

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

**June 16, 2022 Meeting Minutes**

**A. OPENING**

Chairperson Thomas Luhrs called to order the June 16, 2022 meeting of the Nebraska Real Property Appraiser Board at 9:03 a.m., in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

**B. NOTICE OF MEETING**

Chairperson Luhrs 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](http://www.nebraska.gov) on June 7, 2022. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. In accordance with the Open Meetings Act, at least one copy of all reproducible written material for this meeting, either in paper or electronic form, was available for examination and copying by members of the public. The material in paper form was available on the table in a public folder, and the material in electronic form was available on the Board's website in Public Meeting Material ([https://appraiser.ne.gov/board\\_meetings/](https://appraiser.ne.gov/board_meetings/)). A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermesen of Gretna, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nesper, and Business and Education Program Manager Katja Duerig, who are all headquartered in Lincoln, Nebraska.

**ADOPTION OF THE AGENDA**

Chairperson Luhrs 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 Downing moved to adopt the agenda as printed. Board Member Walkenhorst seconded the motion. With no further discussion, the motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

Board Member Walkenhorst 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 9:05 a.m. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

Board Member Downing moved to come out of executive session at 9:40 a.m. Board Member Walkenhorst seconded the motion. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

Break from 9:41 a.m. to 9:45 a.m.

#### **G. WELCOME AND CHAIR'S REMARKS**

Chairperson Luhrs welcomed all to the June 16, 2022 meeting of the Nebraska Real Property Appraiser Board and indicated that he had no comments. No members of the public were present.

#### **H. BOARD MEETING MINUTES**

##### **1. APPROVAL OF MAY 19, 2022 MEETING MINUTES**

Chairperson Luhrs asked for any additions or corrections to the May 19, 2022 meeting minutes. With no discussion, Chairperson Luhrs called for a motion. Board Member Walkenhorst moved to approve the May 19, 2022 meeting minutes as presented. Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs called for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

#### **I. DIRECTOR'S REPORT**

##### **1. REAL PROPERTY APPRAISER AND AMC COUNTS AND TRENDS**

###### **a. Real Property Appraiser Report**

Director Kohtz presented seven charts outlining the number of real property appraisers as of June 16, 2022 to the Board for review. The Director reported that all trends are maintaining, then asked for any questions or comments. There was no further discussion.

###### **b. Temporary Real Property Appraiser Report**

Director Kohtz presented three charts outlining the number of temporary credentials issued as of May 31, 2022 to the Board for review. The Director reported that he had no specific comments and asked for any questions or comments. There was no discussion.

###### **c. Supervisory Real Property Appraiser Report**

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of June 16, 2022 to the Board for review. The Director reported that there were no changes in trends and that he had no specific comments. Director Kohtz asked for any questions or comments. There was no further discussion.

###### **d. Appraisal Management Company Report**

Director Kohtz presented two charts outlining the number of AMCs as of June 16, 2022 to the Board for review. Director Kohtz indicated that he had no comments and asked for any questions or comments. There was no discussion.

## **2. DIRECTOR APPROVAL OF APPLICANTS**

### **a. Real Property Appraiser Report**

Director Kohtz presented the Real Property Appraiser Report to the Board for review showing real property appraiser applicants approved for credentialing by the Director, and the real property appraiser applicants approved to sit for exam by the Director, for the period between May 5, 2022 and June 7, 2022. The Director asked for any questions or comments. Board Member Walkenhorst remarked that there were a number of trainee real property appraisers approved without a supervisory real property appraiser. Director Kohtz responded that this seems to occur in phases; trainee real property appraisers will be approved with one or more supervisory real property appraisers for a period of time, then there will be a run of trainee real property appraiser applicants without a supervisory real property appraiser application submitted. BLPM Nespor commented that at least one trainee real property appraiser on this list has since had a supervisory real property appraiser approved. Board Member Walkenhorst thanked the Director and BLPM Nespor for the information. There was no further discussion.

