

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

August 17, 2023 Meeting Minutes

A. OPENING

Chairperson Walkenhorst called to order the August 17, 2023 meeting of the Nebraska Real Property Appraiser Board at 9:00 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 Walkenhorst 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 August 9, 2023. 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/). A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermsen of Gretna, Nebraska were present. Thomas Luhrs of Imperial, Nebraska was absent and excused. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Kashinda Sims, who are headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

Chairperson Walkenhorst 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 Gerdes seconded the motion. With no further discussion, the motion carried with Downing, Gerdes, Hermsen, and Walkenhorst voting aye.

Board Member Downing 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 Gerdes seconded the motion. The time on the meeting clock was 9:03 a.m. The motion carried with Downing, Gerdes, Hermsen, and Walkenhorst voting aye.

Board Member Downing moved to come out of executive session at 9:58 a.m. Board Member Hermesen seconded the motion. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

Break from 9:58 a.m. to 10:03 a.m.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Walkenhorst welcomed all to the August 17, 2023 meeting of the Nebraska Real Property Appraiser Board and thanked everyone for attending. The Chairperson recognized Roger Morrissey as the only member of the public in attendance.

H. BOARD MEETING MINUTES

1. APPROVAL OF JULY 20, 2023 MEETING MINUTES

Chairperson Walkenhorst asked for any additions or corrections to the July 20, 2023 meeting minutes. With no discussion, Chairperson Walkenhorst called for a motion. Board Member Downing moved to approve the July 20, 2023 meeting minutes as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst 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 August 17, 2023 to the Board for review. The Director indicated that trends are stable and that he had no specific comments. The Director asked for any questions or comments. There was no discussion.

b. Temporary Real Property Appraiser Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of July 31, 2023 to the Board for review. The Director indicated that he had no specific comments on this report and the trends are stable. The Director 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 August 17, 2023 to the Board for review. The Director stated that the trends are stable on this report and asked for any questions or comments. There was no discussion.

d. Appraisal Management Company Report

Director Kohtz presented two charts outlining the number of AMCs as of August 17, 2023 to the Board for review and commented that the number of AMCs declined during the last month, likely resuming the downward trend. The Director asked for any questions or comments. There was no further 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 July 12, 2023 and August 8, 2023. The Director asked for any questions or comments. 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 activity and instructors approved by the Director for the period between July 12, 2023 and August 8, 2023. The Director asked for any questions or comments. There was no further discussion.

3. 2023-24 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

Director Kohtz presented the 2023-24 NRPAB Goals and Objectives and SWOT Analysis to the Board for review and provided a status update. The Director brought attention to the Laws, Rules, and Guidance Documents section and reported that the first draft of changes to the Real Property Appraiser Act and the AMC Registration Act will be presented at this meeting. Director Kohtz then guided the Board to the Personnel section and informed the Board that the position description for the new Business Programs Manager is to be presented at this meeting for the Board's approval to hire a third teammate. The Director indicated that he had no additional comments and asked for any questions or comments. Chairperson Walkenhorst asked if there was any additional information to be covered in the 2023-24 SWOT Analysis. Director Kohtz responded by saying that he does not typically cover the SWOT Analysis unless something specific needs to be brought to the Board's attention. Chairperson Walkenhorst thanked the Director for the report. There was no further discussion.

J. FINANCIAL REPORT AND CONSIDERATIONS

1. APPROVAL OF JULY RECEIPTS AND EXPENDITURES

The receipts and expenditures for July were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to the Workers Comp Premiums Expense of \$1,546.00, the Acctg & Auditing Services Expense of \$1,128.00, and the Purchasing Assessment Expense of \$29.00 and reported that these expenditures are for various Department of Administrative Service assessments charged to the agency on an annual basis. Director Kohtz then brought attention to the Data Processing Expense of \$6,111.76 and reported that this includes the final Online AMC Renewal Application and Interface Project expenditure. The Director then reported that the expenditures for the month of July totaled \$33,268.20, which amounts to 7.68 percent of the budgeted expenditures for the fiscal year; 8.49 percent of the fiscal year has passed.

