

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

March 16, 2017 Meeting Minutes

A. OPENING

Chairperson Chris Langemeier called to order the March 16, 2017 meeting of the Nebraska Real Property Appraiser Board at 9:07 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 Langemeier 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 March 13, 2017 edition of the *Lincoln Journal Star*, a legal newspaper of general circulation in this state, as required by the Open Meetings Act. The agenda was kept current in the Nebraska Real Property Appraiser Board office and on the Board's website. Materials generally used by the Board for this meeting were available in the public folder for inspection by the public, and in accordance with the Open Meetings Act. A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members Chris Langemeier, Benjamin Hynek, David Bloxham, and Marc Woodle were present. Also present were Director Tyler Kohtz, Compliance and Education Officer Grant Krieger, and Business and Licensing Specialist Allison Nespor.

ADOPTION OF THE AGENDA

Chairperson Langemeier 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 Bloxham moved to adopt the agenda as printed. Board Member Hynek seconded the motion. With no further discussion, the motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

The Nebraska Real Property Appraiser Board will meet in executive session for review of applicants and enforcement matters.

Board Member Hynek 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. Chairperson Langemeier asked for a second. Board Member Bloxham seconded the motion. The time on the meeting clock was 9:10 a.m. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

Board Member Hynek moved to come out of executive session at 9:53 a.m. Board Member Bloxham seconded the motion. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

Break from 9:53 a.m. to 10:30 a.m.

G. WELCOME AND CHAIR’S REMARKS

Chairperson Langemeier welcomed all to the meeting. Members of the general public in attendance were Diane Moore, Neal Fenochietti, and Kristi Klamet.

H. BOARD MEETING MINUTES

1. APPROVAL OF FEBRUARY 16, 2017 MEETING MINUTES

Chairperson Langemeier asked for any additions or corrections to the February 16, 2017 minutes. With no further discussion, the Chairman called for a vote. Board Member Bloxham moved to adopt the February 16, 2017 meeting minutes as presented. Board Member Hynek seconded the motion. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

I. DIRECTOR’S REPORT

1. APPRAISER COUNT REPORT

Director Kohtz presented seven charts outlining the number of appraisers as of March 16, 2017, and asked for any questions or comments. There was no further discussion.

2. TEMPORARY PERMIT REPORT

Director Kohtz presented three charts outlining the number of temporary permits issued as of February 30, 2017, and asked for any questions or comments. There was no further discussion.

3. SUPERVISORY APPRAISER COUNT REPORT

Director Kohtz presented two charts outlining the number of supervisory appraisers as of March 16, 2017, and asked for any questions or comments. There was no further discussion.

4. AMC COUNT REPORT

Director Kohtz presented two charts outlining the number of AMCs as of March 16, 2017, and asked for any questions or comments. There was no further discussion.

5. CREDENTIAL RENEWAL PROGRESS REPORT

Director Kohtz presented two charts outlining the credential renewals progress through March 8, 2017. Director Kohtz summarized each chart, and asked for any questions or comments. Chairperson Langemeier asked if the renewal numbers are getting any better. Director Kohtz informed the Board that they are rebounding, and directed the Board to page I.4. The Director walked the Board through the thirteen months shown on the two charts, and pointed to the sharp increase in appraiser numbers during the last three months. The Director finished by saying that the credential numbers continue to slowly improve.

J. FINANCIAL REPORT AND CONSIDERATIONS – MARCH 2017

1. APPROVAL OF FEBRUARY RECEIPTS AND EXPENDITURES

The receipts and expenditures for February were reviewed by the Director by line item with the Board. Director Kohtz brought attention to the data processing expense, and informed the Board that the bills for both January and February are included in this amount. This occurred due to billing questions that took longer than normal to resolve. The Director pointed the Board to the publication and print expense, and indicated that this amount includes the quarterly copier service charges for October through December. The Director then moved to the dues and subscription expense, and indicated this expense includes the 2017 AARO membership fee and the Lincoln Journal Star renewal fee. Director Kohtz then informed the Board that the \$500.00 amount for conference registration is for the Spring AARO Conference. Finally, Director Kohtz indicated that the \$44.50 amount for HRMS assessment is an assessed fee by administrative services human resources. The Director informed the Board that he had no items to cover in the general ledger report, and asked if the Board had any questions. Board Member Bloxham asked if the temporary personnel expenses are about finished being paid. Director Kohtz answered, “yes, there is a bit of a lag period to get all the weeks paid.”