### **b. Education Activity and Instructors Report**

Director Kohtz presented the Education Activities and Instructors Report to the Board for review showing education activities and instructors approved by the Director for the period between May 5, 2022 and June 7, 2022. The Director asked for any questions or comments. There was no further discussion.

## **J. FINANCIAL REPORT AND CONSIDERATIONS – JUNE 2022**

### **1. APPROVAL OF MAY RECEIPTS AND EXPENDITURES**

The receipts and expenditures for May were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to the Data Processing Expense of \$5,922.04. The Director reported that this expense is higher than usual because much work has been done on the AMC online renewal application project this month. The Director moved on to the Publication & Print Expense of \$4,046.30. According to the Director, this expense contains the January through March copy services bill and part of the SOS appraiser files scanning project. Director Kohtz indicated that expenditures for the month of May totaled \$34,224.82, and the year-to-date expenditures for the fiscal year are \$309,480.34, which amounts to 73.55 percent of the budgeted expenditures for the fiscal year; 91.78 percent of the fiscal year has passed.

The Director turned the Board's attention to revenues. Director Kohtz reported that revenues for May were \$13,461.39, and that the year-to-date revenues for the fiscal year are \$366,042.00, which amounts to 103.61 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 MTD General Ledger for May, specifically, a payment to Secretary of State for Publication & Print Expense. The Director noted that the agency does not normally make payments to the Secretary of State under this object code; this is for the appraiser files scanning project. The Director 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 pointed out the expenditures and revenues for the month of May 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 \$352,621.60, the Appraiser Fund is \$395,969.44, and the overall cash balance for both funds is \$748,591.04. The Director asked for any questions or comments. There was no further discussion.

Board Member Downing moved to accept and file the May 2022 financial reports for audit. Board Member Walkenhorst seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

**2. 23686 – NRPAB Database Supervisor/Trainee Interface Update**

Director Kohtz presented CIO AZURE DevOps User Story 23686 – Supervisor/Trainee Tab Updates to the Board for consideration. The Director informed the Board that database fixes and requests less than \$5,000.00 are typically completed without Board approval as maintenance expenditures under the approved budget; this estimate exceeds that amount. Director Kohtz remarked that the NRPAB database currently has a “Supervisor” tab and a “Trainee” tab. Each tab has its own Communication and Documentation Log. According to the Director, although the original intent was in the right place, staff has found that having two tabs and two different logs is confusing and redundant. This project merges these tabs into one “Supervisory & Trainee” tab, where all information for a real property appraiser’s past and present supervisory real property appraiser(s) and/or trainee real property appraiser(s) would be stored. Director Kohtz indicated that all existing log entries in the Supervisor and Trainee tabs would be saved and moved to the Supervisory & Trainee tab. In addition, functionality would be greatly improved. The Director asked for any questions or comments. With no further discussion, Director Kohtz asked the Board for a vote on the project. Board Member Downing moved to approve funding in the amount of \$6,720.00 for CIO project 23686 – NRPAB Database Supervisor/Trainee Interface Update as presented. Board Member Hermesen seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

**3. PER DIEMS**

Director Kohtz announced that he had planned to make per diem requests on behalf of Board Members Downing and Gerdes for their attendance to an applicant informal conference on June 15, 2022. However, since the strategic planning meeting took place on the same day, they are ineligible to receive a second per diem. Only one per diem payment can be received per day.

**K. GENERAL PUBLIC COMMENTS**

Chairperson Luhrs asked for any public comments. No members of the public were present. With no comments, Chairperson Luhrs moved on to Consideration of Education/Instructor requests.