The Director then turned the Board's attention to revenues and reported that the real property appraiser renewal revenues, specifically for the certified general classification in the amount of \$5,225.00, and for the certified residential classification in the amount of \$3,575.00, are strong for the first month of the new fiscal year. For the month of July, the total revenues were \$20,215.21, which amounts to 5.53 percent of the projected revenues for the fiscal year. The Director reiterated that 8.49 percent of the fiscal year has passed. Director Kohtz asked for any questions or comments. Chairperson Walkenhorst asked if the addition of a new employee would affect worker's comp assessment. Director Kohtz responded that for this year and next year there will not be a change as the assessment amount is determined for the biennium. However, the assessment will be figured for four agency teammates instead of three for the next biennium. Chairperson Walkenhorst thanked the Director for the information. There was no further discussion.

Director Kohtz then brought attention to the MTD General Ledger Detail report for the month of July and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz presented four graphs showing expenses, revenues, and cash balances. The Director again noted the expenditures and revenues for the month of July for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director reported that the Real Property Appraiser Fund expenses totaled \$19,955.68, the Real Property Appraiser Fund revenues totaled \$14,950.78, the AMC expenses totaled \$13,312.52, and the AMC fund revenues totaled \$5,264.43. Director Kohtz remarked that the cash balance for the AMC fund is \$322,325.40, the Appraiser Fund is \$410,060.88, and the overall cash balance for both funds is \$732,386.28 as of the end of July.

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

2. OFFICE WORKSTATION REMODEL

Director Kohtz presented a Memo to the Board regarding the Office Workstation Remodel project and reported that at its regular meeting on July 20, 2023, the Board approved funding for this project in the amount of \$1,154.00, which included \$400.00 for labor to complete the reconfiguration as estimated by the State of Nebraska Buildings Division, and an additional \$100.00 contingency. The State of Nebraska Buildings Division awarded the contract for this work to Office Innovations in the amount of \$900.00. The Director requested approval for funding in the amount of \$400.00 be transferred from Other Operating Expenses (559100) to Other Contractual Services (554900) to account for the difference between the Board's July approval for labor and the awarded contract.

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Board Member Downing moved to approve request for funding in the amount of \$400.00 to be transferred from Other Operating Expenses (559100) to Other Contractual Services (554900) to account for the difference between the Board's July approval for labor and the awarded contract. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst 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 Walkenhorst asked for any public comments. Roger Morrissey introduced himself and informed the Board that he is a representative of Realcorp, Inc. from Omaha, Nebraska. Morrissey requested that larger print be utilized for 2023-24 Goals and Objectives + SWOT Analysis document in the public folder. BLPM Nespor offered to send a full-size copy to Morrissey for review through email. Morrissey responded that this would not be necessary and that he would just like to see larger print used in the future. Director Kohtz informed Morrissey that the document will be printed in full size in the future. Morrissey also reported that he wished to comment on the Section L agenda item when appropriate. Chairperson Walkenhorst thanked Morrissey for his comments, and asked for any additional public comments. With none, the Chairperson moved to Consideration of Education/Instructors Requests.

L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS

1. NEW APPLICATION FOR APPROVAL AS A CONTINUING EDUCATION ACTIVITY

BEPM Sims presented a memo to the Board for review regarding an Application for Approval as a Continuing Education Activity in Nebraska titled, "2023 Commercial Real Estate (CRE) Summit." Sims reported that the Breakout Sessions #4 and #10, as described on the timed outline, do not appear to meet the requirements as specified in 298 NAC Chapter 6, § 003.01A(5), which indicates that any continuing education activity must contribute to a credential holder's development of real property appraiser related skill, knowledge, and competency in communication. BEPM Sims further explained that, based on the summaries provided, these breakout sessions appear to be general networking concepts. Director Kohtz recommended that the activity should be approved for 4 hours as requested by the provider, with the exception of Breakout Sessions #4 and #10, as there are multiple options for attendance during each session. Board Member Hermesen asked how this would be regulated. Director Kohtz responded that it is the education provider's responsibility to present the education activity as approved by the Board; however, there is no way for the Board to know if credit is awarded to a real property appraiser for participating in Breakout Sessions #4 or #10, unless the education provider monitors attendance by each specific breakout session. BEPM Sims added that the approval letter sent to the education provider would clearly state that the breakout sessions are not included in the approval.