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$35,350.60 in expenditures and \$11,426.65 in revenues were reported. As of the end of February, expenses amount to 48.73 percent of the budgeted expenditures for the fiscal year; 66.58 percent of the fiscal year has passed. Director Kohtz finished by presenting three charts outlining the Agency twenty-five month expenses and revenues, historic cash balance, and twenty-five month cash balance.

Board Member Hynek moved to accept and file the February 2017 financial reports for audit. Board Member Bloxham seconded the motion. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

2. 2017-2019 BIENNIAL BUDGET

Director Kohtz informed the Board that he testified before the Appropriations Committee on February 22, 2017 in support of the committee’s proposed budget for the Board.

3. PER DIEMS

Director Kohtz requested a per diem payment in the amount of \$100.00 for both Board Member Langemeier and Board Member Hynek for representing the Board at the ASC closing conference held on March 15, 2017. Both Board Member Langemeier and Board Member Hynek refused the per diem. Director Kohtz asked if any board members had a request for the Board to consider. There was no further discussion.

K. GENERAL PUBLIC COMMENTS

Chairperson Langemeier asked for any public comments. With no comments, the Chair proceeded to Education.

L. EDUCATION

Board Member Bloxham moved to take the following actions on education activities and instructors as listed:

NEW CONTINUING EDUCATION ACTIVITIES AND INSTRUCTORS

McKissock, LLC

Appraisal of REO and Foreclosure Properties (C21704-I) / 7 Hours – *Approve*

Dan Bradley - *Approve*

McKissock, LP

Adjustment Support for Residential Appraisers – Live Webinar (C21705-I) / 4 Hours – *Approve*

Dan Bradley, Joshua Walitt, Robert McClelland, Steven Craddock, Steve Maher - *Approve*

Issues in Appraiser Liability – Live Webinar (C21706-I) / 4 Hours – *Approve*

Dan Bradley, Joshua Walitt, Robert McClelland, Steven Craddock - *Approve*

Recognizing Mortgage Fraud and Its Effects – Live Webinar (C21707-I) / 4 Hours – *Approve*

Dan Bradley, Joshua Walitt, Robert McClelland, Steven Craddock, Steve Maher - *Approve*

Appraisal Institute

Uniform Appraisal Standards for Federal Land Acquisitions (C21708) / 15 Hours – *Approve*

Stephen Roach - *Approve*

Real Time Outlook – NRPAB, Omaha Market and Development Overview (C21709) / 6 Hours – *Approve*

Brian Wilson - *Approve*

PlanIt Omaha

2017 Commercial Real Estate Summit (C21710) / 7 Hours - *Approve*

Jerry Slusky - *Approve*

RENEWAL OF QUALIFYING EDUCATION ACTIVITIES AND INSTRUCTORS

Appraisal Institute

Real Estate Finance, Statistics, and Valuation Modeling (CR/CG009) / 15 Hours – *Deny*

David Lennhoff – *No Action*

INSTRUCTORS ONLY

McKissock, LP

Work File: Your Best Defense Against an Offense (C21552-I): Steve Maher - *Approve*

The New FHA Handbook 4000.1 – Live Webinar (C21556-I): Steve Maher - *Approve*

Fannie Mae Appraisal Guidelines (C21551-I): Steve Maher - *Approve*

Expert Witness Testimony To Do or Not To Do (C21550-I): Steve Maher - *Approve*

Appraisal Practices of Manufactured Housing (C21630-I): Steve Maher – *Approve*

Analyze This! Applications of Appraisal Analysis – Live Webinar (C21407-I): Steve Maher - *Approve*

