



Guidance Document 26-03

Adopted August 20, 2026

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SUBJECT: Practicum Course Real Property Appraisal Practice Experience

LEGAL REFERENCE: Neb. Rev. Stat. § 76-2230(1)(c)(i) (Laws 2024, LB992, § 10); Neb. Rev. Stat. § 76-2231.01(1)(e)(i) (Laws 2022, LB707, § 55); Neb. Rev. Stat. § 76-2232(1)(e)(i) (Laws 2022, LB707, § 56); 298 NAC Chapter 2, § 002 (2026)

SUMMARY OF ACTION

Adopted by the Board at its August 20, 2026 meeting.

BACKGROUND

Director Kohtz attended the Spring AARO Conference in San Diego, California from April 27 through April 29, 2026. A presentation titled, “An Inside View of State Regulator Experience: The Building Framework at High-Quality Practicum Programs” was given by persons affiliated with the State of California Department of Consumer Affairs Bureau of Real Estate Appraisers (“CBREA”), West Los Angeles College, and RSDS Appraisal. The focus of this presentation was on the development and implementation of Practicum Courses in the State of California. In the two Practicum Course examples approved by CBREA, there was no requirement that the student to be a trainee real property appraiser, or that a supervisory real property appraiser must oversee the experience if the state has a trainee program.

In Subsection E of Section V titled, "Generic Experience Requirements," under "Criteria Applicable to All Appraiser Classifications," in the Real Property Appraiser Qualifications Criteria effective on January 1, 2026 states, "Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category. Experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process (p.13)." Subsection A of Section V titled, "Generic Experience Requirements," under "Criteria Applicable to All Appraiser Classifications," in the Real Property Appraiser Qualifications Criteria effective on January 1, 2026 states, "Education may not be substituted for experience, except as shown below in Section D below (p.12)." The Real Property Appraiser Qualifications Criteria effective on January 1, 2026 was utilized for updates made to the Real Property Appraiser Act approved by Governor Pillen on March 12, 2024, and updates made to Title 298 of the Nebraska Administrative Code approved on June 18, 2025. At the time of approval, it was understood that a Practicum Course was traditional experience, requiring a student to be a trainee real property appraiser that has an active supervisory real property appraiser. On February 28, 2025, The Appraisal Foundation issued, "ERRATA (02-28-2025)," which stated, "Please make a note of the following correction for the printed edition of the Real Property Appraiser Qualification Criteria effective January 1, 2026 (2026 Criteria): Page 12: In the last line on the page, the correct section referenced should be "E", not "D". The line should read: A. Education may not be substituted for experience, except as shown below in Section E below." Although, through ERRATA (02-28-2025), The Appraisal Foundation acknowledged that a Practicum Course is considered to be education under which real property appraisal practice experience may be earned, Subsection E is still found under Section V titled, "Generic Experience Requirements," under "Criteria Applicable to All Appraiser Classifications," in the Real Property Appraiser Qualifications Criteria effective on January 1, 2026 (as amended March 2025). PAREA programs are defined separately from generic experience requirements in Section VI titled, "Practical Applications of Real Estate Appraisal (PAREA)" under "Criteria Applicable to All Appraiser Classifications," in the Real Property Appraiser Qualifications Criteria effective on January 1, 2026 (as amended March 2025), which states in part, "Practical Applications of Real Estate Appraisal (PAREA) programs approved by the AQB utilize simulated experience training, and serve as an alternative to the traditional Supervisor/Trainee experience model, under Section V." When Sections V and VI are read together, it appears that the trainee real property appraiser requirement and the supervisory real property appraiser requirement are still applicable.

This issue was brought to the attention of The Appraisal Subcommittee of the Federal Financial Institutions Examination Council ("ASC") on April 20, 2026, which monitors the requirements established by the states, territories, and the District of Columbia and their appraiser regulatory agencies for the certification and licensing of appraisers and reviews each state's compliance with the requirements of Title XI. The ASC is authorized by Title XI to take action against a non-complying state appraiser regulatory program if the policies, practices and procedures in place are inconsistent with the requirements of Title XI. Program Manager Lewis provided a final response on June 16, 2026. After the discussion with ASC staff, Program Manager Lewis states, "I feel the structure of the RPAQC presently confuses this by the placement of the Practicum description and requirements under Section V and requirements that note the following:

- documentation of supervision,
- review,
- supervisory signatures, and
- Experience logs that must include scope of supervision and the supervising appraiser's certification/signature.

I think that the AQB recognizes the confusion as well and appears to be taking steps to clarify this in the 2nd Exposure Draft. Understanding, of course, that this is just an exposure draft and subject to change, it is relevant to consider the exposure draft as it does give additional insight into what the AQB might be thinking.

