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

February 20, 2025 Meeting Minutes

A. OPENING

Chairperson Gerdes called to order the February 20, 2025 meeting of the Nebraska Real Property Appraiser Board at 9:00 a.m. by virtual conferencing 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 Gerdes 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 in the December 23, 2024 edition of the Lincoln Journal Star, a legal newspaper of general circulation in this state. 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 Cody Gerdes of Lincoln, Nebraska; Kevin Hermsen of Gretna, Nebraska; Rodney Johnson of Norfolk, Nebraska; and Derek Minshull of North Platte, Nebraska were present. Board Member Bonnie Downing of Dunning, Nebraska was absent and excused. Also present were Director Tyler Kohtz, Licensing Programs Manager Karen Loll, Education Program Manager Kashinda Sims, and Business Programs Manager Colby Falls, who are headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

Chairperson Gerdes reminded those present for the meeting that the agenda cannot be altered twenty-four hours prior to the meeting except for emergency items in accordance with the Open Meetings Act. Board Member Minshull moved to adopt the agenda. Board Member Johnson seconded the motion. With no further discussion, the motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

C. HEARING ON THE PROPOSED CHANGES TO TITLE 298 OF THE NEBRASKA ADMINISTRATIVE CODE

1. OPENING

Chairperson Gerdes welcomed everyone to the hearing on proposed changes to Title 298 of the Nebraska administrative code. The Chairperson introduced the board members in attendance and once again declared that Board Member Downing is absent and excused. Chairperson Gerdes informed those in attendance that today's hearing is part of the rule making process. The hearing was made public in the December 23, 2024 edition of the Lincoln Journal Star, a legal newspaper of general circulation in the state of Nebraska.

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In addition, notice of this hearing was given to the office of the Secretary of State and the Executive Board of the Legislative Council more than thirty days prior to the date of hearing in accordance with Neb. Rev. Stat. § 84-907.06, and to the Governor more than thirty days prior to the date of hearing in accordance with Neb. Rev. Stat. § 84-907.09. Draft copies of all rules and regulations to be adopted, amended, or repealed were available for examination at the Nebraska Real Property Appraiser Board office, Monday through Friday, between 8:00 a.m. and 5:00 p.m., on the Nebraska Real Property Appraiser Board's website at appraiser.ne.gov, and on the Nebraska Secretary of State's website at sos.ne.gov. A copy of the proposed changes, along with a summary, can be found on the table at the front in the public folder. A description of the fiscal impact was also available at the Nebraska Real Property Appraiser Board office, Monday through Friday, between 8:00 a.m. and 5:00 p.m., and on the Nebraska Real Property Appraiser Board's website at appraiser.ne.gov. The fiscal impact statement can also be found on the table at the front in the public folder. All interested persons were invited to submit written comments prior to the hearing, which will be made part of the hearing record. Chairperson Gerdes outlined the procedures for the hearing, which included procedures for testifying and the format that the Board was to follow. The Chairperson also informed those in attendance that no vote, if any, would be taken on the proposed changes to Title 298 until Agenda Item P.

2. BOARD MEMBER COMMENTS

Chairperson Gerdes asked the Board for any comments. With none, the Chairperson moved on to acceptance of Written Comments Received.

3. ACCEPTANCE OF WRITTEN COMMENTS RECEIVED

Chairperson Gerdes asked that written comments received be introduced for the record. Director Kohtz informed the Board that only one written comment was received from Program Manager Jonathan Stewart of the Appraisal Subcommittee on December 26, 2024. P.M. Stewart informed Director Kohtz that the proposed rules are not compliant with the Real Property Appraiser Qualifications Criteria, which will become effective on January 1, 2026. Specifically, the proposed rules do not include the 8-Hour Valuation Bias and Fair Housing Course for credential holders who obtain their original credential before January 1, 2026 and upgrade from a lower classification to a higher classification after January 1, 2026. Director Kohtz informed the Board that he spoke with P.M. Stewart by phone to inform him that the 2026 Criteria does not include language to support the ASC's position. P.M. Stewart agreed with this statement and indicated that this has been discussed with The Appraisal Foundation, and the ASC was informed that because the courses listed under "Required Core Curriculum" on pages twenty-seven and twenty-eight in the 2026 Criteria include the eight-hour Valuation Bias and Fair Housing Course, that this is to be enforced by the ASC on states as a requirement for real property appraisers who obtained their credential prior to January 1, 2026 and upgrade to a higher classification after January 1, 2026. P.M. Stewart requested that Director Kohtz contact The Appraisal Foundation directly with his concerns. Director Kohtz indicated that he emailed The Appraisal Foundation to request that the 2026 Criteria be amended to reflect The Appraisal Foundation's intent before this is enforced on states.