Adjustments Supported or Not Supported (C21560-I): Steve Maher - *Approve*

A Review of Disciplinary Cases (C21616-I): Steve Maher - *Approve*

Seconded by Hynek. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

M. UNFINISHED BUSINESS

1. BOARD MEMBER RECOGNITION

Director Kohtz informed the Board that Compliance and Education Officer Krieger has found the missing board members. CEO Krieger indicated that he had to spend some time at the state library, but he has put the entire list together. In addition, CEO Krieger informed the Board that there was not a realtor representative during the first two years of the Board's existence because the Board was still a part of the Real Estate Commission, which means this seat was filled by the Real Estate Commission. Director Kohtz finished by saying that we just need to find first names, then we will be ready to have the plaque built.

2. OPEN 2ND CONGRESSIONAL DISTRICT CERTIFIED REAL PROPERTY APPRAISER REPRESENTATIVE POSITION: No update.

3. OPEN 3RD CONGRESSIONAL DISTRICT CERTIFIED REAL PROPERTY APPRAISER REPRESENTATIVE POSITION: No update.

Break from 11:03 a.m. to 11:14 a.m.

N. NEW BUSINESS

1. APPRAISAL SUBCOMMITTEE AUDIT REPORT (Klamet and Fenochietti appearance)

Kristi Klamet and Neal Fenochietti, policy managers with the Appraisal Subcommittee, appeared before the Board to give a presentation on the recent review completed by them. Ms. Klamet informed the Board that they spent two days in the office with staff conducting a review of the Board's programs for compliance with Title XI of FIRREA. Before this review takes place, staff collects and sends a lot of information to the policy managers. Director Kohtz added that this process takes up a lot of staff time during the weeks leading up to the review. Policy Manager Klamet then gave an explanation as to what the Appraisal Subcommittee is and its purpose. The Appraisal Subcommittee conducts an audit of each State's program once every two years. During the previous two days, the policy managers have been reviewing the Board's files and observing staff related to the first seven Appraisal Subcommittee Policy Statements, which includes statutes, regulations, policies and procedures, temporary practice, national registry, application process, reciprocity, education, and enforcement. Policy Manager Klamet also briefly explained what The Appraisal Foundation is and its importance to the review process. She then moved on to the initial findings related to each Policy Statement for the preliminary report.

Policy Manager Klamet began discussing the findings for Policy Statement 1 by informing the Board that compliance of its statutes and rules with Title XI was an area of concern in 2015. Many areas of the language needed to be updated, and during this review it was found that this has been completed. Policy Manager Klamet then moved on to current issues, and informed the Board that one area of concern is the inclusion of a law exam for temporary permit holders; it is a violation of Policy Statement 2 to have requirements that exceed the AQB criteria. This will need to be corrected. Director Kohtz added that it has not been implemented in practice, and it will not be. The language has also been removed from the application. Ms. Klamet informed the Board that more of this will be discussed under Policy Statement 2.

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Policy Manager Klamet informed the Board that Policy Statement 2 concerns temporary practice. During the review a good number of temporary permits were reviewed to see if they were processed within five days, or if not, that documentation supported the circumstances. Two years ago during the staff to staff review, this was brought up as an area of concern; it is still an area of concern. Director Kohtz clarified that the findings show a pattern of non-compliance when staff turnover occurs. Policy Manager Klamet agreed with the Director's statement. Ms. Klamet then informed the Board that a better plan needs to be put in place to address issues related to turnover. This might include an additional employee or more cross-training. Policy Manager Klamet continued by saying that once staff is in place and trained, the temporary permits are issued timely; Tyler does a great job training staff. Policy Manager Fenochietti added, "To be clear, this is an area of concern. Temporary applications and the reporting of disciplinary action are time sensitive and defined in federal statute."

Policy Manager Klamet moved on to Policy Statement 3, and indicated that this concerns the timely submission of data. Ms. Klamet informed the Board that there were no issues in 2015 and no issues found during this review. In fact, staff submits information in real time. Board Member Bloxham asked, "Does it have to be in real time?" Policy Manager Fenochietti responded, "It just has to be in time."

