

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

**May 16, 2019, Meeting Minutes**

**A. OPENING**

Chairperson Ben Hynek called to order the May 16, 2019 meeting of the Nebraska Real Property Appraiser Board at 9:00 a.m., in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

**B. NOTICE OF MEETING**

Chairperson Hynek announced the notice of the meeting was duly given, posted, published, and tendered in compliance with the Open Meetings Act, and all board members received notice simultaneously by email. Publication of official notice of the meeting appeared on the State of Nebraska Public Calendar found at [www.nebraska.gov](http://www.nebraska.gov) on April 9, 2019. 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, 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 Benjamin Hynek of Lincoln, Nebraska, Thomas Luhrs of Imperial, Nebraska, Christopher Mustoe of Omaha, Nebraska, Gary McCormick of North Platte, Nebraska, and Wade Walkenhorst of Lincoln, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Specialist Allison Nespor, and Administrative Specialist Katja Duerig, who are all headquartered in Lincoln, Nebraska.

**ADOPTION OF THE AGENDA**

Chairperson Hynek 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 Mustoe moved to adopt the agenda as printed. Board Member McCormick seconded the motion. With no further discussion, the motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Board Member Mustoe moved that the Board go into executive session for the purpose of reviewing applicants for credentialing; applicants for appraisal management company registration; investigations; pending litigation, or litigation which is imminent as evidenced by communication of a claim or threat of litigation; and employee performance evaluation. A closed session is clearly necessary to prevent needless injury to the reputation of those involved. Board Member Walkenhorst seconded the motion. The time on the meeting clock was 9:02 a.m. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Board Member Luhrs moved to come out of executive session at 9:31 a.m. Board Member Mustoe seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Break from 9:31 a.m. to 9:45 a.m.

## **G. WELCOME AND CHAIR'S REMARKS**

Chairperson Hynek welcomed everyone, adding that the group in attendance was the largest in a while. The Chairperson said, "Less is more," and invited Frank Daley of the Nebraska Accountability and Disclosure Commission to begin his presentation. Public members in attendance were Frank Daley, Samuel Malson, Sidney Robinson, and Roger Morrissey.

## **H. NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION PRESENTATION**

Director Kohtz introduced Frank Daley, Executive Director of the Accountability and Disclosure Commission, the state agency that regulates personal financial disclosure and conflicts of interest, political committee organization, campaign financing, and lobbying as they apply to state and executive branch officials. Mr. Daley expressed appreciation to the Board for the invitation to provide information about some of the more important laws and rules and regulations that apply to board members as state government officials. He explained to the Board that not knowing the conflict of interest laws, and the laws applicable to board or commission members, makes appointees particularly vulnerable in the environment in which board members operate.

With the intention of presenting the basic information of what laws apply and how they apply to board members, Mr. Daley gave each board member a summary of the accountability laws. Mr. Daley followed the outline of his handout as he covered and expanded on each topic. The first topic of discussion addressed the statements of financial interests. Only the Board's executive director is required to submit a statement of financial interest, so Mr. Daley did not provide much detail regarding this requirement.

Mr. Daley then discussed Conflict of Interest. He explained that a person has a conflict of interest as a state public official if faced with taking an official action or making an official decision that could result in a financial benefit or a financial detriment to the official, whether it is to an immediate family member or business with which the official is associated. He explained that "business with which you are associated," has a very broad definition, and noted that as a member of the Board, an association with an entity could become a conflict of interest if something related to that entity comes before the Board for a decision. Mr. Daley added that a business is a for-profit or non-profit entity, so an association with a church or club could create a conflict of interest. Mr. Daley went on to explain that "immediate family member," is defined as a child residing in an individual's household, a spouse of an individual, or an individual claimed by that individual or that individual's spouse as a dependent for federal income tax purposes. Nebraska law provides a process for dealing with conflicts. He advised that if one believes he or she has a potential conflict of interest, it must be disclosed in writing to the Accountability and Disclosure Commission on the Commission forms. The Commission will review the situation, vote, and respond in writing. The Commission's decision will be whether or not the public official may participate in the matter or must abstain. Mr. Daley noted that there are exceptions regarding entering into a contract with other government entities, and those exceptions do require steps that will ensure all business dealings and processes are aboveboard and open to public view.