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

**M. UNFINISHED BUSINESS:** No discussion.

**N. NEW BUSINESS:** No discussion.

**O. LEGISLATIVE REPORT AND BUSINESS**

**1. TITLE 298**

**a. Title 298\_June 10, 2022 Draft**

Director Kohtz presented the June 10, 2022 draft of Title 298 to the Board for consideration, and informed the Board that there are a lot of changes. Director Kohtz indicated that he will break the changes down into specific categories during the review, and will summarize the changes in detail, but will not provide a technical report on each change included in the draft. The Director asked the Board to stop him at any time with questions, concerns, or recommendations, and proceeded with the following changes:

- Director Kohtz remarked that numerous changes are made to the Board's rules for its education program due to the updated Real Property Appraiser Qualifications Criteria effective on January 1, 2022 and the AQB CAP Policies effective on January 1, 2022. The Director noted changes to definitions related to education delivery on pages O.1 and O.2. Next, the Director brought attention to page O.6 and O.7, and informed the Board that changes are made to the requirements for acceptance of a supervisory real property appraiser and trainee course completed in another jurisdiction by allowing these offerings to meet the minimums established in the Real Property Appraiser Qualifications Criteria only, if approved by an acceptable jurisdiction. In addition, distance education will be accepted if approved by any jurisdiction in which an applicant or real property appraiser holds a credential as verified through the Appraiser Registry of The Appraisal Subcommittee instead of their jurisdiction of residency. These changes open up the number of qualified education activities allowed, particularly for synchronous or hybrid education activities, reducing regulatory burden on applicants and credential holders. Director Kohtz informed the Board that the same changes are made for qualifying education found on page O.13, and continuing education on page O.30 and O.31. The Director then guided the Board to the beginning of Chapter 6 on O.36. Director Kohtz informed the Board that a significant number of changes are made to Chapter 6. The majority of the updates align the language in Chapter 6 with the Real Property Appraiser Qualification Criteria effective January 1, 2022 and the CAP Policies effective January 1, 2022. The Director also indicated that Chapter 6 was restructured for clarification. The sections for qualifying education, continuing education, and the supervisory real property appraiser and trainee course included the same language in the general sections. The duplicated language is stricken from these sections and added to the general education section at the beginning.

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Finally, the instructor application section, resubmission of instructor section, and the rescinding of instructor approval section are all stricken in Section 005; only the requirements to be an instructor remain. The instructors are incorporated into the education activity information and will be considered a part of the education activity approval. If the Board receives a complaint about an instructor, it will still have the authority to take action on the approved education activity if needed.

- Next, Director Kohtz brought attention to real property appraisal practice experience obtained for upgrade from licensed residential or certified residential real property appraiser where a supervisory real property appraiser is not required. Although the Real Property Appraiser Qualifications Criteria specifies the requirements for approval of real property appraisal practice experience applied to those applicants upgrading from licensed residential or certified residential, the rules are not clear as to what is required of the relationship between the applicant and the mentor as it pertains to real property appraisal practice experience. The Director began on page O.2 and informed the Board of a new definition for “Real property appraiser in-charge.” This definition is developed to use in Chapter 2 language where clarification is needed. Director Kohtz then guided the Board to page O.14, and pointed out the use of this definition for the significant real property appraisal practice assistance requirements, and the acceptable real property appraisal experience hours requirements. The Director also pointed to the definition’s use in the real property appraisal practice experience log requirements found on page O.16.
- Director Kohtz then moved back to page O.14, and indicated that LB707 gave the Board the authority to accept PAREA in place of traditional real property appraisal practice experience, and the language for the administration of PAREA is added in this draft. The Director indicated that participation in a PAREA program does not apply to Section 002.01 pertaining to real property appraisal practice experience. Director Kohtz then guided the Board to Section 002.08 on page O.15 and presented the requirements for PAREA to be accepted by the Board, which includes how credit is awarded based on what PAREA program is completed by the applicant.
- Director Kohtz reported that, during the last round of changes to Title 298, the Board permanently adopted new application review procedures for all applications but the real property appraiser experience, education, and examination applications. The changes were to permanently implement the procedures that were temporarily adopted during the COVID-19 State of Emergency. The Board adopted Guidance Document 21-02 to carry forward the COVID-19 State of Emergency procedures for experience, education, and examination applications, but the Board was not ready to implement the procedures into the rules at the time the previous draft was developed. This draft includes the permanent implementation of the application review procedures for experience, education, and examination applications adopted during the COVID-19 State of Emergency.