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Public member Roger Morrissey requested permission to speak. Permission was granted by Chairperson Walkenhorst. Morrissey proceeded to ask if the Real Estate Commission follows the same administrative code. The Director responded that it does not. Morrissey then expressed surprise that more real property appraisers do not attend conferences like this. Morrissey indicated that an abundance of knowledge and experience is combined in one location, which is not an opportunity to pass up; the CRE Summit is a worthwhile event. Chairperson Walkenhorst thanked Morrissey for his comments. Board Member Downing moved to approve the activity 2231483.14 titled, "2023 Commercial Real Estate (CRE) Summit" for four hours, excluding Breakout Sessions #4 and #10. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no further discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

M. UNFINISHED BUSINESS

1. OPEN AT-LARGE LICENSED REAL ESTATE BROKER POSITION

Director Kohtz informed the Board that he had no updates for the open At-Large Licensed Real Estate Broker position. There was no further discussion.

2. FBI AUDIT

Director Kohtz presented the Noncriminal Justice Audit Nebraska Report showing the Board's compliance with the CHRC requirements to the Board for review. The Director informed the Board that this year's FBI audit followed a different format than in years past. A questionnaire was completed for the Nebraska State Patrol, and an in-person meeting took place with the NSP to discuss the questionnaire and for them to gather additional information regarding the Board's CHRC program. The NSP then presents their findings to the FBI, who then decides if an agency must have a full audit with the FBI or not. The Board was found to be in compliance with all CHRC requirements and no additional audit by the FBI will take place. Chairperson Walkenhorst asked if there were federal agents involved with the State Patrol's audit. The Director responded that no FBI agents were involved with the Board's review this year. BLPM Nespor stated that three years ago, the Board's audit was conducted by an FBI agent. BLPM Nespor also added that a new memorandum between the NSP and the agency will need to be executed, and the NSP also provided updated training materials for staff to use. Chairperson Walkenhorst congratulated the staff on a job well done. The Director asked for any questions or comments. There was no further discussion.

N. NEW BUSINESS

1. NEW ASSISTANT ATTORNEY GENERAL ASSIGNMENT – JOHN JELKIN

Director Kohtz reported that John Jelkin has been assigned to the Board as its new Assistant Attorney General.

2. BUSINESS PROGRAMS MANAGER POSITION

Director Kohtz presented the State of Nebraska Department of Administrative Services Personnel Division's classification decision letters, along with the position descriptions, for the Board's three positions to the Board for review. The Director reported that the classification of the new Business Programs Manager position is established as A19011, Accountant 1. Director Kohtz informed the Board that he requested that this position be classified as Administrative Specialist due to the variety of duties, which fits the Administrative Specialist classification better than the specific Accountant 1 classification. The Director brought attention to the two classification decision letters for this position and indicated that his efforts were not successful. Director Kohtz then guided the Board to the position descriptions for the Business Programs Manager, Licensing Programs Manager, and the Education Program Manager positions, and informed the Board that these are the final position descriptions after completion of the classification review process. The Director asked for any questions or comments. Chairperson Walkenhorst reported to the Board that he has had a few conversations with the Director regarding his frustrations with the classification review process, and indicated that DAS Personnel may not fully understand that absolute flexibility is needed between the agency positions to ensure efficient and effective operations. Director Kohtz agreed with this and added that Personnel does not understand, and had no interest in, the amount of overlap that occurs on a daily basis between the positions. According to the Director, Personnel believes that the duties for each position should be specifically defined separate from any other position. The Director added that this concept may work for large agencies, but it does not work for the Board. Director Kohtz remarked that he is glad this process is over and requested that the Board consider approving the hiring of another agency teammate. Board Member Downing moved to approve the hiring of an additional employee for the Business Programs Manager position. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