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The Appraisal Foundation has provided no response to the Director's inquiry. The Director informed the Board that he was notified that the ASC does not intend to enforce this requirement until 2027. Director Kohtz finished by informing the Board that P.M. Stewart did not declare a position on the proposed changes to Title 298. Chairperson Gerdes asked if the Valuation Bias and Fair Housing Course requirement might be removed because of the new administration. Director Kohtz responded that he has not heard anything to date, but that he wouldn't be surprised if the requirement is removed or changed. Chairperson Gerdes accepted the written comment received for the record and thanked Director Kohtz for the additional research on this.

4. **TESTIMONY**
   a. **Proponents**
      Chairperson Gerdes asked for any proponents of the proposed changes to Title 298. With none, the Chairperson moved on to opponents.

   b. **Opponents**
      Chairperson Gerdes asked for any opponents of the proposed changes to Title 298. With none, the Chairperson moved on to neutral testimony.

   c. **Neutral**
      Chairperson Gerdes asked for any neutral testimony on the proposed changes to Title 298. With none, the Chairperson moved on to board member post-testimony comments.

5. **BOARD MEMBER POST-TESTIMONY COMMENTS**
   Chairperson Gerdes asked the Board for any post-testimony comments. With none, the Chairperson moved on to closing.

6. **CLOSING**
   Chairperson Gerdes closed the February 20, 2025 hearing before the Nebraska Real Property Appraiser Board on the proposed changes to Title 298 of the Nebraska Administrative Code.

Board Member Hermsen 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 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 Minshull seconded the motion. The time on the meeting clock was 9:14 a.m. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

Board Member Johnson moved to come out of executive session at 11:07 a.m. Board Member Minshull seconded the motion. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

Break from 11:07 a.m. to 11:15 a.m.

H. WELCOME AND CHAIR'S REMARKS

Chairperson Gerdes welcomed all to the February 20, 2025 meeting of the Nebraska Real Property Appraiser Board. Chairperson Gerdes then recognized Lori Rogers and Roger Morrissey as members of the public in attendance via virtual conferencing.

I. BOARD MEETING MINUTES

Chairperson Gerdes asked for any additions or corrections to the January 16, 2025 meeting minutes. With no discussion, Chairperson Gerdes called for a motion. Board Member Minshull moved to approve the January 16, 2025 meeting minutes as presented. Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

J. 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 February 20, 2025 to the Board for review. The Director reported that trends are stable and indicated that he had no specific comments. Director Kohtz 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 January 31, 2025 to the Board for review. The Director indicated that he had no specific comments on this report and asked for any questions or comments. Board Member Minshull asked why the EY 2025 number is so much lower than the other years on the "Temporary Real Property Appraiser Credentials Issued by Calendar Year – Five Year Trend" report. Director Kohtz informed the Board that this chart culminates the total temporary real property appraiser credentials issued over the course of the calendar year. For January 2025, there were eight temporary credentials issued. The Director guided the Board to the "Year-to-Date Temporary Real Property Appraiser Credentials Issued – Five Year Trend" chart for a more accurate comparison between the years at this point in the reporting. Board Member Minshull noted that eight is still low compared to the other years. Director Kohtz responded that the number of temporary credentials issued has been slowly trending down during the past five years; however, the number of temporary credentials issued may vary widely from month to month, so it is difficult to determine at this point if this is a slow month or a sign of an accelerated decline. The Director continued by reporting that the steady increase in the number of reciprocal real property appraisers may influence the decrease in the number of temporary credentials issued. Board Member Minshull thanked the Director for the explanation. There was no further discussion.

c. Supervisory Real Property Appraiser Report

The Director presented two charts outlining the number of registered supervisory real property appraisers as of February 20, 2025 to the Board for review. The Director reported that trends are stable and indicated 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 February 20, 2025 to the Board for review. The Director noted a stable trend between August 2024 and February 20, 2025 and 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 for the period between January 8, 2025 and February 12, 2025. The Director indicated that he had no specific comments and asked for any questions or comments. There was no further discussion.

b. Appraisal Management Company Report

Director Kohtz presented the Appraisal Management Company Report to the Board for review showing appraisal management company applicants approved for registration by the Director for the period between January 8, 2025 and February 12, 2025. The Director indicated that he had no specific comments and asked for any questions or comments. There was no further discussion.

c. 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 January 8, 2025 and February 12, 2025. Director Kohtz asked for any questions or comments. There was no further discussion.