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The Director began on page O.14, and informed the Board that “by the Board” is removed from Section 002.03 to reflect that the Board may not review an applicant’s real property appraisal practice experience for determination of acceptability. Similar changes are found on pages O.15, O.17, O.20, and O.24. Director Kohtz then guided the Board to page O.18, and reported that what was referred to as “two board members” in Guidance Document 21-02 is now referred to as a subcommittee of two board members established by the Director. The newly established subcommittee will also have the authority to authorize the Director to notify the applicant of any appraisal review assignment results and send advisory letters. Finally, the Director presented page O.24 to the Board, which authorizes the Director to approve an applicant to sit for exam if the applicant meets the general, education, and experience requirements.

- Director Kohtz finished his summary of the changes included in this draft by discussing the general clarifications, the ASC State-Offsite Assessment recommendations, updates to the real property appraisal practice experience requirements that align with the language found in the Real Property Appraiser Qualifications Criteria, and general updates to harmonize Title 298 with the LB707 changes. The Director began on page O.15, and informed the Board that the practicum course language is incorporated into Section 002.06 that pertains to non-traditional experience. The language was also expanded to better align with the actual language utilized in the Real Property Appraiser Qualifications Criteria. Many of the areas of acceptable experience are also stricken from Section 002.07 as the Real Property Appraiser Qualifications Criteria specifically says that experience must be in appraisal work conforming to USPAP standards 1-6. Although the stricken items may qualify, they should be part of the real property appraisal practice process in which a report is produced, and this is not currently clear. Director Kohtz also informed the Board that the language, “the Board may accept areas of experience upon demonstration by the applicant that such experience directly relates to training and improvement of skills used in real property appraisal practice” is also stricken. The Director informed the Board that he is unsure of the origin of this language, but that it could be used against the Board if experience is submitted that does not meet the intent of the Real Property Appraiser Qualifications Criteria. As is, this language could put the Board in a tough position where the rules say that the Board may accept such experience, but it would not meet the intent of the Real Property Appraiser Qualifications Criteria. Director Kohtz added that he cannot think of one situation where this rule would allow the use of experience that does not meet the minimum requirements for the acceptance of real property appraisal practice experience. The Director guided the Board to pages O.18 and O.19, and indicated that the last sentence of Section 002.12 and Section 002.16 are stricken and moved to a new Section at the end of Section 002 for clarity and better flow. Director Kohtz then moved to page O.24, and brought attention to the ASC SOA recommendation to change the ASC registry names to the Appraiser Registry and the AMC Registry. This change is also found on pages, O.25, O.27, O.32, O.56, O.68, and O.69.

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On page O.26, the Director informed the Board of a clarification in which “or” is stricken and replaced with “and.” Director Kohtz indicated that this change is made as the requirements in all three sections must be met for the application to be considered a completed application. On page O.28, the Director informed the Board that “and completion date” is stricken from 002.01B, which harmonizes the temporary credential requirements with the changes made in LB707. On page O.29, “prior to” is stricken and “by” is added as evidence of completion of the 7-hour National Uniform Standards of Professional Appraisal Practice Update course may be submitted on December 31. On page O.31, “applicant” is stricken and “real property appraiser” is added to better clarify that 001.10C, which pertains to continuing education requirements, is relevant to those that already hold a credential. “August 31” is stricken, and “June 30” is added in Section 002.01 to reflect current practice for when a credential holder will be notified of selection for a criminal history record check. On page O.52, the fee name is updated to “continuing education activity renewal application fee” in Section 003.04A.2 to harmonize this fee name with that in the Real Property Appraiser Act. Finally, Director Kohtz brought attention to the ASC SOA recommendation to strike the reporting requirements for AMC appraisers for federally regulated AMC. This change is made on page O.70.