O. LEGISLATIVE REPORT AND BUSINESS

1. NEBRASKA REAL PROPERTY APPRAISER ACT_DRAFT AUGUST 8, 2023

Director Kohtz presented the updated Nebraska Real Property Appraiser Act draft to the Board for consideration. The Director summarized the August 8, 2023 draft and brought attention to the following changes:

- On page O.5, Neb. Rev. Stat. §76-2213.04 is added to define "personal inspection." The Director noted that personal inspection is a defined term in USPAP. Only those terms that are utilized in the Real Property Appraiser Act are added from USPAP. "Personally inspecting" was changed to "Conducting a personal inspection" on page O.18 of the draft to utilize the new defined term to ensure that the intent is the same between USPAP and the Real Property Appraiser Act.
- On page O.8, the definition of workfile is amended to incorporate the updated definition in USPAP in N.R.S. § 76-2219.02.

- On page O.9, “real property appraisal” is added between “of” and “practice” for clarification in N.R.S. § 76-2221(9). The defined term “real property appraisal practice” is utilized for the scope. The Director informed the Board that “real property appraisal” is added to any place throughout the Real Property Appraiser Act where “practice” is found.
- On page O.14, N.R.S. § 76-2228.01(1)(b) is stricken to remove the post-secondary education requirement for the trainee real property appraiser classification in response to the PAVE Action Plan dashboard results for the State of Nebraska. This change was also made to the licensed residential classification. BLPM Nespor asked if the nineteen years of age requirement is Nebraska specific. The Director remarked that he is unsure. BLPM Nespor commented that the Real Property Qualifications Criteria does not mention an age requirement. Director Kohtz asked if the Board has an opinion on this. The Board Members agreed that there was no opinion presently. Chairperson Walkenhorst recommended that the language remain in place unless it becomes an issue.
- On page O.15, Neb. Rev. Stat. §76-2228.01(1)(b)(i) was split to subdivisions (A) and (B). (A) refers to the class hour requirement prior to January 1, 2026, and indicates that an applicant as a trainee real property appraiser is required to have successfully completed no fewer than 75 hours class hours in Real Property Appraiser Board-approved qualifying education. (B) refers to the class hour requirement as of January 1, 2026, and indicates that an applicant as a trainee real property appraiser must have successfully completed no fewer than 83 hours in Real Property Appraiser Board-approved qualifying education. This change is to incorporate the updated Real Property Appraiser Qualifications Criteria that go into effect on January 1, 2026 and adds additional education in valuation bias and fair housing laws, and is also made to N.R.S. §§ 76-2230, 76-2231.01, and 76-2232 as specified in the Criteria. Chairperson Walkenhorst inquired about the use of “Before” and “As of” used to start each subdivision. The Director stated that the bill drafters will use standard language, so the exact wording is not yet important. Chairperson Walkenhorst referenced page O.21, where the language states a “Before” and “After.” Director Kohtz acknowledged this difference and informed him that he will discuss it with the Committee legal counsel when an REQ is being drafted. Chairperson Walkenhorst thanked the Director.
- On page O.16, N.R.S. § 76-2228.01(3)(b) was updated to change the time required to complete the examination from twelve months to twenty-four months after approval to sit for examination, and to add language allowing the successful completion of the examination to be valid for twenty-four months. This change is made in to N.R.S. §§ 76-2230, 76-2231.01, and 76-2232 in response to the PAVE Action Plan dashboard results for the State of Nebraska.