3. 2024-25 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

Director Kohtz presented the 2024-25 NRPAB Goals and Objectives and SWOT Analysis to the Board for review and indicated that he had no updates. The Director asked for any questions or comments. There was no further discussion.

K. FINANCIAL REPORT AND CONSIDERATIONS

1. February Financial Report

The receipts and expenditures for January were presented to the Board for review in the agency Budget Status Report. Director Kohtz brought attention to the Awards Expense in the amount of $28.00 and noted that this expense was for Board Member Downing's recognition plaque. The Director then moved on to the expenditure SOS Temp Serv – Personnel and reported that the $2,249.29 expense was for BPM Falls' temporary employment through the SOS Program. Next, Director Kohtz guided the Board to the Other Operating Expense of $60.00 and reported this expenditure as the State Treasury charges for ACH returns due to insufficient funds. The Director then reported that the overall expenditures for the month of January totaled $33,361.66, and the year-to-date overall expenditures for the fiscal year are $256,366.42, which amounts to 49.62 percent of the budgeted expenditures for the fiscal year; 58.9 percent of the fiscal year has passed.

Director Kohtz then brought the Board's attention to revenues and reported that the Board is still receiving a steady flow of real property appraiser renewal revenues. The Director guided the Board to the Certified General Renewal revenues of $5,500.00 for January and $121,550.00 for the fiscal year, and reported that Certified General Renewal revenue is 104.74 percent of projected revenues for the fiscal year. The Director then reported that the Certified Residential Renewal revenues were $2,200.00 for January and $60,775.00 for the fiscal year, which is 96.93 percent of projected revenues for the fiscal year. Finally, Director Kohtz informed the Board that Licensed Renewal revenues were $825.00 for January, and $12,100.00 for the fiscal year, which is 100 percent of projected revenues for the fiscal year. The overall revenues for the month of January were $26,898.59, and the year-to-date overall revenues for the fiscal year are $314,693.40, which amounts to 83.7 percent of the projected revenues for the fiscal year. The Director reiterated that 58.9 percent of the fiscal year has passed.

Director Kohtz then moved to the Budget Status Report for the Appraiser Fund and AMC Fund. The Director reported that the Real Property Appraiser Fund expenditures for the month of January totaled $22,613.47, and the year-to-date expenditures for the fiscal year are $170,667.60, which amounts to 48.71 percent of the budgeted expenditures for the fiscal year. The Real Property Appraiser Fund revenues were $13,321.63 for January, and the year-to-date revenues for the fiscal year are $234,450.51, which amounts to 89.55 percent of the projected revenue for the fiscal year. Director Kohtz then reported that the AMC Fund expenditures for the month of January totaled $10,748.19, and the year-to-date expenditures for the fiscal year are $85,698.82, which amounts to 51.54 percent of the budgeted expenditures for the fiscal year. The AMC Fund revenues were $13,576.96 for January, and the year-to-date revenues for the fiscal year are $80,242.89, which amounts to 70.28 percent of projected revenue for the fiscal year. The Director asked for any questions or comments on the Budget Status Report. There was no further discussion.

Director Kohtz presented the MTD General Ledger Detail report for the month of January and guided the Board to the Payee/Explanation, "NRPAB OCT-DEC 2024 ACH RETURNS," for Batch #7714844, located on page K.10. The Director remarked that this entry is to reverse the revenue entry for insufficient funds. Director Kohtz then moved to the Payee/Explanation, "CORRECTIONAL SERVICES, DEPARTM," for Batch #7706540 on page K.13, and informed the Board that this entry is for Board Member Downing's recognition plaque. The Director asked for any questions or comments on the MTD General Ledger Detail report. There was no further discussion.