Chairperson Luhrs thanked the Director for the hard work it takes to understand the rule drafting process and maintain current, reasonable administrative rules. Director Kohtz acknowledged the Chairperson and stated, “Some years, the changes are small and gradual. Other times, you need to blow the door off – this is one of those years.” The Director asked for any questions or comments about the Title 298 draft. With no comments, the Director reported that the next step is a preliminary review of the draft by the Assistant Attorney General, the Governor’s Policy and Research Office, and the ASC. The Board then will have the opportunity to incorporate any recommended changes before setting a hearing date. Board Member Walkenhorst moved to approve the Title 298\_June 10, 2022 Draft for preliminary review by the Attorney General’s Office, the Governor’s Policy and Research Office, and the Appraisal Subcommittee. Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

**2. OTHER LEGISLATIVE MATTERS:** No discussion.

**P. ADMINISTRATIVE BUSINESS**

**1. GUIDANCE DOCUMENTS:** No discussion.

**2. INTERNAL PROCEDURAL DOCUMENTS:** No discussion.



### **3. FORMS, APPLICATIONS, AND PROCEDURES**

Director Kohtz asked BEPM Duerig to present the Application for Approval as a Qualifying Education Activity in Nebraska, Application for Approval as a Continuing Education Activity in Nebraska, Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska, and the Supplemental Instructor Information for Education Activity Application in Nebraska to the Board for consideration and provide a summary. BEPM Duerig reported that the three education applications include one substantial addition and few minor changes. BEPM Duerig stated that, as a result of the Board's adoption of Guidance Document 22-01, there will no longer be an instructor application for each individual instructor. Instead, the instructor's information will be collected on the activity application. For the qualifying education activity application, this information is collected on page P.5. According to BEPM Duerig, the same information is collected now as it was, except the instructor no longer needs to provide a CV/resume or sign the application. In addition to the instructor information section, more information was added to the affidavit section of the application, or "General Requirements." BEPM Duerig remarked that the affidavit section of each activity application now has more detailed information about the Board's requirements for an education provider's instructor policy. Finally, the Supplemental Instructor Information for Education Activity Application in Nebraska was created if a provider needs to report more than two instructors. BEPM Duerig indicated that the majority of providers have one or two instructors per activity. Director Kohtz asked for any questions or comments about the education applications. With 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 Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska, and Supplemental Instructor Information for Education Activity Application in Nebraska as presented. Board Member Gerdes seconded the motion. Chairperson Luhrs recognized the motion and asked for any discussion. With no discussion, Chairperson Luhrs asked for a vote. The motion carried with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

### **Q. OTHER BUSINESS**

#### **1. BOARD MEETINGS:** No discussion.

#### **2. CONFERENCES/EDUCATION**

##### **a. Kohtz Spring AARO Conference Report**

Director Kohtz reported that he attended the Spring AARO Conference in San Antonio, Texas from May 13th through the 15th. The Director provided a detailed summary of the conference for the board members to review, and noted the following highlights:

- The ASC has developed a new seal, logo, and website.
- COVID-19 is still having an impact on the ASC's ability to conduct compliance reviews. The ASC is still conducting State Off-site Assessments (SOA), which have been taking place since the COVID-19 pandemic started. The ASC reported that a lot of turnover has occurred in the states since the beginning of COVID-19; approximately 50%.

- The ASC reported that its grant program has been very successful. However, due to COVID-19, the number of states applying has been lower than expected. \$4.1 million in grants have been allocated.
- The ASC has increased its attention to racial bias/equity concerns as it understands the pressure the industry is under. HUD and EEOC is investigating incidents. The ASC has also held roundtables, participated in the PAVE Task Force, conducted Census/Surveys, and completed USPAP and Criteria review. According to the ASC, many legislative bills have been introduced, but it is unclear as to the outcome of any of them.
- According to the ASC, the GAO Report of Federal Appraisal Exemptions shows that only 80% of transactions require an appraisal, but 87% of transactions include an appraisal.
- The Appraisal Foundation reported that its monthly newsletter continues to be well received. TAF also has a weekly podcast in place to answer questions from every corner of the industry.
- TAF is offering PAREA Scholarships to overcome some of the issues the appraisal profession is facing, and partnering with corporate America to bring more appraisers to the industry.
- As a result of the PAVE Report, TAF is completing a comprehensive review of the Ethics Rule; retaining Relman Colfax for study; advocating for residential equity; emphasizing the importance of building a well-trained, accessible, and diverse appraiser workforce; hired a consultant to evaluate the membership of the three boards; and incorporated diversity training as a part of TAF ongoing programs.
- TAF's report on AVMs examines the current generation of AVMs used in housing and makes recommendations on potential standards for AVMs going forward.
- A presentation was given on the Real Property Appraiser Qualifications Criteria effective January 1, 2022.
- A presentation was given on the proposed changes in the third exposure draft of the 2023 USPAP.
- HUD reported that Fair Housing Assistance Agencies are located all over the country and can assist with HUD investigations, and provided a detailed summary of the PAVE Action Plan.
- Fannie Mae provided a brief summary of its purpose, discussed the modernization of appraisals. Fannie Mae reported that last year was the highest appraisal volume ever; however, as appraisal volume increases, the number of real property appraisers has remained the same.