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According to Mr. Daley, state law does not prohibit public officials from accepting gifts, but there are guidelines that must be followed. Lobbyists and the principals of lobbyists are prohibited from giving gifts with a value of more than \$50.00 per month. There is an exception for food and drink for immediate consumption, said Mr. Daley. He advised that, if a board member is to accept something of value, the board member ought to know the source of that gift. Chairperson Hynek brought up a hypothetical situation in which he goes to dinner at his wife's colleague's house, where lobbyists may be present or hosting, and they are not affiliated with the Board. He asked if he could eat the dinner at the house without a conflict, but if he left with a gifted bottle of wine, would that be a conflict? Mr. Daley said yes, the bottle of wine, if valued at more than \$50.00, would fall under the \$50.00 rule; the dinner and anything consumed at the house would not.

The final topic discussed by Mr. Daley was that of nepotism, or the act of hiring, promoting, or advancing a family member in state government, including the initial appointment and transfer to other positions in state government. Mr. Daley acknowledged the size of staff, and mentioned that nepotism is unlikely to occur within an agency this small, but that every public official or employee must be aware of it.

Mr. Daley closed by affirming that the Commission's goal is to provide information needed, so that state government officials can comply with state law. Responses are given to all questions by telephone, even "hypothetical" questions. If something more formal is required, the Commission will provide an answer in writing. He said that, in his experience, "Ninety-nine point nine percent of people want to do the right thing, if they can find out what it is." Director Kohtz thanked Mr. Daley, and informed the Board that his office is very easy to work with. The Director added that he would be willing to contact the Commission on behalf of a board member if a concern arises.

Chairperson Hynek thanked Mr. Daley for the informative presentation.

## **I. BOARD MEETING MINUTES**

### **1. APPROVAL OF APRIL 18, 2019 MEETING MINUTES**

Chairperson Hynek asked for any additions or corrections to the April 18, 2019 meeting minutes. With no further discussion, Chairperson Hynek called for a vote. Board Member Mustoe moved to adopt the April 18, 2019 meeting minutes as presented. Board Member Luhrs seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

## **J. DIRECTOR'S REPORT**

### **1. APPRAISER COUNT REPORT**

Director Kohtz presented seven charts outlining the number of appraisers as of May 16, 2019. The Director reported there was no change in trends from the previous month. Director Kohtz asked for any questions or comments. There was no further discussion.

### **2. TEMPORARY CREDENTIAL REPORT**

Director Kohtz presented three charts outlining the number of temporary permits issued as of April 30, 2019. The Director noted the count was similar to that of last year at this time. The Director then 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 May 16, 2019. He commented that trends had not changed. The Director 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 May 16, 2019. The Director reported that the trends were maintaining. Director Kohtz asked for any questions or comments. There was no further discussion.

## **K. FINANCIAL REPORT AND CONSIDERATIONS – MAY 2019**

### **1. APPROVAL OF APRIL RECEIPTS AND EXPENDITURES**

The receipts and expenditures for April were reviewed by the Director by line item with the Board in the Budget Status Report. Director Kohtz brought attention to the \$9,427.47 Data Processing Expense. He reported that this expense covers the work being done on the database for the online application, and it is indicative of the hard work being done. The Director added that next month's expense would be even greater. Director Kohtz then commented on a \$515.00 expense for Conference Registration, which covered the Director's Spring AARO Conference attendance. Next, the Director noted a Household and Institutional Expense of \$87.50. He explained that this expense represented the NRPAB promotional clothing that AS Duerig ordered before attending The Appraisal Foundation's Investigator Training. Director Kohtz moved on to the \$44.50 HRMS Assessment expense, which he explained meant "Human Resources Management System." The Director said this is a quarterly assessment, so it does not always appear on the Budget Status Report. He then brought attention to a \$360.00 expense for Educational Services. This expense covered AS Duerig's 15-Hour National USPAP Course, which was a prerequisite for The Appraisal Foundation's Investigator Training. Finally, Director Kohtz commented on an expense of \$20.00, listed as Other Operating Expense. He explained that a check received by the Board was returned, and this expense represented the \$20.00 returned check fee charged by the State Treasurer's Office. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the General Ledger for April. The Director noted the Art FX Screenprinting and Embroidery expenses of \$52.50 and \$35.00 were for AS Duerig's promotional clothing items. He also commented on the \$20.00 expense from the State Treasurer, which was due to the returned check as mentioned in the Budget Status Report. Director Kohtz asked for any questions or comments. There was no further discussion.