Director Kohtz finished by presenting four graphs showing expenses, revenues, and cash balances. The Director noted overall expenditures of $33,361.66, and revenues of $26,898.59, for the month of January for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. Director Kohtz brought the Board's attention to the NRPAB Twenty-Five Month Expenses/Revenues by Program and once again reported that the Real Property Appraiser Fund expenditures totaled $22,613.47, the Real Property Appraiser Fund revenues totaled $13,321.63, the AMC Fund expenditures totaled $10,748.19, and the AMC revenues totaled $13,576.96. The Director stated that the cash balance for the AMC Fund is $319,201.14, the cash balance for the Appraiser Fund is $461,310.68, and the overall cash balance for both funds is $780,511.82. Director Kohtz asked for any questions or comments on the graphs.

Board Member Hermsen moved to place the January financial reports on file for audit. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

2. 2025-2027 BIENNIAL BUDGET – APPROPRIATIONS COMMITTEE PRELIMINARY DETERMINATION

Director Kohtz reported that the Appropriations Committee's preliminary determination was the same as the Governor's recommendation. There is no increase for any deficiency identified for FY2024-25 that is being covered by carryover funds from FY2023-24. The Appropriations Committee did reduce the cash balance transfer from the Appraiser Fund from $200,000.00 to $150,000.00 and the AMC Fund from $150,000.00 to $100,000.00. The Director informed the Board that he found out on Tuesday, February 23, 2025, that the Board's hearing for LB261 and LB264 was scheduled for Wednesday, February 24, 2025. Typically, a week's notice is provided for preparation. Director Kohtz indicated that he had little time to prepare for the hearing, which is why he didn't reach out to board members before preparing his testimony. The Director went on to inform the Board that the focus of his testimony was to provide historical perspective regarding the Board's expenditures and its budget, express the importance of adequate legal funding, explain the Board's cash fund balance policies and why they are important, and to remind the committee members that no tax money is collected or used in the administration of the Board's programs.

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Director Kohtz indicated that he requested that the cash fund balance transfer for the Appraiser Fund be reduced to $50,000.00 and that the cash fund balance transfer for the AMC Fund be reduced to $75,000.00. Under the circumstances, this would be a home run for the Board and give the Committee something to work with. The Director also informed the Board that he subtly requested all the budget deficiency requests outlined in the Board's budget request be considered, but he emphasized that it is critical that salary and health insurance costs be funded. Overall, an increase in appropriations in the amount of $28,650.00 was requested for FY2025-26 and $40,089.00 was requested for FY2026-27. Chairperson Gerdes and Board Member Johnson thanked Kohtz for testifying on behalf of the Board at the hearing. The Chairperson asked Director Kohtz if he knew when a decision will be made and if he received any verbal or non-verbal feedback. The Director responded that any decision will not be known until all the agencies have testified and the puzzle pieces are put together. Board Member Minshull indicated that the Committee must present a balanced budget. Director Kohtz confirmed that Board Member Minshull's comment is correct. The Director then added that he hopes that cash agencies are allowed a little flexibility since the budgets are very small and most are only requesting funding for personnel and health insurance expenditures. Director Kohtz then addressed the second part of the Chairperson's question and indicated that he did not get a sense of support from the committee members and did not receive any feedback, positive or negative, from the Board's legislative fiscal analyst to date. The Director reminded the Board that when he testified two years ago to request funding for an additional employee, the feedback from the Committee was very positive during the hearing. However, the Committee still denied the Board's request for additional funding. Gerdes then asked if any action should be taken at this time. Kohtz brought up the idea of notifying the appraiser business community of the fund transfers since the real property appraisers and appraisal management companies pay the fees and would have to replenish any fund deficiencies. The Director indicated that he would contact the Board's legislative fiscal analyst after the meeting to see if he had received any feedback, but until then, there really is no action for the Board to take. Chairperson Gerdes and Board Member Hermsen thanked Director Kohtz for his efforts.

3. ASC GRANT REPORT

BPM Falls provided an update concerning the Board's ASC grant application. The Business Programs Manager informed the Board that the delay in notifying the award recipients of the grant is due to internal and staffing issues on the ASC's part. BPM Falls added that more information is expected in the coming weeks. Chairperson Gerdes thanked Falls for the report. There was no further discussion.

4. 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.

L. GENERAL PUBLIC COMMENTS

Chairperson Gerdes asked for any public comments. With no public comments, Chairperson Gerdes moved on to Education.