- Fannie Mae discussed the standards adopted by reference (Appraiser Independence Requirements, ANSI standard Z765-2021, Uniform Appraisal Dataset, Uniform Standards of Professional Appraisal Practice), and indicated that they will be implementing data, model, technology driven solutions with considerations given to appraisal waivers, and appraiser-dependent solutions.
- Fannie Mae summarized the Uniform Appraisal Dataset (UAD) and Forms Redesign. Future information will be captured to support Highest and Best Use. More specific information will be incorporated for prior sales and transfers for both subject and comparables. Prior services will be moved to certifications. Quality and condition ratings will include both interior and exterior conditions.
- Fannie Mae finished its presentation by summarizing its Appraiser Quality Monitoring (AQM) program. It utilizes four options to provide appraisers and industry feedback.
  - State Tips – Appraisal sent to state regulatory agencies due to Loan Quality Center Defects/repurchase (lender must repurchase the loan back). Both lender and Fannie Mae must agree that appraisal is defective for a State Tip to be sent.
  - State Referral – Formal complaint to state regulatory agencies based on the identification of egregious appraisal issues.
  - AQM List – Notice sent to appraiser and lending partner that appraisal from the identified appraiser will be reviewed in the post-acquisition file review process or that Fannie Mae will no longer accept loans with appraisal completed by the specific appraiser.
  - Appraiser Letter – Letter to inform appraiser of appraisal issues identified.
- Another summary of the PAVE Report was provided with an open discussion.
- A presentation was made on board member, staff, and contractor complaints. Specifically, complaints against sitting members, liability of a board member and staff members when the board is sued, quorum matters, and general dos and don'ts of board and staff communication were discussed.
- A presentation was given on the Course Approval Program Policies effective January 1, 2022.
- Anti-occupational lobby/legislation, ASC State Offsite Assessments, Bias/Diversity Complaints, AMC panel fees, Fannie Mae Complaints, and Staffing Issues were discussed at the Executive Directors and Administrators open discussion.
- A presentation was made on data security. A brief summary of the State of Washington data breach was included. The system was taken offline within twenty-four hours after suspicious activity detected. The breach affected forty-four professions, fifty to fifty-five staff members, and potentially 650,000 individuals. The state utilized cyber liability insurance to open a temporary call center.

- A presentation was given on appraisal ghosting, public trust, and State Regulators. Ghosting occurs when an appraiser accepts an assignment then disappears. According to the presenter, ghosting violates public trust and is harmful to consumers, real property appraisers, AMCs, financial institutions, and the public.
- A presentation was given on PAREA programs, and TAF PAREA policies and procedures.
- The Appraisal Institute reported that it was awarded a Pathway to Success Grant through the ASC for PAREA development, the A.I. BOD approved PAREA development in September, A.I. is collaborating with partners to hit predetermined milestones, and the framework development is underway and on schedule for September 2023 premiere.

Director Kohtz asked for any questions or comments. There was no further discussion. Chairperson Luhrs thanked Director Kohtz for his report.