Director Kohtz presented three graphs showing expenses, revenues, and cash balance. For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$29,374.65 in expenditures and \$13,993.87 in revenues were reported. The Director commented that these were both good figures for this time of year. Director Kohtz then remarked that the cash balance for the AMC fund is \$274,507.50, the Appraiser Fund is \$355,923.33, and the overall cash balance for both funds is \$630,430.83. The Director asked for any questions related to the graphs. There was no further discussion.

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Board Member Mustoe moved to accept and file the April 2019 financial reports for audit. Board Member Luhrs seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

**2. 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.

**3. 2019-2021 BIENNIAL BUDGET UPDATE**

Director Kohtz brought attention to the budget recommendation prepared by the Appropriations Committee found on page K.14, and informed the Board that there were no changes since his report last month. The Director thanked Samuel Malson from the Legislative Fiscal Office for his hard work and assistance in securing the funding needed for the next biennium. Chairperson Hynek also thanked Mr. Malson. There was no further discussion.

**L. GENERAL PUBLIC COMMENTS**

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

**M. CONSIDERATION OF EDUCATION-INSTRUCTOR REQUESTS**

Board Member Mustoe moved to approve the following education activities and instructors as listed:

**NEW QUALIFYING EDUCATION ACTIVITIES AND INSTRUCTORS**

**ASFMRA**

15 Hour National USPAP Course (A113)(2018-19) (1191114.01) / 15 Hours – Chris Greenwalt

Cost Approach for General Appraisers (A301) (1191416.01) / 30 Hours – Clay Caver

**NEW CONTINUING EDUCATION ACTIVITIES AND INSTRUCTORS**

**ASFMRA**

Introduction to Cannabis Operations and Valuation (2191415.01) / 8 Hours – JoAnn Wall

Farmland Drainage Tile: Valuation and Usage (2191420.01) / 8 Hours – Allan Husby

Practical Rural Appraisal: Work Problems Using the New Methodology (2191421.01) / 8 Hours – Brent Stanger

**McKissock, LLC**

New Construction Essentials: Luxury Homes (2192417.03) / 3 Hours – Jo Traut

The Fundamentals of Appraising Luxury Homes (2192418.03) / 4 Hours – Jo Traut

Understanding Luxury Home Features (2192419.03) / 7 Hours – Jo Traut

Seconded by Board Member Luhrs. Chairperson Hynek called for the vote. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Board Member Mustoe moved to approve the following education activities and instructors effective as of the date on which Nebraska Legislative Bill 77 becomes effective:

**NEW DISTANCE QUALIFYING EDUCATION ACTIVITIES AND INSTRUCTORS**

**Hondros College**

Basic Residential Appraisal Procedures (1192422.34) / 30 Hours – Elizabeth Sigg

Advanced Residential Applications and Case Studies (1192423.34) / 15 Hours – Elizabeth Sigg

National USPAP Course (2018-19) (1192124.34) / 15 Hours – Elizabeth Sigg

Basic Residential Appraisal Principles (1192425.34) / 30 Hours – Elizabeth Sigg

Residential Report Writing and Case Studies (1192426.34) / 15 Hours – Elizabeth Sigg

Specialized Residential Appraisal Topics (1192427.34) / 20 Hours – Elizabeth Sigg

**McKissock, LLC**

2018-2019 15-Hour National USPAP Course (1192128.03) / 15 Hours – Dan Bradley

Advanced Residential Applications and Case Studies (1192429.03) / 15 Hours – Dan Bradley