M. EDUCATION: No discussion.

N. UNFINISHED BUSINESS

1. BOARD MEMBER COMMUTING/TRAVEL STATUS

Director Kohtz reported that there was no update for this agenda item. The Director then recommended that the Board remove this item from the agenda. Director Kohtz added that it could be reintroduced if there is any future activity. Board Member Hermsen moved to remove Board Member Commuting/Travel Status from the agenda. Board member Johnson seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

2. OPEN 3RD CONGRESSIONAL DISTRICT CERTIFIED REAL PROPERTY APPRAISER REPRESENTATIVE

Director Kohtz brought attention to the Board's 3rd Congressional District Certified Real Property Appraiser Representative opening and reported that he had no updates. There was no further discussion.

O. NEW BUSINESS

1. APPRAISAL INSTITUTE CERTIFICATION TO RECRUIT UNDER THE NEBRASKA DEPARTMENT OF EDUCATION PRIVATE POSTSECONDARY CAREER SCHOOLS (PPCS) ACT

EPM Sims informed the Board that staff was notified by the Nebraska Department of Education on December 6, 2024 that the Appraisal Institute's Certificate to Recruit in Nebraska under the Private Postsecondary Career Schools Act was set to expire on December 31, 2024. The Nebraska Department of Education requested an application from Appraisal Institute. On January 8, 2025, staff was made aware that Appraisal Institute's website did not list approved education in Nebraska. EPM Sims contacted Yvette Martin from the Department of Education, who explained that an application was received on January 2, 2025, and once approved, would be effective on January 1, 2025. Until the application is completed, Appraisal Institute may not advertise, recruit, train, or enroll students or residents of the State of Nebraska. Once the Board is notified that an education provider is considered closed by the Department of Education, staff would begin the process to rescind approval of all education offered by the education provider. At the present time, the Appraisal Institute is not considered to be closed by the Department of Education. EPM Sims followed up with the Department of Education on February 14, 2025, as there had been no update. The issue has not been resolved to date. Chairperson Gerdes asked what the Board's options would be. EPM Sims reported that the Board's options were to begin the process to rescind approval of all education activities or to continue to wait for the application with the Department of Education to be approved.

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Director Kohtz added that the education provider is not currently advertising education approved by Nebraska; however, the Board's records show that the education is approved by the Board. No action was taken by the Board and there was no further discussion.

P. LEGISLATIVE REPORT AND BUSINESS

1. 109TH LEGISLATURE (1ST REGULAR SESSION) BILLS OF NRPAB INTEREST

Director Kohtz presented the first legislative report for the current session to the Board for review. The Director informed the Board that he would provide a summary for each bill in the legislative report, and asked board members to let him know if any discussion is needed on any of the bills. The following bills were discussed:

LB29 - The Director reported that LB29 amends the Administrative Procedure Act to, as of January 1, 2026, require each state agency to review all existing rules and regulations and every three years after. An electronic submission of a detailed report with supporting documents shall be submitted to the Clerk of the Legislature on or before June 30th in the year the review is conducted. The review shall include weather or not the rule or regulation is essential to health, safety or welfare of the public; a costs vs. benefits analysis; a report that the agency has a process in place to measure effectiveness; a report on whether a less restrictive rule or regulation has been considered; and a report on whether the rule or regulation is a result of state statutory requirement, federal mandate, or court mandate. The Legislative Fiscal Office requested a Fiscal Note from the Nebraska Real Property Appraiser Board. Director Kohtz reported that LB29 would place a significant time burden on the Board's staff to review each rule or regulation for this purpose and that a contractor would likely be needed to complete such review in a timely manner. At an estimated contract rate of $225.00 per hour for an individual qualified to conduct such review, the cost to the Board would be approximately $18,000.00 for the first year, and $4,500.00 for each subsequent report year. The Nebraska State Budget Division found no basis to disagree with the Nebraska Real Property Appraiser Board.

LB139 - The Director reported that LB139 is being prepared for final reading.

LB221 - The Director reported that LB221 will provide a procedure to fill unfilled gubernatorial appointments. Director Kohtz was asked about the process. The Director informed the Board that in the case of a seat that has been vacant for six months or more, the legislative committee of jurisdiction would be authorized to take applications for the seat and forward recommendations to the Governor for a possible appointment. If the seat remains vacant for another three months after the date the recommendations are forwarded to the Governor, the Executive Board of the Legislative Council may make the appointment.

