

PUBLIC MEETING OF THE NEBRASKA REAL PROPERTY APPRAISER BOARD
Thursday, October 21, 2021, 9:00 a.m.
Nebraska Real Property Appraiser Board Office, First Floor, Nebraska State Office Building
301 Centennial Mall South, Lincoln, Nebraska

AGENDA

A. Opening 9:00 a.m.

B. Notice of Meeting (Adopt Agenda)

The Nebraska Real Property Appraiser Board will meet in executive session for the purpose of reviewing applicants for credentialing; applicants for appraisal management company registration; investigations; pending litigation, or litigation that is imminent as evidenced by communication of a claim or threat of litigation; and employee performance evaluation. The Board will exit executive session at 9:30 a.m. If needed, the Board will re-enter executive session at the conclusion of the public agenda items discussion to complete review of the above-mentioned items. The Board will not take action on agenda items C, D, E, and F until executive session is completed.

C. Credentialing as a Nebraska Real Property Appraiser.....1-27

1. New Applicants for Certified Residential Credential through Education, Experience, and Examination
 - a. CR21008
2. New Applicants for Certified General Credential through Education, Experience, and Examination
 - a. CG21020
3. Pending Real Property Appraiser Credentialing Applicants
 - a. L20002
 - b. CG19019
 - c. CG20003

D. Registration as an Appraisal Management Company.....1-4

1. Appraisal Management Company New Applicants
 - a. NE2021008

E. Consideration of Compliance Matters.....1

1. New Grievances
 - a. 21-06
 - b. 21-07
2. Active Investigations
 - a. 21-04
 - b. 21-05
3. Post-Board Action Matters
 - a. 20-11

F. Consideration of Other Executive Session Items.....1

1. Personnel Matters

G. Welcome and Chair's Remarks (*Public Agenda 9:30 am*)

H. Board Meeting Minutes

1. Approval of September 16, 2021 Meeting Minutes.....1-9

I. Director's Report

1. Real Property Appraiser and AMC Counts and Trends
 - a. Real Property Appraiser Report.....1-4
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a. Real Property Appraiser Report	8
b. Education Activity and Instructor(s) Report	9
3. 2021-22 NRPAB Goals and Objectives + SWOT Analysis	10-11

J. Financial Report and Considerations

1. September Financial Report	
a. Budget Status Report	1-3
b. MTD General Ledger Detail Report	4-10
c. Financial Charts	11-13
2. Per Diems	
3. FY 2021-22 Budget Amendment	14-15
4. 2022 Mid-Biennium Budget Request	16-21

K. General Public Comments

L. Consideration of Education/Instructor Requests

M. Unfinished Business

1. Open 2nd Congressional District Certified Real Property Appraiser Representative Position

N. New Business

O. Legislative Report and Business

1. Nebraska Real Property Appraiser Act Update
 - a. REQ03236
2. Other Legislative Matters

P. Administrative Business

1. Guidance Documents
 - a. 21-04: Certification by the International Distance Education Certification Center
for Correspondence Education Activities
2. Internal Procedural Documents
3. Forms, Applications, and Procedures

Q. Other Business

1. Board Meetings
2. Conferences/Education
3. Memos from the Board
4. Quarterly Newsletter
5. Appraisal Subcommittee
6. The Appraisal Foundation
 - a. TAF October Newsletter
 - b. The Appraisal Foundation Releases Statement on Freddie Mac Appraisal Bias Report
 - c. Appraiser Qualifications Board
 - i. Appraiser Qualifications Board Q&As_October 4, 2021
7. Association of Appraiser Regulatory Officials
8. In the News

R. Adjourn

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

September 16, 2021 Meeting Minutes

A. OPENING

Chairperson Christopher Mustoe called to order the September 16, 2021 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 Mustoe 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 on September 9, 2021. 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 Christopher Mustoe of Omaha, Nebraska, Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, and Cody Gerdes of Lincoln, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Katja Duerig, who are all headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

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

Board Member Luhrs 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 Downing seconded the motion. The time on the meeting clock was 9:03 a.m. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Luhrs moved to come out of executive session at 9:19 a.m. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

G. WELCOME AND CHAIR'S REMARKS

Chairperson Mustoe welcomed all, and said, "Let's keep it short and simple. I hope everyone is enjoying fall." There were no members of the public present.

H. BOARD MEETING MINUTES

1. APPROVAL OF AUGUST 19, 2021 MEETING MINUTES

Chairperson Mustoe asked for any additions or corrections to the August 19, 2021 meeting minutes. With no discussion, Chairperson Mustoe called for a motion. Board Member Downing moved to adopt the August 19, 2021 meeting minutes as presented. Board Member Luhrs seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

I. 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 September 16, 2021 to the Board for review. The Director reported that he had no specific comments and asked for questions or comments. There was no discussion.

b. Temporary Real Property Appraiser Report

Director Kohtz presented three charts outlining the number of temporary credentials issued as of August 31, 2021 to the Board for review. The Director asked for any questions or comments. There was no further discussion.

c. Supervisory Real Property Appraiser Report

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of September 16, 2021 to the Board for review. The Director reported that he had no comments, and asked for any questions or comments. There was no discussion.

d. AMC Report

Director Kohtz presented two charts outlining the number of AMCs as of September 16, 2021 to the Board for review. The Director reported that he had no comments, and asked for any questions or comments. There was no 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, and the real property appraiser applicants approved to sit for exam by the Director, for the period between August 11, 2021 and September 7, 2021. The Director asked for any questions or comments. There was no further discussion.