Appraisal Subject Matter Electives (1192430.03) / 20 Hours – Alan Simmons

Basic Appraisal Principles (1192431.03) / 30 Hours – Alan Simmons

Basic Appraisal Procedures (1192432.03) / 30 Hours – Alan Simmons

General Appraiser Income Approach (1192435.03) / 60 Hours – Dan Bradley

General Report Writing and Case Studies (1192439.03) / 30 Hours – Dan Bradley

Residential Appraiser Site Valuation and Cost Approach (1192440.03) / 15 Hours – Alan Simmons

Residential Market Analysis and Highest & Best Use (1192441.03) / 15 Hours – Dan Bradley

Residential Report Writing and Case Studies (1192442.03) / 15 Hours – Dan Bradley

Residential Sales Comparison and Income Approaches (1192443.03) / 30 Hours – Alan Simmons

Statistics, Modeling, and Finance (1192444.03) / 15 Hours – Alan Simmons

Seconded by Board Member Luhrs. Chairperson Hynek called for the vote. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Board Member Mustoe moved to approve the following education activities and instructors effective as of the date Nebraska Legislative Bill 77 becomes effective, contingent on the education provider supplying evidence of continuous AQB and IDECC approval existing on the effective date of Legislative Bill 77 and beyond.

**NEW DISTANCE QUALIFYING EDUCATION ACTIVITIES AND INSTRUCTORS  
(SEPARATE AQB AND IDECC APPROVAL)**

**McKissock, LLC**

Expert Witness for Commercial Appraisers – Subject Matter Elective (1192434.03) / 15 Hours  
– Paul Lorenzen

General Appraiser Market Analysis and Highest and Best Use (1192436.03) / 30 Hours –  
Dan Bradley

General Appraiser Sales Comparison Approach (1192437.03) / 30 Hours – Dan Bradley

Commercial Appraisal Review – Subject Matter Elective (1192433.03) / 15 Hours –  
Paul Lorenzen

General Appraiser Site Valuation and Cost Approach (1192438.03) / 30 Hours –  
Alan Simmons

Seconded by Board Member Luhrs. Chairperson Hynek called for the vote. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

**N. UNFINISHED BUSINESS**

**1. ONLINE APPRAISER RENEWAL APPLICATION SUBMISSION PORTAL  
WITH ELECTRONIC PAYMENT**

Director Kohtz reported that there had been significant progress made during the past month. The Director explained that the primary focus was placed on building the transaction file that will be submitted to U.S. Bank after applications are submitted via the Online Appraiser Renewal Application Submission Portal. Chairperson Hynek expressed satisfaction with the progress report. There was no further discussion.

**O. NEW BUSINESS:** No discussion.

**P. LEGISLATIVE REPORT AND BUSINESS**

**1. CURRENT LEGISLATION**

Director Kohtz presented the fourth legislative report of the current session to the Board for review. The Director informed the Board he would provide a summary of changes, but would not discuss any others unless a board member requested discussion.

**LB34** – This bill was approved by the Governor on April 18, 2019. This bill eliminates provisions relating to benefits payable after the filing of a grievance or appeal, and changes provisions relating to employee reinstatement under the County Employees Retirement Act and State Employees Retirement Act.

**LB96** – This bill passed on Final Reading.

**LB130** – This bill was approved by the Governor on May 8, 2019. This bill adopts radon resistant new construction requirements

**LB179** – This bill passed on Final Reading.

**LB405** – This bill was approved by the Governor on May 8, 2019. This bill updates the state building and energy codes to the 2018 edition of the International Building Code and to the 2018 edition of the International Residential Code, and requires municipalities to notify the State Energy Office upon amending or modifying local building or construction codes in certain cases.