Policy Manager Klamet then directed the Board to Policy Statement 4, and informed the Board that this includes the application process. Ms. Klamet continued by indicating that she and Mr. Fenochietti reviewed application and renewal applications to ensure that work product is reviewed and all qualifications are met. Policy Manager Klamet informed the Board that no issues were found two years ago, and no issues were found during this review.

Policy Manager Klamet moved to Policy Statement 5, which includes reciprocity, and indicated that Dodd-Frank requires a specific policy statement for reciprocity. Ms. Klamet then informed the Board that staff is doing a good job with reciprocity, and information is being added to the federal registry in a timely manner. The staff also does a good job at logging in to review disciplinary action for reciprocal applicants.

Education is covered by Policy Statement 6, and Policy Manager Klamet indicated that they check for AQB approval, a timed outline, IDDEC approval if the course is online. Ms. Klamet added that it is good that the Board has a conversation regarding education applications. She would have asked questions about one course that the Board discussed in particular. Board Member Hynek asked, "What would you be looking for?" Policy Manager Fenochietti answered, "We would look at what is appraiser-related education. Large events often have section that are not related to appraiser practice. You can reduce the hours as needed to remove non-appraiser-related content." Board Member Bloxham asked, "Are there any specific instructor requirements that you look at?" Policy Manager Klamet responded, "Unless AQB approval is required, it is left up to the state."

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Policy Manager Klamet then began discussion for Policy Statement 7, and informed the Board that they review cases to see if they are resolved timely; equitably according to the specific state, not nationwide; and that special documented circumstances are well documented. The policy managers also look at progress after the administration decision is made by the Board. Ms. Klamet continued by saying that the policy managers found no areas out of compliance. Policy Manager Klamet then informed the Board that the review included thirty-six new cases since the last review, fifty cases closed since the last review, and only six cases are currently pending. Ms. Klamet indicated that while visiting with Tyler, they obtained details for the new enforcement process in place; it is working very well. Board Member Woodle commented, "It's great the process in place is working." Board Member Hynek asked, "What special documented circumstances would not pass?" Policy Manager Klamet responded, "Large delays that are not documented, large gaps, unexplained pauses in an investigation." Board Member Hynek followed by asked, "What if a reviewer gets sick, how much time is reasonable?" Policy Manager Fenochietti responded that it usually doesn't add much to the length, but if documented that staff was actively looking to move the investigation, then it would likely fall under a special documented circumstance.

In closing, Policy Manager Klamet brought attention to Policy Statement 8, and informed the Board if it is reading it, it is likely too late. This policy statement gives the ASC authority to impose sanctions, and under certain circumstances, invoke non-recognition of an appraiser program. Ms. Klamet then summarized the ratings used by the ASC, and outlined the next steps in the review process. The preliminary report will be provided to the Board, which will have sixty days to provide a response. The ASC will release the final report after it reviews all the information. Policy Manager Klamet informed the Board that all in all, the program is doing very well. She then thanked the Board, Director Kohtz, and staff for having everything ready, answering questions, and for being accommodating. Policy Manager Klamet finished by informing the Board that the proposed regulations are frozen, and they don't know when things will change. However, AMCs will still become a part of the review in the future. Chairperson Langemeier thanked Policy Manager Klamet and Policy Manager Fenochietti for their report.

2. DLI BSD REAL ESTATE APPRAISER GROUP

Director Kohtz presented an email received from a Kelly Harris on behalf of DLI BSD Real Estate Appraisers to all state regulatory boards and commissions. The Director informed the Board that the strange part was that the message was sent twice and recalled, so he was unsure if Ms. Harris was recalling the second message, or the message entirely. Director Kohtz then summarized the letter, and indicated that it appears that the Appraisal Institute was attempting to prevent the Montana Board of Real Estate Appraisers from submitting to the Congressional Subcommittee on Housing and Insurance a letter expressing its views on the Appraisal Institute's testimony before the Congressional Subcommittee. The email included the Montana Board's reason for sending the letter. Chairperson Langemeier indicated that he can see both sides of the issue. Director Kohtz added that with the change in administration, the hearing, which took place in 2016, is a moot point. Once President Trump sets policy, the industry will have a clearer picture of the future.