3. 2021-22 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

Director Kohtz presented the 2021-22 NRPAB Goals and Objectives and SWOT Analysis to the Board for review and provided a status update. The Director guided the Board to Laws, Rules, and Guidance Documents, and reported that the changes to Title 298 adopted by the Board on August 19, 2021 have been submitted to the Attorney General's Office for review. The Director informed the Board that the next step is waiting for approval from the Attorney General's Office. Once approval is obtained from the Attorney General's Office, the changes to Title 298 will be sent to the Governor's Policy and Research Office for review. Chairperson Mustoe inquired whether the Board needs to approve the minutes from the Title 298 hearing. Director Kohtz reported that, surprisingly, there is no requirement to have minutes at these hearings. The Director noted that what is called a Certificate of Adoption serves as an official record that the hearing took place, and the Board adopted the proposed rules; this is submitted to the Attorney General's Office, and again to the Governor's Policy and Research Office with the adopted changes. Director Kohtz then moved to Credentialing and Registration, and informed the Board that no progress has been made by OCIO on the Potential Supervisory Real Property Appraiser List Derived from Application for Renewal of Nebraska Real Property Appraiser Credential Question project. Director Kohtz continued to Administration and reported that the purchase of video equipment and software needed to hold NRPAB meetings by virtual conferencing is on the agenda under Financial Report and Considerations, so he would not go into detail now. Finally, Director Kohtz informed the Board that no response has been received from OCIO regarding the request for a cost estimate for the Develop API Translator between NRPAB Database and ASC Federal Registries project and the AMC Renewal Online Application and Interface project. Director Kohtz asked for any questions or comments. With no further discussion, Chairperson Mustoe invited the Director to proceed to Financial Report and Considerations.

J. FINANCIAL REPORT AND CONSIDERATIONS – SEPTEMBER 2021

1. APPROVAL OF AUGUST RECEIPTS AND EXPENDITURES

The receipts and expenditures for August were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to two expenses resulting from the Department of Administrative Services annual assessments of the agency, one Worker Comp Premiums expenditure for \$1,528.00 and one Purchasing Assessment expenditure for \$83.00. The Director moved on to the Publication and Print Expense in the amount of \$508.84 and indicated that this includes the quarterly copy services charges for April through June. Director Kohtz also guided the Board to the Conference Registration expense of \$515.00 and informed the Board that this expenditure was for his Fall AARO Conference registration. The Director indicated that expenditures for the month of August totaled \$24,942.32, which amounts to 12.79 percent of the budgeted expenditures for the fiscal year; 16.99 percent of the fiscal year has passed. The Director noted that the Board is doing a good job keeping expenditures low. The Director then turned the Board's attention to revenues and declared that Certified General Renewal and Certified Residential Renewal fees were once again high for the month as a result of making the real property appraiser renewal application available in July. Director Kohtz remarked that these early real property appraiser renewals will lighten the typically heavy load of renewal applications in November and December. Revenues reported for August were \$21,390.82, and total revenues amount to 13.15 percent of the projected revenues for the fiscal year. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the MTD General Ledger for August. The Director noted an entry labelled NRPAB JE CORRECT AMC DEPOSIT, which describes a transaction made to correct an accounting error in the AMC budget revenues. Director Kohtz indicated that the AMC renewal fees received for a specific date were accidentally coded as AMC Registered New Fees. Director Kohtz asked for any questions or comments. There was no further discussion.

Director Kohtz presented three graphs showing expenses, revenues, and cash balance. The Director once again announced the expenditures and revenues for the month of August for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director then remarked that the cash balance for the AMC Fund is \$320,466.02, the Appraiser Fund is \$372,078.51, and the overall cash balance for both funds is \$692,544.53. Director Kohtz announced that both the AMC Fund and Appraiser Fund cash balances are at five-year highs. There was no further discussion.

Board Member Luhrs moved to accept and file the August 2021 financial reports for audit. Board Member Walkenhorst seconded the motion. The motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe 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. MEETING OWL PRO

Director Kohtz presented information about the Owl Labs Meeting Owl Pro video conference device to the Board for review. The Director reported that he has researched video conferencing equipment, and this is the most suitable option due to its ease of use and efficiency. In addition, it is a cost-effective option as this is not a hard-wired system. Director Kohtz reminded the Board that the Nebraska Open Meetings Act has been amended to allow for up to half of the Board's regular meetings to be conducted via virtual conferencing annually. Board Members can choose whether they want to attend such a meeting in-person at the office or virtually in accordance with the Open Meetings Act. The Director informed the Board that the cost for the Meeting Owl Pro is \$1,187.01, but he would like approval of \$1,500.00 to account for accessories such as a mount and cables needed to operate the Meeting Owl Pro. Board Member Walkenhorst inquired if the Director knew whether other agencies used this device. Director Kohtz responded that he did not know what other agencies use for their virtual meetings. Chairperson Mustoe asked, where exactly in the budget does the \$1,500 come from, and would the budget need to be altered in any way? Chairperson Mustoe also asked if the State offered any Covid related funds that could be utilized for this expense. The Director responded that the Board has \$1,197.92 in Other Operating Exp that is intended to be used for special projects or unforeseen expenditures. This budgeted allocation would cover the majority of this expenditure. Director Kohtz also announced that there are no Covid related funds or programs that could be utilized by the Board for such an expenditure.

(Continued on page 5)

(Continued from page 4)

Chairperson Mustoe remarked that holding a meeting by virtual conferencing would also result in savings to the travel budget as vehicle mileage and lodging would not be required. Director Kohtz agreed with Chairperson Mustoe and informed the Board that each virtual meeting would result in a cost savings of at least \$700.00 per meeting. A discussion took place about virtual meetings and public accessibility. Director Kohtz explained that the public would be able to attend the meeting in person, or virtually through a WebEx meeting link provided in the meeting notice. Board Member Gerdes asked whether board members attending a virtual meeting would need a device such as the Meeting Owl Pro. Director Kohtz replied that board members attending virtually would not need such a device, they would need only to log in to WebEx. Chairperson Mustoe expressed his support for the purchase of the Meeting Owl Pro and called for a motion. Board Member Luhrs moved to approve \$1,500.00 for the purchase of the Meeting Owl Pro and accessories. Board Member Walkenhorst seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

K. GENERAL PUBLIC COMMENTS

Chairperson Mustoe asked for any public comments. With no comments, Chairperson Mustoe proceeded to Consideration of Education/Instructor Requests.