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

**Q. ADMINISTRATIVE BUSINESS**

**1. GUIDANCE DOCUMENTS:** No discussion.

**2. INTERNAL PROCEDURAL DOCUMENTS:** No discussion.

**3. APPRAISER FORMS AND PROCEDURES**

The Revised Application for Nebraska Real Property Appraiser Credential, Revised Application for Nebraska Real Property Appraiser Credential Through Reciprocity, Revised Application for Trainee Real Property Appraiser Credential, Revised Application for Nebraska Real Property Appraiser Temporary Credential, Revised Appraiser Experience Log Cover Sheet, and Revised Appraiser Experience Log were presented to the Board for consideration. Chairperson Hynek asked for any comments on the new forms and applications. Director Kohtz announced that these forms were updated to reflect the changes in Title 298. The Director pointed out that an internal discussion led the Board staff to remove the employment history from credential applications because neither the office staff nor board members seemed to take the information under consideration. BLS Nespor commented that the Board's website address had changed, and she planned to update it on the forms, but she had no other suggested changes. There was no further discussion. Chairperson Hynek called for a motion. Board Member Mustoe moved to approve the following as presented:

- a. Revised Application for Nebraska Real Property Appraiser Credential**
- b. Revised Application for Nebraska Real Property Appraiser Credential Through Reciprocity**
- c. Revised Application for Trainee Real Property Appraiser Credential**
- d. Revised Application for Nebraska Real Property Appraiser Temporary Credential**
- e. Revised Appraiser Experience Log Cover Sheet**
- f. Revised Appraiser Experience Log**

Board Member Walkenhorst seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.



#### **4. EDUCATION PROVIDER/INSTRUCTOR FORMS**

The Revised Application for Qualifying Education, Revised Application for Continuing Education, Revised Application for Continuing Education Renewal, Revised Application for Seven-Hour Supervisory Appraiser and Trainee Course, and Revised Application for Instructor Approval were presented to the Board for consideration. Director Kohtz announced that these forms were updated to reflect the changes in Title 298, and asked for any questions or comments. There was no further discussion. Board Member Mustoe moved to approve the following as listed:

- a. Revised Application for Qualifying Education**
- b. Revised Application for Continuing Education**
- c. Revised Application for Continuing Education Renewal**
- d. Revised Application for Seven-Hour Supervisory Appraiser and Trainee Course**
- e. Revised Application for Instructor Approval**

Board Member Luhrs seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

#### **R. OTHER BUSINESS**

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

#### **2. CONFERENCES/EDUCATION**

##### **a. Kohtz Spring AARO Conference Report**

Director Kohtz reported that he attended the Spring AARO Conference in Denver, Colorado from May 3rd through 5th. The Director provided a detailed summary of the conference for the board members to review, and noted the following highlights:

- The ASC announced that only six states were rated for AMC Program compliance. Nebraska was the only one rated excellent for AMC Program compliance.
- The ASC also gave a brief overview of the North Dakota Temporary Waiver Request. Director Kohtz informed the Board that more information regarding this request would be provided further down on the agenda.
- The Appraisal Foundation reported success from livestreaming their meetings. Director Kohtz informed the Board that he often plays the meetings while working, and finds them useful for keeping up with TAF.
- The Appraisal Foundation considered a shorter and a longer cycle for USPAP releases, but is currently considering a subscription based service. There were no details offered.

- The Appraisal Foundation discussed the Practical Applications of Real Estate Appraisal (PAREA). TAF is still considering 100% of experience being obtained through PAREA for the certified residential and licensed residential credentials. A question remains as to whether States should review the experience as they do now, or simply accept a certificate for the experience. Another question posed by The Appraisal Foundation was whether the experience should be completed after the appraiser qualifying education is completed, or at the same time.
- A representative from Fannie Mae gave a presentation on risk management and appraising. According to Director Kohtz, Fannie Mae confirmed that, “Taxi drivers will not be sent to inspect homes.”
- An AQB Q&A indicating that a supervisory appraiser may only have three trainees in all states was discussed during the Executive Directors/Administrators Round Table discussion. The question, “How could States regulate supervisory appraisers across state lines” was asked. Director Kohtz informed the Board that this has never been an issue in Nebraska, but indicated that enforcing it would be a challenge.