What I can find is that there is a link between Practicum and PAREA that would place them outside of the traditional supervisor/trainee structure. That link in my mind would be the fact that we are talking about two programs that while not considered education, are delivered and structured as courses. In addition, I would note that both Practicum and PAREA would fall under a program-based experience pathway as opposed to a log-based (supervisor/trainee) pathway to gain experience. These are courses that are specifically designed to eliminate the necessity for the applicant to secure a supervisor and provide the applicant with the ability to achieve experience credit through designed, approved training plans. In addition, both courses eliminate the necessity for the applicant to obtain and maintain a trainee/apprentice credential as a prerequisite for enrollment."

Program Manager Lewis also declares, "In the exposure draft, the AQB has conspicuously opted to move Practicum and PAREA both under the same section (Section VI). This action provides support for a clearer answer to your question regarding whether there is language that allows states with trainee programs to not require Practicum Course participants to be trainees working under a supervisory appraiser. The exposure draft seems clear that Practicum participants do not have to be trainee appraisers working under a supervisory appraiser, even in States that have trainee programs."

Finally, Program Manager Lewis states in his response, "Again, the possibility of this 2nd Exposure Draft being adopted is unknown at this point. I do believe, however, that adoption, notwithstanding, there is sufficient information present to confirm that while Practicum is not currently carved out of the current RPAQC to the same degree as PAREA, it is nonetheless separated from the traditional supervisor/trainee model and outside of the requirements that would demand an applicant be registered as a trainee/apprentice and under the supervision of a certified appraiser."

The Board discussed this matter at its regular meeting on July 16, 2026 and requested that Director Kohtz prepare a Guidance Document to address the current discrepancy between PAREA programs and Practicum Course programs in Title 298 of the Nebraska Administrative Code.

ANALYSIS

In his response to Director Kohtz's April 30, 2026 inquiry, Program Manager Lewis establishes that within the Real Property Appraiser Qualifications Criteria effective January 1, 2026 (as amended in March 2025), a Practicum Course program is real property appraisal experience; however, application of this experience is the same as for a PAREA program since both are courses separated from the trainee real property appraiser and supervisory real property appraiser structure. This interpretation is supported in Title 298 of the Nebraska Administrative Code. In accordance with 298 NAC Chapter, § 002.06, there need not be a client in a traditional sense (i.e., a client hiring a real property appraiser for a business purpose) in order for an assignment results report to qualify for real property appraisal practice experience. Real property appraisal practice experience credit may be awarded for a practicum course approved by The Appraisal Foundation's Appraiser Qualifications Board's Course Approval Program (experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process); participation in a PAREA program; and any other real property appraisal practice experience obtained under Section 002 of this Chapter. As such, all sections in 298 NAC Chapter 2, § 002 that do not apply to real property appraisal practice experience obtained through participation in a PAREA program do not apply to participation in a Practicum Course program.

When referring to the real property appraisal practice experience hour and time requirements as prescribed by rules and regulations of the Board for each classification, Neb. Rev. Stat. § 76-2230(1)(c)(i); N.R.S. § 76-2231.01(1)(e)(i), and N.R.S. § 76-2232(1)(e)(i) state in part, "The required experience shall be acceptable to the Real Property Appraiser Board and subject to review and determination as to conformity with the Uniform Standards of Professional Appraisal Practice." 298 NAC Chapter 2, § 002 establishes the procedures for accepting real property appraisal practice experience and the procedure for how an applicant may rectify any real property appraisal practice experience deficiencies as determined by the Board. If the PAREA program does not satisfy all required experience for credentialing, the remaining experience hours shall be completed pursuant to the experience requirements found in N.R.S. § 76-2230(1)(c)(i); N.R.S. § 76-2231.01(1)(e)(i), and N.R.S. § 76-2232(1)(e)(i). As such, the same requirements apply to real property appraisal practice experience obtained through participation in a Practicum Course program.

Finally, in order sit for examination, the real property appraisal practice experience must be approved by the Board. All real property appraisal practice experience, regardless of whether the experience is obtained through logged hours under a supervisory real property appraiser or an appraiser-in-charge, obtained through the completion of a PAREA program, or obtained through the completion of a Practicum Course program, is subject to the Board's review and determination as to whether the experience is acceptable.

GUIDANCE

All requirements and exceptions in 298 NAC Chapter 2, § 002 pertaining to participation in a PAREA program apply to any applicant for credentialing as a real property appraiser through education, experience, and examination, that submits a document evidencing the successful completion of a Practicum Course program for real property appraisal practice experience in accordance with 298 NAC Chapter 2, § 002.06A.