L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS: No discussion.

M. UNFINISHED BUSINESS

1. REAL PROPERTY APPRAISER NATIONAL UNIFORM LICENSING AND CERTIFICATION EXAM TESTING SERVICE INQUIRY

Director Kohtz reported that he has no update for the testing service inquiry, and has not received a response from Pearson Vue after two attempts to contact them, most recently on August 9, 2021. BLPM Nespor remarked that three applicants are ready to take the exam, but there have been problems with the testing service scheduling portal. These applicants must complete the exam by September 28, 2021. Chairperson Mustoe asked if the Board could extend the deadline. Director Kohtz replied that twelve months is the statutory time limit to complete the exam after an applicant is approved to sit for the exam, and that a waiver to the exam time requirement issued by the Appraisal Subcommittee allows an applicant in a state under a state of emergency to have up to three months after the state of emergency is ended to complete the exam. Governor Ricketts ended Nebraska's State of Emergency declaration in July. The Director added that BLPM Nespor has done an excellent job staying in contact with applicants and the testing service during this time; she is doing everything that can be done to get the exams scheduled. Director Kohtz finished by saying that there really are no more options for these individuals. The Director asked for any questions or comments. There were none. Director Kohtz informed the Board that he will remove this item from the agenda until there is something to report on the inquiry. There was no further discussion.

2. RENEWAL SEASON TEMPORARY EMPLOYEES

Director Kohtz reported that only four applications were received for the two renewal season temporary employee openings, which is not a satisfactory pool of candidates. The Director informed the Board that due to the lack of applicants, the strategy is changing from utilizing Board-selected college interns to requesting that SOS assign a person from

their existing pool. The Director asked for any questions or comments. There was no further discussion.

N. NEW BUSINESS

1. OPEN 2ND CONGRESSIONAL DISTRICT CERTIFIED REAL PROPERTY APPRAISER REPRESENTATIVE POSITION

Chairperson Mustoe declared that he has enjoyed being a part of the Board, its ups, and its downs, but it is time to move on. Director Kohtz thanked the Chairperson for his service, and presented a Memo from the Board titled, “Open 2nd Congressional District Certified Real Property Appraiser Representative Position” to the Board for consideration. Board Member Walkenhorst brought attention to the fact that the Nebraska State Legislature is in the process of drafting updated congressional districts, and what the 2nd district will look like is not currently known. Director Kohtz thanked Board Member Walkenhorst for the reminder, suggested removing the map of District 2 from the memo, and simply writing, “must live in District 2 as it exists on January 1, 2022.” Chairperson Mustoe supported this change, and all board members agreed. Board Member Luhrs moved to approve the Memo from the Board titled, “Open 2nd Congressional District Certified Real Property Appraiser Representative Position” as amended. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

Board Member Walkenhorst informed the Board that he would like to make an announcement that concerns his position as the Board’s financial institutions representative. Board Member Walkenhorst declared that he is retiring from his employment in April of 2022. Chairperson Mustoe congratulated Board Member Walkenhorst on his retirement. Board Member Walkenhorst indicated that he did not want to surprise the Board with his retirement, and wanted to provide a sufficient amount of time for the Board to establish and carry out any needed changes. Director Kohtz reported that the last time a board member no longer met the qualification for the purpose of his or her appointment, the Governor requested that the board member resign from the Board. The Director added, just because that was the decision at that time does not mean that it will be the decision this time. Director Kohtz stated that he would contact the Governor’s Office to inform the Governor of Board Member Walkenhorst’s status when it gets closer to that time, and congratulated Board Member Walkenhorst on his retirement. There was no further discussion.

O. LEGISLATIVE REPORT AND BUSINESS

1. NEBRASKA REAL PROPERTY APPRAISER ACT UPDATE

Director Kohtz reported that the Nebraska Real Property Appraiser Act update is still in bill drafting, and expressed hope that it will be finished soon. The Director asked for any questions or comments. There was no discussion.

2. 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. ADMINISTRATIVE BUSINESS

1. GUIDANCE DOCUMENTS: No discussion.

2. INTERNAL PROCEDURAL DOCUMENTS: No discussion.

3. FORMS, APPLICATIONS, AND PROCEDURES: No discussion.

Q. OTHER BUSINESS

1. BOARD MEETINGS: No discussion.

2. CONFERENCES/EDUCATION: No discussion.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER

a. Summer 2021 Edition of The Nebraska Appraiser

Director Kohtz presented the Summer 2021 edition of The Nebraska Appraiser to the Board for review. Board Member Walkenhorst moved to approve the Summer 2021 Edition of The Nebraska Appraiser as presented. Board Member Luhrs seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

5. APPRAISAL SUBCOMMITTEE

a. ASC Meeting: November 17, 2021

Director Kohtz reported that the next ASC meeting will be held on November 17, 2021. The Director asked for any questions or comments. There was no discussion.