3. FLOODPLAINS AND APPRAISALS QUESTION

Director Kohtz presented an email received from a Mitch Paine with the Nebraska Department of Natural Resources. In Mr. Paine's email, he asks three questions pertaining to the effects that floodplains have on appraisals, and what guidelines appraisers have to follow. Director Kohtz informed the Board that he would be willing to provide the response, but he would like direction on how to answer. Chairperson Langemeier indicated that Mr. Paine is looking for a concrete answer, but the question does not have a defined answer that could be applied to all situations. The effect a floodplain has on the value of real property depends on how the market reacts to a defined floodplain, and also how a particular property is affected by the floodplain. Board Member Woodle added that that in the commercial world the effect on value would stem from an income perspective. Director Kohtz then asked, "Would the "appraiser standards" part of the question be the typical USPAP requirements?" Chairperson Langemeier answered, "Yes." Board Member Bloxham offered his support for Board Member Langemeier's comments. Director Kohtz informed the Board that he will provide a response to Mr. Paine.

4. HUD OFFICE OF INSPECTOR GENERAL FRAUD ALERT: APPRAISER IDENTITY THEFT

Director Kohtz presented a statement from the Office of Inspector General at the U.S. Department of Housing and Urban Development concerning a series of cases of appraiser identity theft. The Director informed the Board that he will only ask for comments on this alert. Board Member Woodle asked if this was discussed by the Board last month. Director Kohtz responded, "It was similar, but that had to do with emails being sent to appraisers in which the appraiser was notified of a complaint by a state regulatory agency. That was a phishing scam." Board Member Woodle then recalled last month's conversation, and informed the Board that he also received this notice in a different newsletter. Director Kohtz indicated that it was also included in an Appraisal Buzz article. The Director stated that there is an article about the phishing scam in the newsletter. The Board agreed that it does not need to take any action since it is already bringing attention to the phishing scam.

O. LEGISLATIVE REPORT AND BUSINESS

1. CURRENT LEGISLATION

Director Kohtz presented the legislative report of the current session to the Board for review, and informed the Board that he will provide a summary of the critical bills, but will not discuss the less critical bills unless a board member requests discussion.

LB17 – The Director informed the Board that he was told by Senator Craighead's office that LB17 will be included on the Consent Agenda this session.

LB299 – Director Kohtz informed the Board that a hearing before the Government, Military, and Veterans Affairs Committee took place on February 24, 2017. Support included Americans for Prosperity, The Platte Institute, and the Institute for Justice. Opposition was very strong and included multiple trade organizations and representatives, multiple State Agencies, and the Department of Insurance, which indicated that it represented all code agencies and Governor Ricketts. The Director finished by saying that he was surprised that so many trade organizations were represented. Based on the testimony, this bill is very unlikely to move.

LB327 – This bill is the State Government appropriations bill for the 2017-2019 biennium. Director Kohtz informed the Board that he testified before the Appropriations Committee on February 22, 2017 in support of the committee's proposed budget for the Board.

LB530 – Director Kohtz informed the Board that Chairperson Langemeier followed up with Senator Harr regarding this bill. Chairperson Langemeier indicated that Senator Harr wants to get the numbers needed to make an informed decision without having a bill introduced. For instance, what effect would certain changes have on sales tax? Right now, a bill would need to be introduced to be able to gather the information needed determine if the bill contains sound policy or not. It would be nice to know this information before a bill is drafted. There was no further discussion.

LB551 – Director Kohtz informed the Board that a hearing took place on March 13, 2017, and that he testified in a neutral capacity. The Director informed the Board that all parties that testified requested that the bill be utilized as a placeholder until the AQB adopts changes to the criteria and an amendment can be drafted. Director Kohtz finished by stating that he offered the Board's assistance with drafting the amendment.

Director Kohtz finished the legislative report by asking if any members had any other bills that they would like to discuss. There were no additional bills offered and no further discussion.

2. TITLE 298

Director Kohtz informed the Board that Title 298 was signed by Governor Ricketts and became effective on February 27, 2017.