Public member Roger Morrissey requested permission to speak. Chairperson Hynek granted Mr. Morrissey permission. Mr. Morrissey asked the Board what a corrective action course is. Director Kohtz requested permission to answer on behalf of the Board, and permission was granted by Chairperson Hynek. Director Kohtz stated that The Appraisal Foundation offers online courses for use when an appraiser is in a situation of disciplinary action or noncompliance, and additional education on specific topics may be helpful. Mr. Morrissey asked if the Board had ever directed credential holders to take these courses. Chairperson Hynek indicated he was not aware of a situation where they had. Director Kohtz agreed that the Board had never used the courses. He explained that the courses are free, online, and available to anyone through The Appraisal Foundation’s website. Mr. Morrissey expressed interest in the courses and said he might use them at his business. BLS Nespor commented that the courses are not approved for continuing education credit in Nebraska, which would be something for all to remember. Director Kohtz asked for any questions or comments on the topic, or on the AARO Conference Report. There was no further discussion.

**b. Duerig 2019 Investigator Training – Level 1 Report**

AS Duerig reported that she attended The Appraisal Foundation's first level of Investigator Training in Kansas City from April 15th through 17th. She stated the presenters were Tom Lewis, the Deputy Director of North Carolina Appraisal Board, and Larry Disney, the former executive director for the Kentucky Real Estate Appraisers Board. AS Duerig provided a brief description of the training. The first day included an overview of the federal and state entities that regulate the appraiser profession, followed by a USPAP overview and quiz with group discussion. AS Duerig said that the second day began with a final discussion of USPAP Standard 2, followed by a presentation of the investigative process. AS Duerig noted that it was valuable to hear about the investigative process from the presenters and attendees from other states, as it gave insight into Nebraska's own processes and procedures. She also commented that it was unique that Nebraska contracts Standard 3-4 reviews to Subject Matter Experts rather than doing in-house reviews. AS Duerig reported that the second day concluded with a case example, and the third half-day's curriculum was a second case example. She added that it was interesting to hear appraiser and non-appraiser points of view on the case examples. AS Duerig thanked the Board for the experience.

**c. TAF 2019 Investigator Training – Level 2; July 15-17, 2019 – Tampa, FL**

Director Kohtz brought attention to the Level 2 Investigator Training taking place July 15th through 17th in Tampa, Florida. The Director reminded the Board that the attendance and registration is paid for by an Appraisal Subcommittee grant through The Appraisal Foundation. Director Kohtz requested approval for AS Duerig to attend. Board Member Mustoe moved to approve AS Duerig for attendance at The Appraisal Foundation's 2019 Level 2 Investigator Training. Board Member Luhrs seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

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

**4. QUARTERLY NEWSLETTER:** No discussion.

**5. APPRAISAL SUBCOMMITTEE**

**a. ASC Compliance Review**

**i. 2019 ASC Appraiser Program Compliance Review Report April 29, 2019**

Director Kohtz presented the 2019 ASC Appraiser Program Compliance Review Report to the Board for review. He noted an excellent rating was received by Nebraska's program. Director Kohtz congratulated everyone and asked for any questions or comments. There was no further discussion.

**ii. 2019 ASC AMC Program Compliance Review Report April 29, 2019**

Director Kohtz presented the 2019 ASC AMC Program Compliance Review Report to the Board for review. He noted an excellent rating was received by Nebraska's program. Director Kohtz congratulated everyone and asked for any questions or comments. There was no further discussion.

**b. ASC comment on the First Exposure Draft of a Proposed Interpretation of the Real Property Appraiser Qualification Criteria**

Director Kohtz presented the ASC comment on the First Exposure Draft of a Proposed Interpretation of the Real Property Appraiser Qualification Criteria to the Board for review. The Director explained that, last month, The Appraisal Foundation published an Exposure Draft, which gave an opinion on language related to supervisory appraiser qualifications. Director Kohtz informed the Board that The Appraisal Foundation's position outlined in the exposure draft was that a supervisory appraiser should not be disqualified due to an administrative action. Director Kohtz pointed out the ASC's response was that an administrative action is a reason for disqualification. Currently, the Director reported, the condition still stands. Director Kohtz asked for any questions or comments. There was no further discussion.