6. THE APPRAISAL FOUNDATION

a. TAF September Newsletter

Director Kohtz presented The Appraisal Foundation's September newsletter to the Board for review. The Director asked for any questions or comments. There was no discussion.

b. Appraiser Qualifications Board

i. AQB Public Meeting: November 19, 2021 – Virtual

Director Kohtz reported that the AQB will hold a virtual public meeting on November 19, 2021. The Director asked for any questions or comments. There was no discussion.

ii. AQB Adopts Changes to Real Property Appraiser Qualification Criteria

Director Kohtz presented a press release titled, "AQB Adopts Changes to Real Property Appraiser Qualification Criteria." The Director declared that significant changes were made to the education criteria, and the Board will have to update Title 298 to conform to these changes. Director Kohtz noted that no changes need to be made to the Real Property Appraiser Act because the Real Property Appraiser Act provides a general authority to the Board for an education program to be promulgated through the rules. Since the criteria changes will go into effect on January 1, 2022, and the Board will not have time to update Title 298 before then, issuance of a guidance document detailing the acceptance of synchronous education is recommended by the Director. Chairperson Mustoe expressed support for the idea, saying that livestream education has been a good thing for real property appraisers. The Director reported that a guidance document will be drafted and placed before the Board next month, and asked for any additional questions or comments. There was no further discussion.

c. Appraisal Standards Board

i. First Exposure Draft of proposed changes to the 2023 edition of USPAP

Director Kohtz presented the First Exposure Draft of proposed changes to the 2023 edition of USPAP to the Board for review. The Director brought attention to the fact that this edition will cover one year rather than two, so it will require a legislative bill two years in a row. Director Kohtz commented on the following changes:

- On page Q.24, “disability” is added as a protected class, and a Comment is added to explain when supported conclusions based on the characteristics of protected classes may be allowed.
- Clarification is added to the reporting requirements for inspections on page Q.28.
- The words “and other transfers” are added to the development and reporting requirements for prior sales on page Q.30.
- A minor edit is described on page Q.39 related to the reporting requirements for significant real property appraisal assistance.
- On page Q.60, the definitions of “misleading,” “relevant characteristics,” and “personal inspection” are stricken.
- On page Q.61, the definitions of “appraiser,” “assignment elements,” and “workfile” are amended.
- A definition of “his or her” is added on page Q.62

Director Kohtz asked for any questions or comments. There was no further discussion.

7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.

8. IN THE NEWS: No discussion.

C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

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

CG21012R / Approve as Certified General Real Property Appraiser.

CG21019 / Approve real property appraisal experience hours claimed for real property located outside of the State of Nebraska and authorize staff to continue processing application.

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

D. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

E. CONSIDERATION OF COMPLIANCE MATTERS

The Board discussed compliance matters 20-11, 21-04, and 21-05. No actions were taken by the Board.

F. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

1. 2021.09

The Board reviewed a matter in which an education provider may be offering or attempting to offer appraiser education activities to Nebraska resident real property appraisers without first obtaining approval by the Board. Based on review of the education provider's website, the Board concluded that the education provider is not offering or attempting to offer appraiser education activities to Nebraska resident real property appraisers. Board Member Luhrs moved to close the matter. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye.

2. PERSONNEL MATTERS: No discussion.

R. ADJOURNMENT

Board Member Luhrs moved to adjourn the meeting. Board Member Downing seconded the motion. Motion carried with Luhrs, Walkenhorst, Downing, Gerdes, and Mustoe voting aye. At 10:04 a.m., Chairperson Mustoe adjourned the September 16, 2021 meeting of the Real Property Appraiser Board.