**3. MEMOS FROM THE BOARD:** No discussion.

**4. QUARTERLY NEWSLETTER:** No discussion.

**5. APPRAISAL SUBCOMMITTEE**

**a. ASC 2021 Annual Report**

Director Kohtz presented the ASC 2021 Annual Report to the Board for review, and reported that he had no specific comments. The Director asked for any questions or comments. There was no discussion.

**b. ASC Quarterly Meeting; September 14, 2022**

Director Kohtz reported that the ASC Quarterly Meeting would be held on September 14, 2022. The Director asked for any questions or comments. There was no discussion.

**c. CLEAR Request for Information for Data Development – Due June 24, 2022**

Director Kohtz presented the Council on Licensure, Enforcement & Regulation Request for Information for Data Development to the Board for review. The Director reported that he did not plan on the Board's participation, and asked the Board for feedback or questions. There was no discussion.

**d. ASC March 9, 2022 Meeting Minutes**

Director Kohtz presented the ASC March 9, 2022 meeting minutes to the Board for review. The Director remarked that he had no comments, and asked for any questions or comments. There was no discussion.

**6. THE APPRAISAL FOUNDATION**

**a. TAF June Newsletter**

Director Kohtz presented the TAF June Newsletter to the Board for review. The Director stated that he had no specific comments, and asked for any questions or comments. There was no discussion.

**b. TAF Seeks Candidates for the AQB and ASB**

Director Kohtz reported that TAF is seeking candidates for the AQB and ASB, if any board members are interested. The Director asked for any questions or comments. There was no discussion.

**c. AQB Public Meeting: October 20, 2022 – Virtual**

Director Kohtz reported that the AQB Public Meeting would be held virtually on October 20, 2022. The Director asked for any questions or comments. There was no discussion.

**d. Appraiser Qualifications Board Q&As Regarding PAREA Mentors**

Director Kohtz presented a publication of the Appraiser Qualifications Board of Q&As regarding PAREA mentors to the Board for review. The Director indicated that this information was directed towards providers of PAREA programs rather than state regulators, and asked for any questions or comments. There was no further discussion.

**7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS**

**a. AARO Quarterly Update – 6.1.2022**

Director Kohtz presented the AARO Quarterly Update dated June 1, 2022 to the Board for review, and reported that he had no specific comments. The Director asked for any questions or comments. There was no discussion.

**8. IN THE NEWS:** No discussion.

**C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER**

The Board reviewed CR22004 and CG22009. Chairperson Luhrs asked for motions on CR22004 and CG22009.

Board Member Walkenhorst moved to take the following action:

**CR22004 / Provide redacted copy of two USPAP Compliance Review Reports and request written response to USPAP Compliance Review Reports by July 8, 2022.**

Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and called for a vote. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

Board Member Walkenhorst moved to take the following action:

**CG22009 / Request that applicant complete additional agricultural-based education in 1) cost approach for general appraiser, 2) sales comparison approach for general appraiser, and 3) income approach for general appraiser offered by an education provider with an expertise in agricultural appraisal. Upon completion of the education, reappraise the Antelope County, Nebraska report demonstrating all three approaches to value and market supported adjustments with a current date. Submit evidence of completed education and non-traditional report no later than June 16, 2023.**

Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and called for a vote. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

**D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY**

The Board reviewed NE2020003. Chairperson Luhrs asked for a motion for NE2020003.

Board Member Walkenhorst moved to take the following action:

**NE2020003 / Approve renewal of registration as appraisal management company. Issue written advisory reminding applicant of the importance of answering questions correctly on an application.**

Board Member Downing seconded the motion. Chairperson Luhrs recognized the motion and called for a vote. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye.

**E. CONSIDERATION OF COMPLIANCE MATTERS:** No discussion.

**F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS:** No discussion.

**R. ADJOURNMENT**

Board Member Downing moved to adjourn the meeting. Board Member Gerdes seconded the motion. Motion carried with Walkenhorst, Downing, Gerdes, Hermesen, and Luhrs voting aye. At 10:53 a.m., Chairperson Luhrs adjourned the June 16, 2022 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on June 25, 2022, in compliance with Nebraska Revised Statute § 84-1413 (5).