**c. North Dakota Appraisal Waiver Request**

Director Kohtz presented two letters to the Board for review: the August 1, 2018 North Dakota Letter to ASC and the September 7, 2018 ASC Initial Response to North Dakota Letter. The Director reported that the North Dakota Department of Financial Institutions, the North Dakota Bankers Association, and the Governor of North Dakota made a request to the ASC for a temporary waiver of appraisal requirements for federally related real estate mortgage loans. The Director indicated it seemed like a legitimate waiver request, and that it appeared the ASC was considering it. Board Member Luhrs asked if the basis of the waiver request was too few appraisers. Director Kohtz replied affirmatively, adding that the turnaround for commercial appraisals was 3-4 months in North Dakota, and as long as a month for residential appraisers in high growth areas. Director Kohtz said there were simply not enough appraisers for the population growth, noting a town that has been growing by 5,000 people per year. Board Member Mustoe commented that the request in the letter was to raise the threshold where appraisals are required to \$1,000,000 for commercial properties and \$500,000 for residential properties. There was no further discussion.

**6. THE APPRAISAL FOUNDATION**

**a. Appraisal Standards Board Summary of Actions for 2020-21 USPAP Changes**

Director Kohtz presented the Appraisal Standards Board Summary of Actions for 2020-21 USPAP Changes to the Board for review. The Director said he had discussed the changes at recent board meetings, so he had nothing to offer in the way of discussion. There was no further discussion.

**7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.**

**8. IN THE NEWS**

**a. Appraisal Buzz Article – Same Road, New Name?**

Director Kohtz presented the Appraisal Buzz article titled, "Same Road, New Name" to the Board for review. The Director commented that the article discussed issues related to the secondary residential real estate market. He said the article described changes in appraisal products, which could lead to changes in the market itself, and warned that the financial crisis could happen again. Director Kohtz then asked the Board if they had any questions or comments. There was no further discussion.

**C. CONSIDERATION OF APPLICANTS FOR CREDENTIAL AS NEBRASKA REAL PROPERTY APPRAISER**

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

- T19010 / Approve as Trainee Real Property Appraiser.**
- CR19009R / Requirements for credentialing as a Certified Residential Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.**
- CG19011R / Approve as Certified General Real Property Appraiser.**
- CG19012R / Approve as Certified General Real Property Appraiser.**
- CG19014R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.**
- CG19015R / Requirements for credentialing as a Certified General Real Property Appraiser approved as submitted. Authorize Director to issue credential upon completion of background check.**
- CR19007 / Education and experience accepted; approve to sit for exam, and authorize Director to issue a credential as a Certified Residential Real Property Appraiser upon successful completion of exam.**
- CG19006 / Education and experience accepted; approve to sit for exam, and authorize Director to issue a credential as a Certified General Real Property Appraiser upon successful completion of exam.**
- CG19003 / Education and experience accepted; approve to sit for exam, and authorize Director to issue a credential as a Certified General Real Property Appraiser upon successful completion of exam.**

Board Member Luhrs seconded the motion. Motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

Board Member Mustoe moved to approve the renewal application for CG290036, which was received at the Board's office postmarked between April 17, 2019 and May 14, 2019, with an advisory letter, contingent on the results of the background check if applicable. Board Member Walkenhorst seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

**D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.**

**E. CONSIDERATION OF DISCIPLINARY ACTIONS/ ENFORCEMENT MATTERS**

Board Member Mustoe moved to take the following enforcement actions:

- 17-04 / Approve SME contract rate of \$100.00 per hour, capped at \$4,000.00.**
- 18-10 / Ongoing.**
- 19-01 / Ongoing.**
- 19-02 / Close.**
- 19-03 / Ongoing.**
- 19-05 / Dismiss without prejudice.**
- 19-06 / Ongoing.**

Board Member Luhrs seconded the motion. Motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

**F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS**

**1. PERSONNEL MATTERS**

The Board discussed personnel matters. Board Member Mustoe moved to increase the Director’s salary by 2.5%, effective July 1, 2019. Board Member Luhrs seconded the motion. The motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye.

**R. ADJOURNMENT**

Board Member Mustoe moved to adjourn the meeting. Board Member Luhrs seconded the motion. Motion carried with Mustoe, McCormick, Luhrs, Walkenhorst, and Hynek voting aye. At 10:48 a.m., Chairperson Hynek adjourned the May 16, 2019 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on May 22, 2019, in compliance with Nebraska Revised Statute § 84-1413 (5).