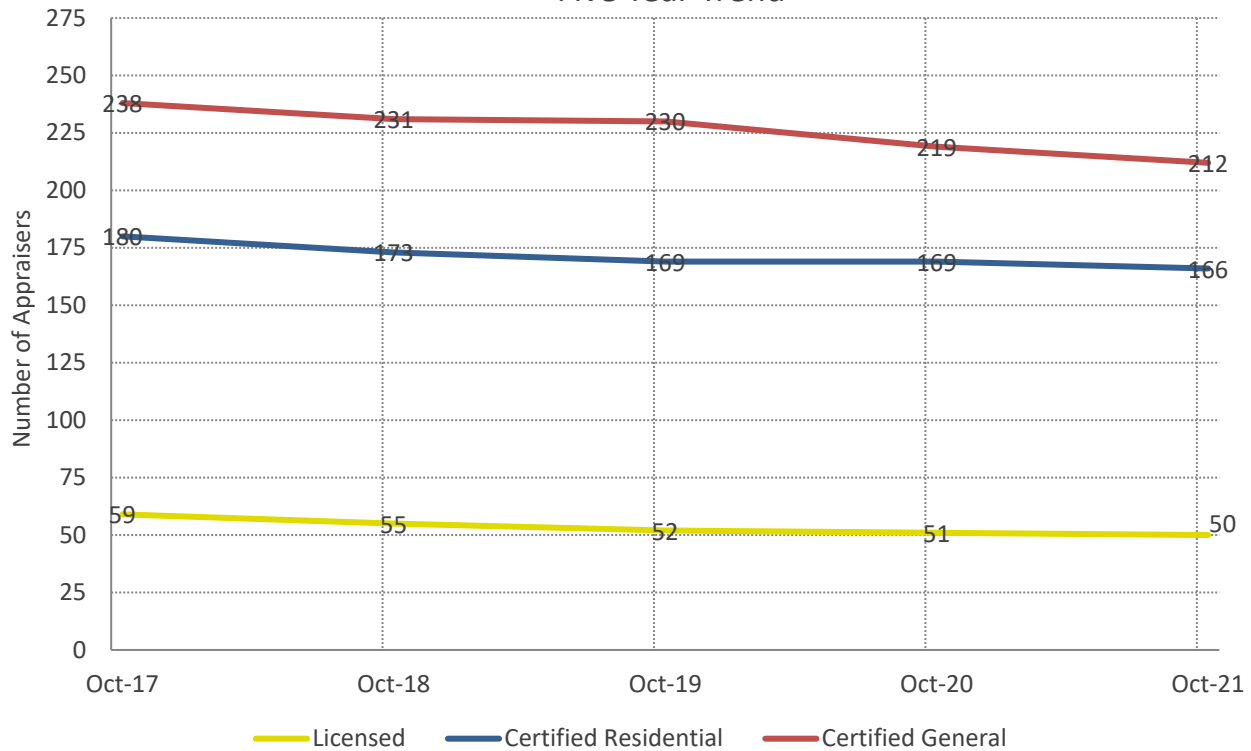
Respectfully submitted,

Tyler N. Kohtz
Director

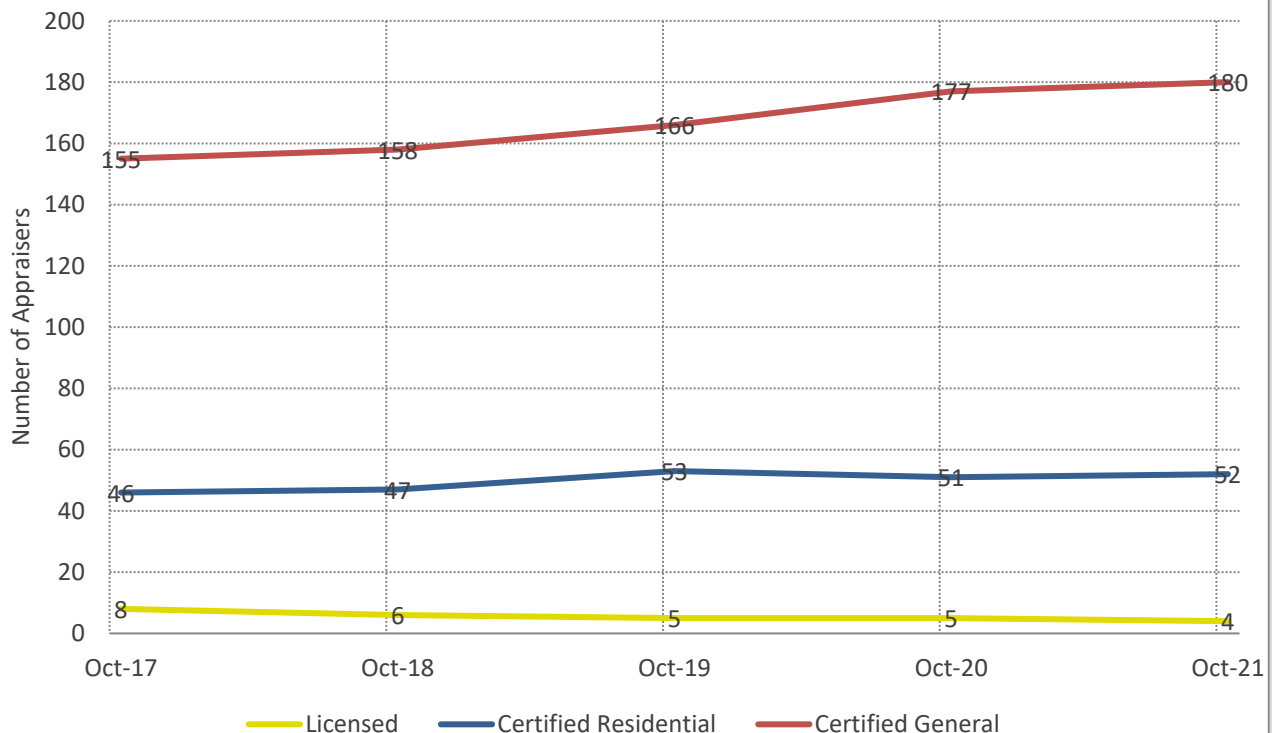
These minutes were available for public inspection on September 23, 2021, in compliance with Nebraska Revised Statute § 84-1413 (5).

Real Property Appraiser Report

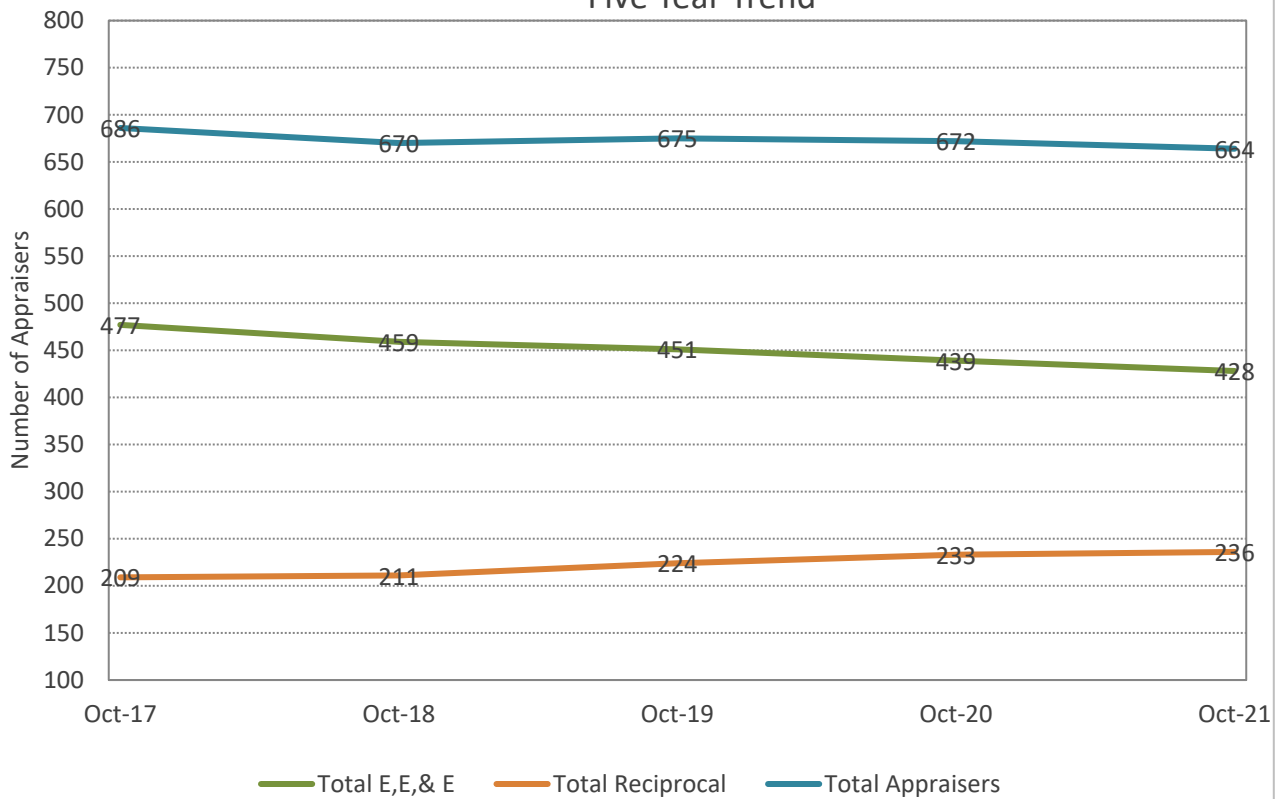
Real Property Appraisers Credentialed through
Education, Experience, and Examination (not including Trainee)
- Five Year Trend