LB224 - The Director reported that LB224 requires paid maternity leave for state employees.

LB233 – The Director reported that LB233 requires coverage for in vitro fertilization for state employees under the Nebraska State Insurance Program.

LB261 – The Director reported that LB261 is the State's mainline appropriations bill to appropriate funds for the expenses of Nebraska State Government for the biennium ending June 30, 2027, and to appropriate Federal funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021. The Board's hearing was on February 19, 2025.

LB264 - The Director reported that LB264 will provide, change, and eliminate transfers from the Cash Reserve Fund and various other funds, and change, terminate, and eliminate various statutory programs. The Board's hearing was on February 19, 2025.

LB295 - The Director reported that LB295 is a "clean-up" bill introduced at the request of the Nebraska Public Employees Retirement System. The bill would amend various sections of statutes governing state and county retirement plans administered by NPERS as well as statutes governing the Public Employees Retirement Board.

LB366 - The Director reported that LB366 will establish the Legislative Economic Analysis Unit within the Legislature. The bill requires that any rule or regulation projected to have an economic impact of one million dollars or more over five years undergo a regulatory impact analysis before it can take effect. It also mandates that agencies submit cost-benefit analyses, job impact projections, and other relevant data for legislative review. Additionally, LB366 establishes a sixty-day waiting period for major rules unless approved by the Legislature and provides judicial review procedures for determining whether a rule qualifies as a major regulation. The Unit is responsible for providing a regulatory impact analysis of (1) any major rule or regulation or any proposed major rule or regulation; (2) existing rules and regulations; and (3) significant grants received from the federal government or sources outside state government when requested by the Speaker or committee of jurisdiction. LB366 provides certain requirements for the contents of the regulatory impact analysis and reporting of any analysis completed. The bill also provides requirements for information provided by any agency promulgating rules or regulations to the Unit for the purposes of completing the regulatory impact analysis. LB366 requires Legislative action to ratify a rule or regulation within 60 legislative days. The bill includes intent language to extend the legislative session or for the Governor to call a special session to approve proposed rules or regulations. If the Legislature is not in session, the Governor may approve a rule or regulation if a statement is included explaining why an emergency exists or why a federal requirement requires an earlier effective date.

LB403 - The Director reported that LB403 establishes the Office of Grants within the executive branch to support the identification and coordination of federal and national grant opportunities for Nebraska state agencies, political subdivisions, and community-based organizations.

LB433 - The Director reported that LB433 will add deputy directors and attorneys among exclusions to the State Personnel System. LB433 also waives the 120-day wait for a permanent employee to be rehired to public service with the State of Nebraska as required by the State Employees Retirement System.

LB472 - The Director reported that LB472 establishes the Office of Regulatory Management within the Executive Branch. The office shall establish a baseline catalog of regulatory requirements currently in effect in all state agencies, boards, or commissions. This catalog requires cooperation and communication from all state entities. Agencies shall complete an internal review of regulatory requirements. The review must contain the statutory authority or requirement and other relevant documentation related to the regulation. The initial review must be completed no later than six months after the effective date of the act. Subsequent reviews should be completed every two years or within sixty days of a request from the Office of Regulatory management. These reviews must contain estimates of monetized and non-monetized costs or benefits if they are feasible. The office shall publish a biennial report showing the change in number and estimated impact of the regulatory requirement by agency, along with a cost estimate for the median citizen. The office must analyze each new regulatory requirement enacted by each agency to ensure best practices.

LB565 - The Director reported that LB565 will provide and change requirements relating to agency guidance documents. AM 239 exempts all agencies, except for one division of HHS.

LB634 - The Director reported that LB634 creates the Legislative Sunset Review Committee for the purpose of reviewing reviewable entities and proposing legislation to eliminate or modify such reviewable entities. Each reviewable entity shall be scheduled for review every five years. The performance measures for each program and activity provided by the reviewable entity and three years of data for each measure that provides actual results for the immediately preceding two years and projected results for the fiscal year that begins in the year that the reviewable entity's report is scheduled to be submitted to the Legislature. Sections A-G include the reporting requirements. Upon receipt of any report under section 5, the Legislative Sunset Review Committee may, and the appropriate legislative committee shall, conduct a review of the reviewable entity and its advisory committees, including an examination of the cost of each program of the reviewable entity, an evaluation of best practices and alternatives that would result in the administration of the reviewable entity in a more efficient or effective manner, an examination of the viability of privatization or a different reviewable entity performing the functions, and an evaluation of the cost and consequences of discontinuing the reviewable entity. In its report on any reviewable entity, the Legislative Sunset Review Committee shall: (1) Make recommendations on the termination, continuation, or reorganization of each reviewable entity and its advisory committees and on the need for the performance of the functions of the reviewable entity and its advisory committees;