- On page O.18, as previously mentioned, “personally inspecting” was changed to “conducting a personal inspection” in N.R.S. § 76-2228.02(2)(c). Board Member Gerdes asked if the Real Property Appraiser Act should include language regarding supervisory real property appraiser competency. Director Kohtz responded that the supervisory real property appraiser competency is established in USPAP, which says an appraiser must be competent.
- On page O.22, the scope of real property appraiser practice in N.R.S. § 76-2230(6) is updated to include market value where no transaction takes place. This language mirrors that in the Real Property Appraiser Qualifications Criteria.
- On page O.28, “National” is stricken and “Appraiser” is added as requested by the Appraisal Subcommittee during the 2022 SOA. This change is made throughout the Real Property Appraiser Act.
- On page O.29 and O.30, the language pertaining to random criminal history record checks for real property appraisers at renewal is removed from N.R.S. § 76-2233.02 as discussed during strategic planning.
- On page O.31, “seven-hour National Uniform Standards of Professional Appraisal Practice Update Course” is changed to “seven-hour National Uniform Standards of Professional Appraisal Practice Continuing Education Course” and “seven-hour” is stricken from “seven-hour instructor recertification course” language as required in the Real Property Appraiser Qualifications Criteria. Public Member Roger Morrissey requested permission to speak. Chairperson Walkenhorst granted Morrissey permission to speak. Morrissey asked if the hours for recertification would count towards the USPAP update requirement. The Director responded that it will once the change goes into effect. Morrissey asked if the class that he took for instructor recertification would count. Director Kohtz informed Morrissey that it would not as it is not seven-hours, which is what is currently required. Director Kohtz also brought attention to the last sentence in N.R.S. § 76-2236(2) and informed the Board that “if applicable” is added between “examination” and “as” because an exam is not a requirement of the instructor recertification course.
- On page O.32, Director Kohtz informed the Board that N.R.S. § 76-2236(6) and (7) are combined into one statute pertaining to the acceptance of qualifying education as continuing education. This change is made to simplify the language and allows any qualifying education activity successfully completed by a credential holder to qualify as continuing education.
- Also on page O.32, language is added to include a valuation bias and fair housing laws course as part of the continuing education requirements for each credential holder as required in the updated Real Property Appraiser Qualifications Criteria that go into effect on January 1, 2026.

- On page O.36 and O.37, the credential application fee is changed from one hundred fifty to two hundred dollars, the initial and renewal credentialing fee is increased from three hundred to three hundred fifty dollars, the temporary credential application fee is increased from one hundred to one hundred fifty dollars, and the temporary credentialing fee is increased from fifty to one hundred dollars in N.R.S. § 76-2241. Director Kohtz remarked that these changes are moving the limits that could be charged for fees up, not establishing higher fees. The actual fees charged are included in Title 298 and are established by the Board. The Director added that, as discussed during strategic planning, he doesn't anticipate a fee increase for a couple of years, but as he worked through this draft, it seemed like a good idea to include the limit increases now as it is not clear when the Board will be opening up the Real Property Appraiser Act again since the Real Property Appraiser Qualifications Criteria recently adopted does not go into effect until 2026 and USPAP will no longer be published on a schedule. Chairperson Walkenhorst asked if this would authorize the Board to vote on a fee increase. The Director responded that such vote could take place anytime; this language change gives the Board a broader range to consider when making that decision. Chairperson Walkenhorst asked if N.R.S. § 76-2241(1) could be changed from "shall" to "may" to give the Board more flexibility. Director Kohtz said that this change could be made. Board Member Gerdes pointed out that this is not a requirement, but that each individual statute says, "up to." Chairperson Walkenhorst agreed that this alleviates his concern. BLPM Nespor expressed that since the Board is a fee-supported agency, it is required to charge fees that cover expenses. Director Kohtz asked for any questions or comments. Board Member Hermesen asked if the fee limit changes are arbitrary numbers. Director Kohtz responded that the language changes increase the limit that the Board could charge for each fee; there was no analysis or mathematical reasoning for the limit increased. Board Member Hermesen asked if the temporary application and credential fee limits could be increased by more. Hermesen indicated that he would prefer any increase be pushed more to the temporary credentials. Director Kohtz informed the Board that there is a federal limit of \$250.00 for temporary credentialing fees, but that he would have to ask Policy Manager Tidwell if the application fee and the credentialing fee together would be included in that limit, or if it would only apply to the actual credentialing fee. All board members agreed with this idea. Director Kohtz asked the Board if it had a specific number in mind. Board Member Downing suggested that the Director should reach for the maximum amount. Board Members Gerdes and Hermesen agreed. Director Kohtz stated that he will contact Policy Manager Tidwell this afternoon and will adjust the draft as needed during the REQ development process.
- On page O.39, the effective and expiration dates for credentials is added to the directory of appraisers information in N.R.S. § 76-2249. Director Kohtz explained that the directory information is very specific and the effective date and expiration dates would be added to once again save work by the staff as public records requests are often made that include reporting the effective and expiration date of a credential. BLPM Nespor added that a field would need to be added to the website to display credential information. The Director was asked if the effective date would be the initial date of credentialing or the effective date of the current credentialing period. Director Kohtz responded that this is a good question as he has not thought that far ahead yet.