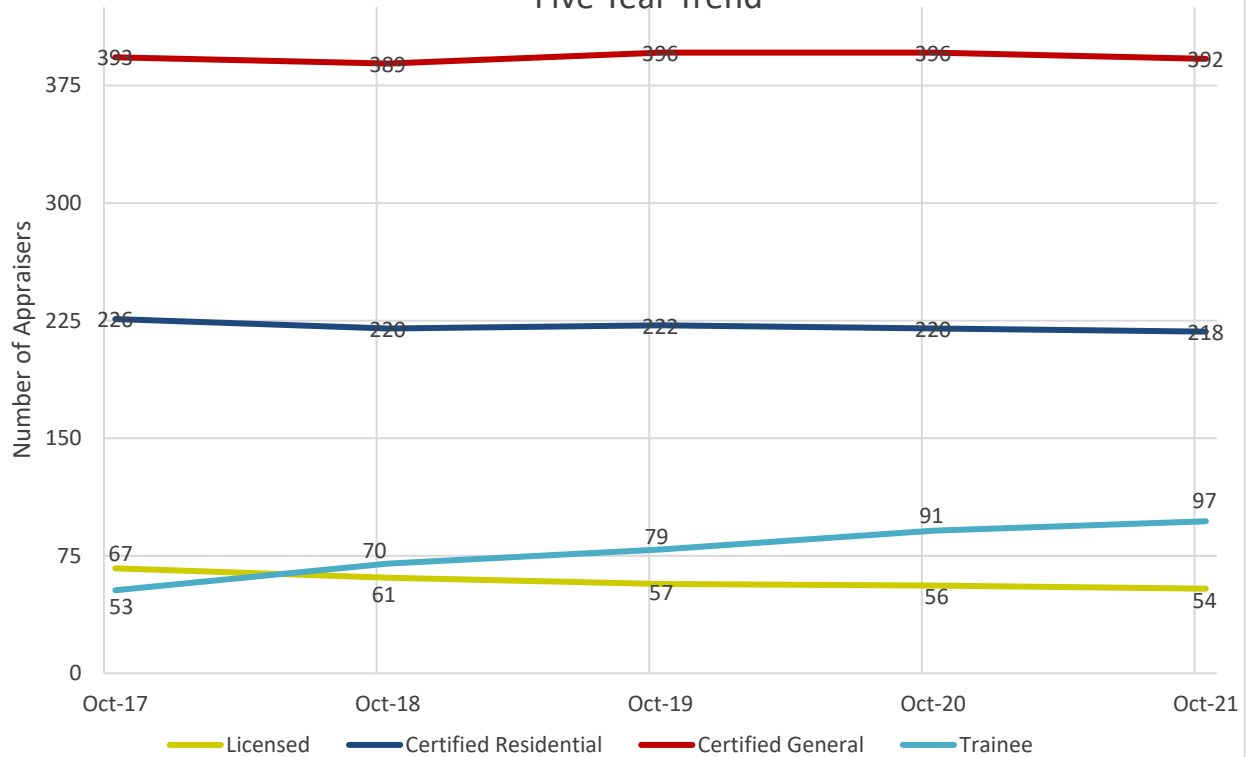
Real Property Appraisers by Classification
Credentialed through Reciprocity - Five Year Trend