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(2) Make recommendations on the consolidation, transfer, or reorganization of programs within reviewable entities not under review when the programs duplicate functions performed in reviewable entities under review; and (3) Propose legislation in the next regular legislative session to carry out the recommendations of the Legislative Sunset Review Committee.

LB664 - The Director reported that LB664 Change the Administrative Procedure Act to require agencies to allow for public comment and submissions on proposed rules and regulations and changes the permissible venue for civil actions challenging rules and regulations. This will have no impact on the Board, as it already allows for public comment on proposed rules and regulations.

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

2. **PROPOSED CHANGES TO TITLE 298 OF THE ADMINISTRATIVE CODE**
   Director Kohtz presented the proposed changes to Title 298 of the Nebraska Administrative Code to the Board for consideration. Director Kohtz asked for any questions or comments. With no discussion, Chairperson Gerdes called for a motion. Board Member Hermsen moved to adopt the proposed changes to Title 298 of the Nebraska Administrative Code as presented. Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

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

Q. ADMINISTRATIVE BUSINESS: No discussion.

R. OTHER BUSINESS

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

2. **CONFERENCES/EDUCATION:** No discussion.

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

4. **QUARTERLY NEWSLETTER**
   a. **Winter 2025 Edition of the Nebraska Appraiser**
      Director Kohtz presented the Winter 2025 Edition of The Nebraska Appraiser to the Board for consideration. The Director asked for any questions or comments. With no discussion, Chairperson Gerdes called for a motion. Board Member Minshull moved to approve the Winter 2025 Edition of The Nebraska Appraiser. Board Member Hermsen seconded the motion. Chairperson Gerdes recognized the motion and asked for any discussion. With no discussion, Chairperson Gerdes called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

5. **APPRAISAL SUBCOMMITTEE:** No discussion.

6. **THE APPRAISAL FOUNDATION**
   a. **TAF February Newsletter**
      Director Kohtz presented The Appraisal Foundation's February Newsletter to the Board for review. The Director guided the Board to page R.10 and informed the Board that the AQB is preparing to release a concept paper on "alternative experience" pathways. This paper will explore how related professional experience, outside of traditional appraisal work could count toward credentialing. Director Kohtz informed the Board that he found this interesting as it is not something the AQB has shown interest in previously. The Director asked for any questions or comments. There was no further discussion

   b. **The Appraisal Foundation Opens Call for Board of Trustees Members**
      Director Kohtz presented a document titled, "The Appraisal Foundation Opens Call for Board of Trustees Members" to the Board for review. The Director asked for any questions or comments. Board Member Minshull asked if anyone from Nebraska has ever served on the Board of Trustees. Director Kohtz responded that he does not know of anyone who has served on the Board of Trustees, but John Bredemeyer and Lynne Heiden both served on other Boards under The Appraisal Foundation. There was no further discussion.

   c. **Trailblazing Pathways to Success Scholarships Now Available**
      Director Kohtz presented a document titled, "Trailblazing Pathways to Success Scholarships Now Available" the Board for review. The Director asked for any questions or comments. There was no further discussion.

7. **ASSOCIATION OF APPRAISER REGULATORY OFFICIALS**
   a. **AARO Quarterly 2024 Year End Update**
      Director Kohtz presented the AARO Quarterly 2024 Year End Update to the Board for review. The Director noted that Nebraska was one of AARO highlighted states for this update. The Director asked for any questions or comments. There was no further discussion.

b. AARO 2025 First Quarter Newsletter

Director Kohtz presented the AARO 2025 First Quarter Newsletter to the Board for review. The Director informed the Board that he had no specific comments and asked for any questions or comments. There was no further discussion.