Director Kohtz informed the Board that he has covered all of the information in this draft and the next step is to work with the Banking, Commerce, and Insurance Committee Legal Counsel to develop an REQ draft for public review once approved by the Board. Board Member Downing moved to approve the Nebraska Real Property Appraiser Act draft as presented and authorize Director Kohtz to work with the Committee legal counsel to prepare a requisition draft. Board Member Gerdes seconded. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

2. NEBRASKA APPRAISAL MANAGEMENT COMPANY REGISTRATION ACT_DRAFT JULY 26, 2023

Director Kohtz presented the updated Nebraska Appraisal Management Company Registration Act draft to the Board for consideration. The Director summarized the July 26, 2023 draft and brought attention to the following changes:

- On page O.40, “National” is stricken before “Registry” in N.R.S. § 76-3202 and “Final” is stricken between “AMC” and “rule” as requested by the Appraisal Subcommittee during the 2022 SOA. This change is made throughout the Appraisal Management Company Registration Act.
- On page O.42, January 1, 2019 changed to January 1, 2024 in N.R.S. § 76-3202(17(a)). This is a general date updated.
- On page O.43, the definition for “real property appraiser” is added. Real property appraiser is currently referenced in the Appraisal Management Company Registration Act and added to N.R.S. § 76-3207(1)(a) on O.47 for clarification. Real property appraiser is different from AMC appraiser. The added definition is the same as in the Real Property Appraiser Act.
- On page O.47, the renewal registration fee is changed from one thousand five hundred to two thousand dollars in N.R.S. § 76-3206(1)(c). Director Kohtz once again remarked that this change moves the limit that could be charged for this fee up, but does not establish a higher fee. The Director reiterated that the actual fee charged is included in Title 298 and are established by the Board. The Director added that he used the same reasoning to increase this fee limit that was used during review of the Real Property Appraiser Act.
- On page O.47 and O.48, N.R.S. § 76-3207 is amended so that any owner of more than ten percent of an appraisal management company that has previously completed a CHRC for the purpose of AMC ownership will not be required to complete additional CHRCs for the same purpose. A CHRC is still carried out for any new owner of more than ten percent of an appraisal management company, as identified by the Board, or at the time application for renewal of a registration as an appraisal management company is made.

- On page O.48, N.R.S. § 76-3209 is stricken as it is duplicate language now found under the Appraiser panel language. This language should have been removed when the AMC Rule language was implemented.
- On page O.49, N.R.S. § 76-3211 is stricken as it is duplicate language now found under the Appraiser panel language. This language should have been removed when the AMC Rule language was implemented.
- On page O.52, language is added for board member, board employee, and contractor civil and criminal immunity. This language is the same as that in the Real Property Appraiser Act.

Director Kohtz informed the Board that he has covered all of the information in this draft, and once again the next step is to work with the Banking, Commerce, and Insurance Committee Legal Counsel to develop an REQ draft for public review once approved by the Board. Board Member Downing moved to approve the Nebraska Appraisal Management Company Registration Act draft as presented and authorize Director Kohtz to work with the Committee legal counsel to prepare a requisition draft. Board Member Gerdes seconded. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

P. ADMINISTRATIVE BUSINESS

1. GUIDANCE DOCUMENTS: No discussion.

2. INTERNAL PROCEDURAL DOCUMENTS: No discussion.

3. FORMS, APPLICATIONS, AND PROCEDURES:

a. Real Property Appraiser Document Updates

i. Application for Nebraska Certified General Real Property Appraiser Credential

BLPM Nespor presented the updated document titled, "Application for Nebraska Certified General Real Property Appraiser Credential" to the Board for consideration. BLPM Nespor guided the Board through the changes and informed the Board of the updates for implementation of the Title 298 changes that became effective on June 5, 2023. BLPM Nespor brought attention to changes made at the request of the Appraisal Subcommittee.