3. OTHER LEGISLATIVE MATTERS

Director Kohtz asked the Board if it had any other legislative matters that it wished to discuss. There was no further discussion.

P. BOARD POLICIES AND PROCEDURES

1. APPRAISER CREDENTIALING APPLICATIONS

Board Member Hynek moved to approve the following applications as listed:

- a. Application for Nebraska Real Property Appraiser Temporary Permit**
- b. Application for Renewal of Nebraska Real Property Appraiser Temporary Permit**
- c. Application for Trainee Real Property Appraiser Credential**
- d. Application for Supervisory Appraiser**
- e. Application for Nebraska Real Property Appraiser Credential**
- f. Application for Nebraska Real Property Appraiser Credential by Reciprocity**
- g. Experience Log Cover Sheet**
- h. Application for Inactive Status of Nebraska Real Property Appraiser Credential**

Seconded by Bloxham. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

2. APPRAISER CREDENTIALING BOARD REVIEW FORMS

Board Member Hynek moved to approve the following applications as listed:

- a. Trainee Real Property Appraiser Board Review Form**
- b. Supervisory Appraiser Board Review Form**
- c. Licensed Residential Board Review Form**
- d. Licensed Residential Reciprocal Board Review Form**
- e. Certified Residential Board Review Form**
- f. Certified Residential Reciprocal Board Review Form**
- g. Certified General Board Review Form**
- h. Certified General Reciprocal Board Review Form**

Seconded by Bloxham. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

3. AMC REGISTRATION FORMS

Board Member Hynek moved to approve the following forms as listed:

- a. Application for Nebraska AMC Registration**
- b. Application for Renewal of Nebraska AMC Registration**

Seconded by Bloxham. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

4. AMC REGISTRATION BOARD REVIEW FORM

Board Member Hynek moved to approve the AMC Registration Board Review Form as listed. Seconded by Bloxham. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

5. EDUCATION AND INSTRUCTOR FORMS

Board Member Hynek moved to approve the following forms as listed:

- a. Application for Qualifying Education**
- b. Application for Continuing Education**
- c. Application for Continuing Education Renewal**
- d. Application for Instructor Approval**

Seconded by Bloxham. Chairperson Langemeier called for the vote. The motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

6. APPRAISER NEBRASKA LAW REVIEWS

Director Kohtz presented the Real Property Appraiser Law Review A and the Real Property Appraiser Law Review B to the Board for consideration. Board Member Hynek asked whose idea this was. The Director responded that it was the Board's idea, but he will have to find the source. Board Member Woodle and Board Member Langemeier agreed that they missed this. Director Kohtz informed the Board that discussion began at the 2014 Strategic Planning meeting under Chairperson Barkley, and was included in the initial Title 298 draft under Chairperson Kubert. Chairperson Langemeier asked if this law review would be required for all applications. Director Kohtz responded that it would be required for all applications, except for temporary permit holders. Chairperson Langemeier indicated that he would like to make requirements less burdensome on applicants, so the law review needs to be simple. Chairperson Langemeier asked for a break, so that board members had a chance to review the questions.

Break from 12:35 p.m. to 12:45 p.m.

Chairperson Langemeier indicated that he would like to see one law review with four questions and three answers. The Board eliminated all questions except for 1, 5, 6, and 7 on Law Review A. Staff was then directed to eliminate one answer for each question. Board Member Bloxham asked if the exam could be included with the application. Director Kohtz informed the Board that this could be accomplished; each application's directions would need to be updated address the change in the processes. All board members agreed that this topic needs to be reconsidered in the future, and Chairperson Langemeier asked that "Nebraska Law Review" be placed on the strategic planning meeting agenda. Chairperson Langemeier asked if the Board was ready to vote on the Nebraska Law Review. Board Member Hynek moved to approve the Nebraska Law Review A as amended to be included with the application. Board Member Bloxham seconded the motion, and it carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