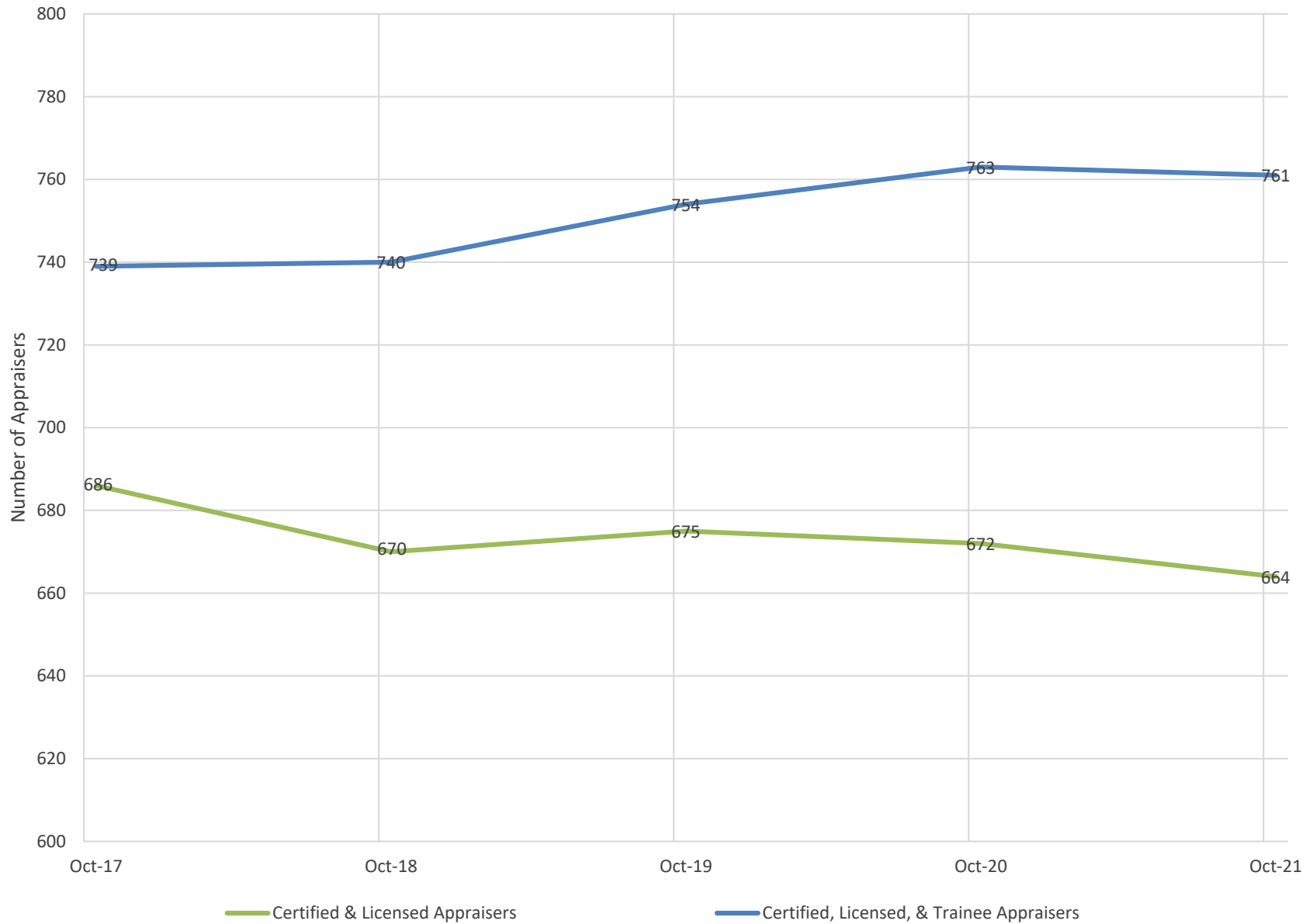
Total Real Property Appraisers (not including Trainee)
- Five Year Trend



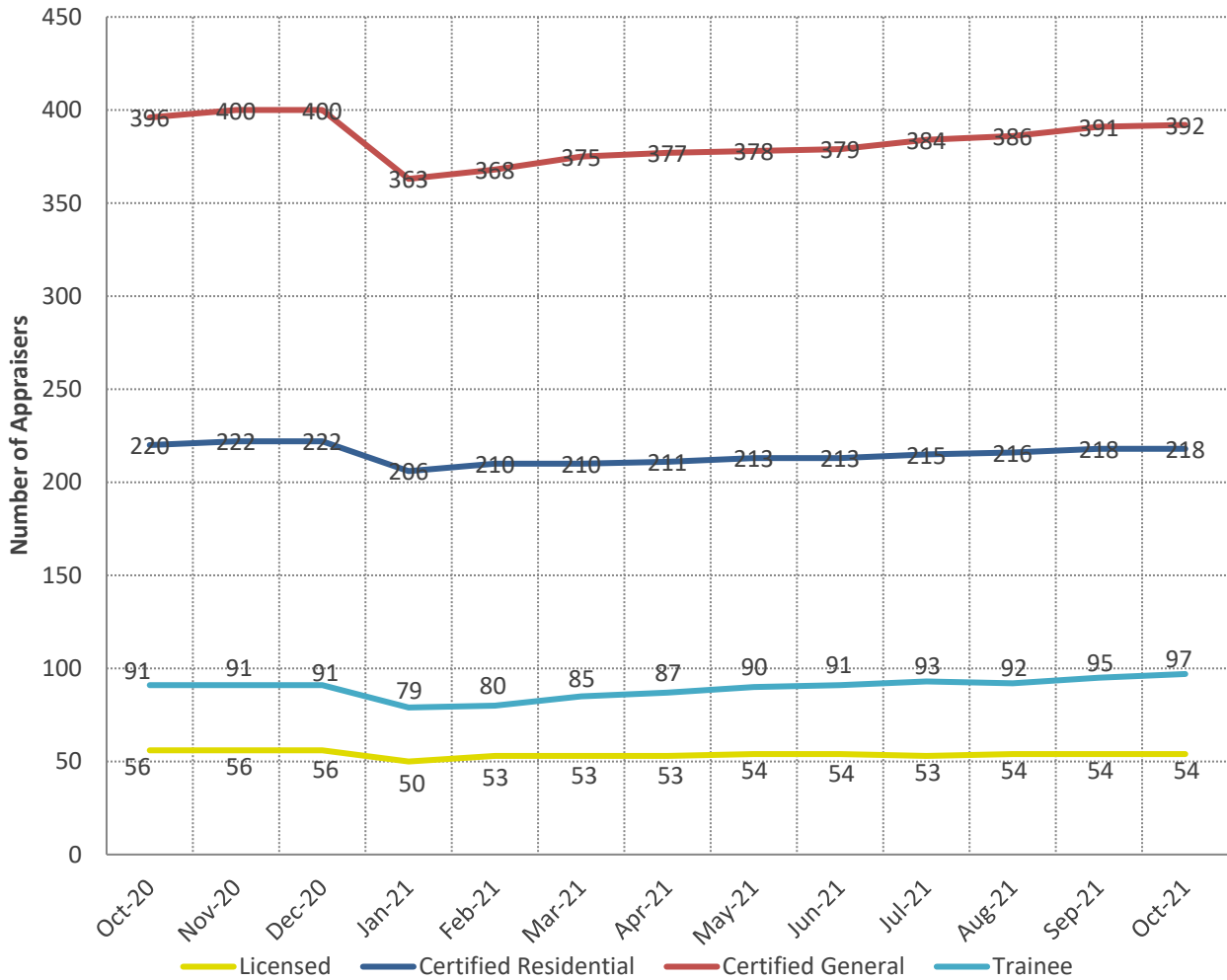
Total Real Property Appraisers by Classification -
Five Year Trend