ii. Application for Nebraska Certified Residential Real Property Appraiser Credential

BLPM Nespor presented the updated document titled, "Application for Nebraska Certified Residential Real Property Appraiser Credential" to the Board for consideration. BLPM Nespor guided the Board through the changes and informed the Board of the updates for implementation of the Title 298 changes that became effective on June 5, 2023.

- iii. Application for Nebraska Licensed Residential Real Property Appraiser Credential**
BLPM Nesor presented the updated document titled, “Application for Nebraska Licensed Residential Real Property Appraiser Credential” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023.
- iv. Application for Inactive Status of Nebraska Real Property Appraiser Credential**
BLPM Nesor presented the updated document titled, “Application for Inactive Status of Nebraska Real Property Appraiser Credential” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023.
- v. Application for Nebraska Real Property Appraiser Credential through Reciprocity**
BLPM Nesor presented the updated document titled, “Application for Nebraska Real Property Appraiser Credential through Reciprocity” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023.
- vi. Application for Nebraska Trainee Real Property Appraiser Credential**
BLPM Nesor presented the updated document titled, “Application for Nebraska Trainee Real Property Appraiser Credential” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023.
- vii. Applicant Real Property Appraiser Practice Experience Log Cover Sheet**
BLPM Nesor presented the updated document titled, “Applicant Real Property Appraiser Practice Experience Log Cover Sheet” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023. BLPM Nesor reported that the limits on non-traditional experience have been removed, the report types have been updated, and various procedural changes implemented.
- viii. Applicant Real Property Appraisal Practice Experience Log**
BLPM Nesor presented the updated document titled, “Applicant Real Property Appraisal Practice Experience Log” to the Board for consideration. BLPM Nesor guided the Board through the changes and informed the Board of the updates to implement the Title 298 changes that became effective on June 5, 2023.

BLPM Nespor asked for any questions or comments on any of the documents presented. Board Member Downing moved to approve the Application for Nebraska Certified General Real Property Appraiser Credential, Application for Nebraska Certified Residential Real Property Appraiser Credential, Application for Nebraska Licensed Residential Real Property Appraiser Credential, Application for Inactive Status of Nebraska Real Property Appraiser Credential, Application for Nebraska Real Property Appraiser Credential through Reciprocity, Application for Nebraska Trainee Real Property Appraiser Credential, Applicant Real Property Appraiser Practice Experience Log Cover Sheet, and Applicant Real Property Appraisal Practice Experience Log as presented. Board Member Gerdes seconded. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

b. Education Document Updates

i. Application for Approval as a Qualifying Education Activity in Nebraska

BEPM Sims presented an updated document titled, "Application for Approval as a Qualifying Education Activity in Nebraska" to the Board for consideration. BEPM Sims summarized the updates to implement the Title 298 changes that became effective on June 5, 2023, and noted that with the Title 298 changes, there were a large number of edits made to this application.

ii. Application for Approval as a Continuing Education Activity in Nebraska

BEPM Sims presented an updated document titled, "Application for Approval as a Continuing Education Activity in Nebraska" to the Board for consideration. BEPM Sims summarized the updates to implement the Title 298 changes that became effective on June 5, 2023, and noted that with the Title 298 changes, there were a large number of edits made to this application.

iii. Application for Renewal as a Continuing Education Activity in Nebraska

BEPM Sims presented an updated document titled, "Application for Renewal as a Continuing Education Activity in Nebraska" to the Board for consideration. BEPM Sims summarized the updates to implement the Title 298 changes that became effective on June 5, 2023, and noted that with the Title 298 changes, there were a large number of edits made to this application.

iv. Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska

BEPM Sims presented an updated document titled, "Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska" to the Board for consideration. BEPM Sims summarized the updates to implement the Title 298 changes that became effective on June 5, 2023, and noted that with the Title 298 changes, there were a large number of edits made to this application.