Q. OTHER BUSINESS

1. BOARD MEETINGS: No discussion.

2. CONFERENCES/EDUCATION

a. Kohtz February 21, 2017 UNO Rho Epsilon Presentation

Director Kohtz informed the Board that he gave a presentation to the University of Nebraska at Omaha chapter of Rho Epsilon on the real property appraiser profession and the appraiser qualifications criteria. The Director indicated that approximately thirty students were in attendance. Those in attendance were engaged in the presentation and asked very well thought out and detailed questions at the conclusion of the presentation. The Board thanked Director Kohtz for his presentation.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: Director Kohtz presented the Winter edition of The Nebraska Appraiser to the Board for consideration. With no further discussion, Board Member Bloxham moved to approve the Winter edition of The Nebraska Appraiser as presented. The motion was seconded by Hynek, and carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

5. APPRAISAL SUBCOMMITTEE

a. ASC Rulemaking Freeze

Director Kohtz presented the Appraisal Subcommittee's updated statement concerning the rulemaking freeze implemented by the White House Chief of Staff. There was no further discussion.

6. APPRAISAL FOUNDATION

a. The Appraisal Standards Board 2017 Summary of Actions Related to USPAP Changes – February 23, 2017

Director Kohtz presented the Appraisal Standards Board's "2017 Summary of Actions Related to USPAP Changes" to the Board and informed the Board that the document is a summary of already adopted changes. There was no further discussion.

7. IN THE NEWS

a. Appraisal Buzz Article – Process, Application, and Communication of Regression Modeling in Valuing Real Estate

Director Kohtz presented an Appraisal Buzz Article titled “Process, Application, and Communication of Regression Modeling in Valuing Real Estate” to the Board for review. The Director indicated that the information contained in the article is good because of the depth the article goes into concerning regression modeling. Director Kohtz continued by saying that regression modeling is still fairly new, and many still don’t understand it. There was no further discussion.

C. CONSIDERATION OF APPLICANTS AS NEBRASKA REAL PROPERTY APPRAISER

Board Member Hynek moved to take the following actions for the applicants as listed:

T17003 / Approve as Trainee Real Property Appraiser; send advisory letter.

SA(2)-T2016015 / Correct approval number from SA(2)-T2016015 as shown in the February 16, 2017 minutes to SA-T2017001.

CG17010R / Approve as a Certified General Real Property Appraiser.

CG17003 / Send two additional reports for Standard 3 review. Authorize Director to negotiate fees for Standard 3 reviews if needed.

CG17009R / Approve as a Certified General Real Property Appraiser.

Approve all renewal applications received at the Board’s office postmarked between February 15, 2017 and March 14, 2017 with advisory letters.

Board Member Bloxham seconded the motion. Motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY

Board Member Hynek moved to take the following actions for AMC applicants as listed:

NE2017001 / Approve for registration as an appraisal management Company.

NE2017002 / Requirements for registration as an Appraisal Management Company Approved as submitted. Authorize Director to issue registration upon completion of background check.

Board Member Bloxham seconded the motion. Motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

E. CONSIDERATION OF DISCIPLINARY ACTIONS/ ENFORCEMENT MATTERS

Board Member Hynek moved to take the following enforcement actions:

17-02 / Proceed with investigation for the alleged violation of Neb. Rev. Stat. § 76-2237 and 76-2238 (12)(16)(18).

16-02 / Add violation of Neb. Rev. Stat. § 76-2238 (23) to charging.

16-07 / Authorize Special Assistant Attorney General Blake to file formal charges for violation of Neb. Rev. Stat. § 76-2237 and N.R.S. § 76-2238 (4)(12)(15)(16).

16-11 / Ongoing.

16-18 / Ongoing.

17-01 / Dismiss without prejudice; send advisory letter.

Board Member Bloxham seconded the motion. Motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye.

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS: None.

R. ADJOURNMENT

Board Member Hynek moved to adjourn the meeting. Board Member Woodle seconded the motion. Motion carried with Hynek, Bloxham, Woodle, and Langemeier voting aye. At 1:11 p.m. Chairperson Langemeier adjourned the March 16, 2017 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz
Director

These minutes were available for public inspection on March 24, 2017, in compliance with Nebraska Revised Statute §84-1413 (5).