

August 4, 2023

Via Email

Tyler Kohtz, Director
Nebraska Real Property Appraiser Board
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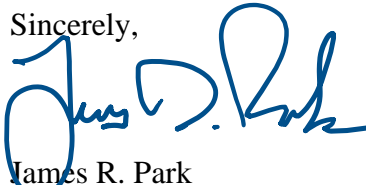
RE: ASC Compliance Review of Nebraska's Appraisal Management Company (AMC)
Regulatory Program

Dear Tyler Kohtz:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Nebraska AMC regulatory program (AMC Program) on March 14-16, 2023, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The AMC Program has been awarded an ASC Finding of "Excellent." Nebraska will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Nebraska AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

James R. Park
Executive Director

Attachment

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 12, Interim Sanctions.



ASC State AMC Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: August 4, 2023

Nebraska AMC Regulatory Program (State)

Nebraska Real Property Appraiser Board (Board)	PM: J. Tidwell	ASC Compliance Review Date: March 14-16, 2023	Review Period: January 2022 to February 2023
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Umbrella Agency: Independent	Number of AMCs on AMC Registry: 86	Review Cycle: Two Year
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X						
States are not permitted to impose requirements on AMCs that are owned and controlled by an insured depository institution. (Title XI § 1124, 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26)				The State's regulations require Federally regulated AMCs to report additional information that is not consistent with the AMC Rule.	On May 31, 2023, the State provided ASC staff a copy of amendments to Title 298 adopted by the Board on November 17, 2022, and approved by the Governor on May 31, 2023, effective June 5, 2023. These amended regulations removed the requirement for Federally regulated AMCs to report additional information that was not consistent with the AMC Rule. In addition, the State implemented a corrected application that removed the non-compliant request for additional information.	None	The State addressed the concern.
National Registry:	X						
				No compliance issues noted.	N/A	None	None
Enforcement:	X						
				No compliance issues noted.	N/A	None	None