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, and Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska as presented. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermsen, and Walkenhorst voting aye.

Q. OTHER BUSINESS

1. BOARD MEETINGS: No discussion.

2. CONFERENCES/ EDUCATION

a. Fall AARO Conference; October 7-9, 2023 – Salt Lake City, UT

Director Kohtz reported that the Fall 2023 AARO Conference would take place October 7-9, 2023 in Salt Lake City, Utah. The Director informed the Board that he plans to attend and asked for permission to attend the conference on behalf of the Board. No board members expressed interest in attending. Board Member Downing moved to approve Director Kohtz to attend the Fall AARO Conference on October 7-9, 2023 in Salt Lake City, Utah. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermsen, and Walkenhorst voting aye.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE

a. ASC Compliance Review

i. 2023 ASC Appraiser Program Compliance Review Report_August 4, 2023

Director Kohtz presented the 2023 ASC Appraiser Program Compliance Review Report to the Board for review. The Director pointed out the Appraisal Subcommittee's finding of "Excellent" and thanked the Board and staff for any and all contributions to the matter. Director Kohtz asked for any questions or comments. Chairperson Walkenhorst offered his congratulations to the staff and board members. There was no further discussion.

ii. 2023 ASC AMC Program Compliance Review Report_August 4, 2023

Director Kohtz presented the 2023 ASC AMC Program Compliance Review Report to the Board for review. The Director pointed out the Appraisal Subcommittee's finding of "Excellent" and again thanked the Board and staff for their help with the review report. Director Kohtz asked for any questions or comments. Chairperson Walkenhorst once again offered his congratulations to the staff and board members. There was no further discussion.

6. THE APPRAISAL FOUNDATION

a. TAF August Newsletter

Director Kohtz presented The Appraisal Foundation's August Newsletter to the Board for review and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.

8. IN THE NEWS: No discussion.

Board Member Downing moved to go into executive session at 11:29 a.m. for the purpose of reviewing investigations and employee performance evaluation. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. Board Member Gerdes seconded the motion. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

Break from 11:29 a.m. to 11:34 a.m.

Board Member Downing moved to exit executive session at 11:47 a.m. Board Member Gerdes seconded the motion. The motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicant CR22004. Chairperson Walkenhorst asked for a motion on CR22004.

Board Member Downing moved to take the following action:

CR22004 / Deny application for failure to pass the National Uniform Licensing and Certification Examination within the twelve months following approval of the applicant's education and experience as required under N.R.S. §76-2231.01(1)(G)

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

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

E. CONSIDERATION OF COMPLIANCE MATTERS

The Board reviewed Grievances 23-01, 23-03, 23-04, and 23-05. Chairperson Walkenhorst asked for a motion on Grievances 23-03, 23-04, and 23-05.

Board Member Downing moved to take the following action:

23-03 / Dismiss with Prejudice

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

Board Member Downing moved to take the following action:

23-04 / Dismiss with Prejudice

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

Board Member Downing moved to take the following action:

23-05 / Dismiss without Prejudice

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

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

1. 2023.10

The Board reviewed a matter in which a legal resident of the State of Nebraska applied for a temporary real property appraiser credential in Nebraska. In addition, the individual appears to be advertising as a real property appraiser in Nebraska without holding a credential issued by the Board. No action was taken by the Board; this item will be discussed again at the Board's September 21, 2023 meeting.

2. 2023.11

The Board reviewed an appraisal report received from the Fannie Mae Loan Quality Center. The Board concluded that there were no substantial errors or omissions which lead to noncredible assignment results or USPAP violations. No action was taken by the Board.

R. ADJOURNMENT

Board Member Downing moved to adjourn the meeting. Board Member Gerdes seconded the motion. Motion carried with Downing, Gerdes, Hermesen, and Walkenhorst voting aye. At 11:50 a.m., Chairperson Walkenhorst adjourned the August 17, 2023 meeting of the Nebraska Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on August 28, 2023, in compliance with Nebraska Revised Statute § 84-1413 (5).