

Director Kohtz presented the First Exposure Draft of a Proposed Change to the Real Property Appraiser Qualification Criteria to the Board for review. The Director informed the Board that this exposure draft includes changes to the education requirements to allow that virtual activities become a permanent option for approved education. Currently, virtual education activity approval authority was granted to States by the ASC on an emergency basis because of the Covid-19 pandemic. Director Kohtz also indicated that the experience requirements are updated in this exposure draft to allow 100% experience credit for assignment result reports developed for non-traditional clients. The Director asked for any questions or comments. There was no discussion.

e. Appraiser Standards Board

i. Exposure Draft of proposed changes to Advisory Opinion 16 of USPAP

Director Kohtz presented the Exposure Draft of proposed changes to Advisory Opinion 16 of USPAP to the Board for review. The Director informed the Board that this revision to Advisory Opinion 16 includes additional illustrations with a goal of providing further guidance to appraisers on how to avoid, or avoid the appearance of, engaging in prohibited actions like bias or illegal discrimination. The Director asked for any questions or comments. There was no discussion.

7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.

8. IN THE NEWS: No discussion.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

Board Member Luhrs moved to take the following actions for the applicants as listed:

- CG21005 / Invite to advisory meeting. Board Member Luhrs assigned. Authorize Board Member Luhrs to request that applicant complete an appraisal for an agricultural property for a non-traditional client upon completion of advisory meeting. Send report for USPAP compliance review if requested.**
- T21001 / Approve as trainee real property appraiser.**
- SA-T21001 / Approve as supervisory real property appraiser.**
- L20003 / All reports submitted by the applicant for review in accordance with 298 NAC Chapter 2, § 002.14 are rejected as conformity with USPAP is not attained due to the failure to, at a minimum, summarize the extent of any significant real property appraisal assistance. The USPAP Compliance Review Report completed for the appraisal of the property located at 8001 Wildwood Drive in Ralston, Nebraska is rejected as the USPAP Compliance Review Report does not meet the minimum standards of USPAP. The additional log entries submitted by the applicant on March 15, 2021 are not accepted for consideration. Request that applicant independently prepare two single-family appraisal reports for a non-traditional client with an effective date and report date no earlier than April 15, 2021. The level of complexity shall be such that applicant engages in a minimum of twelve hours of real property appraisal practice experience for each report. Send these reports a disinterested third-party contractor for a USPAP compliance review. Send advisory letter to supervisory real property appraiser to inform the supervisory real property appraiser that any real property appraisal practice experience hours submitted by any trainee real property appraiser under the supervisory real property appraiser's responsible charge will be denied by the Board if any report submitted on an applicant's log for real property appraisal practice experience credit fails to include a signature by the trainee real property appraiser, or the extent of any significant real property appraisal assistance is not summarized in the report.**

CR21001 / All reports submitted by the applicant for review in accordance with 298 NAC Chapter 2, § 002.14 are rejected as conformity with USPAP is not attained due to the failure to, at a minimum, summarize the extent of any significant real property appraisal assistance. Fifteen hours of the additional log entries submitted by the applicant on March 29, 2021 are accepted for consideration. Request that applicant independently prepare one single-family appraisal report for a non-traditional client with an effective date and report date no earlier than April 15, 2021, and one two-to-four family appraisal report for a non-traditional client with an effective date and report date no earlier than April 15, 2021. Send these reports a disinterested third-party contractor for a USPAP compliance review. Send advisory letter to supervisory real property appraiser to inform the supervisory real property appraiser that any real property appraisal practice experience hours submitted by any trainee real property appraiser under the supervisory real property appraiser's responsible charge will be denied by the Board if any report submitted on an applicant's log for real property appraisal practice experience credit fails to include a signature by the trainee real property appraiser, or the extent of any significant real property appraisal assistance is not summarized in the report.

Board Member Walkenhorst seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

E. CONSIDERATION OF COMPLIANCE MATTERS

Board Member Luhrs moved to take the following actions for compliance matters:

21-01 / Dismiss without prejudice.

20-11 / Ongoing.

Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

1. 2021.03

The Board reviewed the applicant's response to the Board's inquiry.

2. 2021.05

The Board reviewed a letter from the education provider provided in response to the Board's written notice of intent to rescind all education activities approved by the Board for violation of 298 NAC, Chapter 6, § 001.04.

3. 2021.06

The Board reviewed an appraisal report received from the Fannie Mae Loan Quality Center. The Board concluded that there were no substantial errors that lead to non-credible results. No action was taken by the Board.

4. 2021.07

The Board reviewed a USPAP Compliance Review Report completed for the Board to assist with its evaluation of an applicant's real property appraisal practice experience, in which compliance with the Uniform Standards of Professional Appraisal Practices was not attained by the contractor.

5. Personnel Matters: No discussion.

Board Member Luhrs moved to take the following actions for other executive session items:

2021.03 / Approve Application for Instructor Approval.

2021.05 / Hold.

2021.07 / Send advisory letter to explain the issues, cite USPAP requirements, and express the importance of maintaining compliance with USPAP.

Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

R. ADJOURNMENT

Board Member Downing moved to adjourn the meeting. Board Member Luhrs seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye. At 11:30 a.m., Chairperson Mustoe adjourned the April 15, 2021 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on April 23, 2021, in compliance with Nebraska Revised Statute § 84-1413 (5).