8. IN THE NEWS

Board Member Johnson informed the Board that he completed a course on the new Uniform Residential Appraisal Report form created by Fannie Mae. Director Kohtz added that the form is intended to be interactive and will have the ability to backfill with previous data used. Board Member Minshull raised concerns with the new form and mentioned that it may be a bit heavy-handed compared to USPAP; some banks are not going to appreciate the new forms. Director Kohtz agreed with Board Member Minshull and indicated that Fannie Mae and Freddie Mac have become so data driven that the requirements are interfering with appraiser independence. Board Member Minshull requested that the GSEs be added as an agenda item for future discussion. Chairperson Gerdes asked if a vote would be needed. The Director replied that a vote would not be necessary as it would simply be added to the March agenda as a regular agenda item. There was no further discussion.

D. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicants CG23082T, CR24007, and CG24001. Chairperson Gerdes asked for a motion on CG23082T, CR24007, and CG24001.

Board Member Hermsen moved to take the following action:

CG23082T / Approve as a temporary certified general real property appraiser and issue a written advisory to carefully read and truthfully answer all disciplinary questions on any future application to the Board, and request that applicant provide a copy to the Board of the report completed for the assignment performed in Nebraska under this temporary credential to ensure that engagement in the assignment complies with the laws and rules of the State of Nebraska.

Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

Board Member Hermsen moved to take the following action:

CR24007 / Send the 2-4 family residential property report for USPAP compliance review.

Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

Board Member Hermsen moved to take the following action:

CG24001 / Request that applicant provide reports for R & R Kiesel Farms in Scotts Bluff County, NE and Devier, Riley in Cheyenne County, NE, and a report for a commercial property utilizing all three approaches to value for a non-traditional client demonstrating competency in USPAP.

Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

E. REGISTRATION AS AN APPRAISAL MANAGEMENT COMPANY

The Board reviewed applicants NE2012072. Chairperson Gerdes asked for a motion on NE2012072.

Board Member Hermsen moved to take the following action:

NE2012072 / Approve Application for Renewal of Nebraska Appraisal Management Company Registration. File Grievance 25-03 and open investigation for violation of Neb. Rev. Stat. § 76-3216(4)(a),(b),(c).

Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

F. COMPLIANCE

The Board reviewed compliance matters 25-01, 23-01, and 24-10. Chairperson Gerdes asked for a motion on 25-01 and 24-10.

Board Member Hermsen moved to take the following action:

25-01 / Authorize Special Assistant Attorney General Titus to file formal charges for violation of Neb. Rev. Stat. § 76-3216(4)(a),(b),(c).

Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

Board Member Hermsen moved to take the following action:

24-10 / Execute consent agreement. Signed by Chairperson Gerdes on February 20, 2025.

Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. Motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

G. OTHER EXECUTIVE SESSION ITEMS

1. General

a. 2025.02

The Board reviewed a matter in which a Nebraska real property appraiser failed to complete the 7-Hour USPAP Update Course at least once every two years as required by Neb. Rev. Stat. § 76-2236(2) for a second time. Board Member Hermsen moved to issue a written advisory to inform the real property appraiser of the requirement to complete the 7-Hour USPAP Update Course at least once every two years and that the next 7-Hour USPAP Update Course is due on or before December 31, 2026. If real property appraiser fails to submit evidence of the successful completion of the 7-Hour USPAP Update Course on or before December 31, 2026, this matter will go before the Board for consideration. The advisory letter is to be sent by certified mail. Board Member Johnson seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

b. 2025.03

The Board reviewed a request for an individualized program of continuing education that includes the Board's acceptance of a specific education activity offered by a specific education provider, not approved by the Board for continuing education at the time of completion. The continuing education period for which the individualized program of continuing education is requested has passed. Board Member Hermsen moved to rescind the written advisory issued to the real property appraiser on January 30, 2025. The real property appraiser's next 7-Hour USPAP Update Course is due on or before December 31, 2026. Board Member Minshull seconded the motion. Chairperson Gerdes recognized the motion and called for a vote. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye.

2. Personnel Matters: No discussion.

S. ADJOURNMENT

Board Member Johnson moved to adjourn the meeting. Board Member Minshull seconded the motion. The motion carried with Hermsen, Johnson, Minshull, and Gerdes voting aye. At 12:39 p.m., Chairperson Gerdes adjourned the February 20, 2025 meeting of the Nebraska Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes have been made available for public inspection on March 4, 2025, in compliance with Nebraska Revised Statue §84-1413 (5).