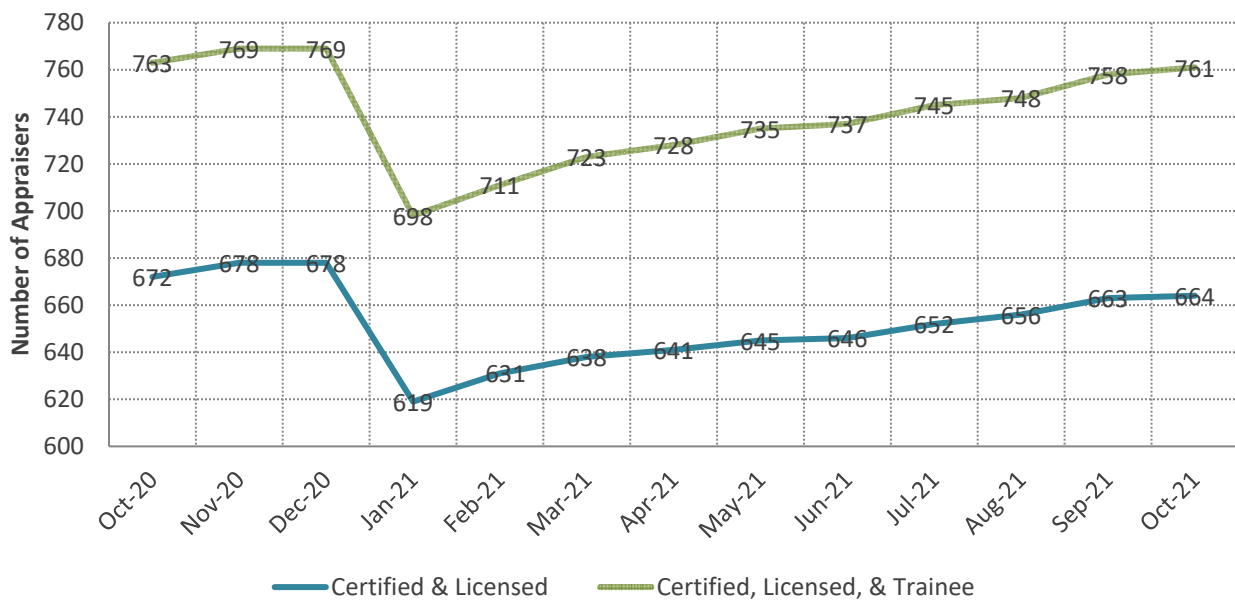
Total Real Property Appraisers - Five Year Trend



Real Property Appraisers by Classification - Thirteen Month Trend

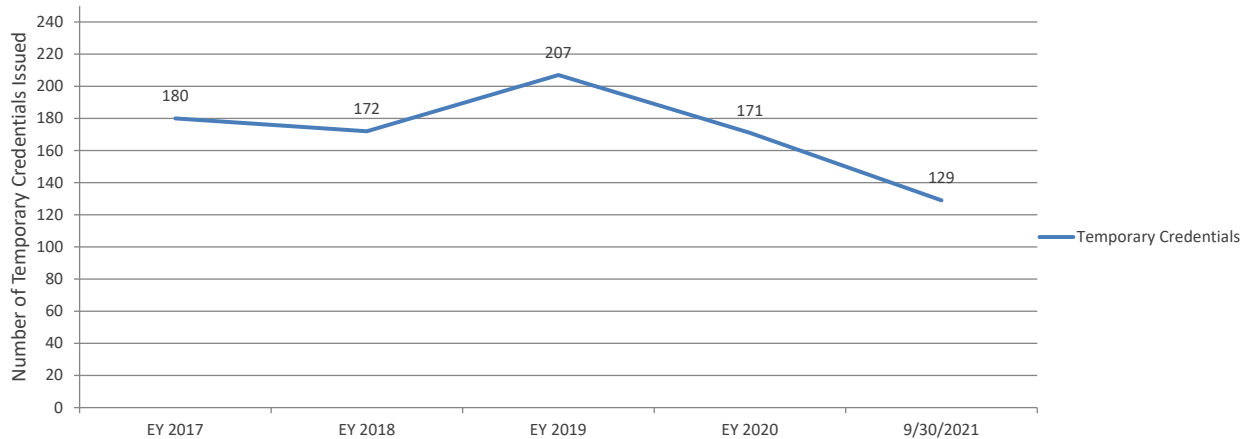


Total Real Property Appraisers - Thirteen Month Trend

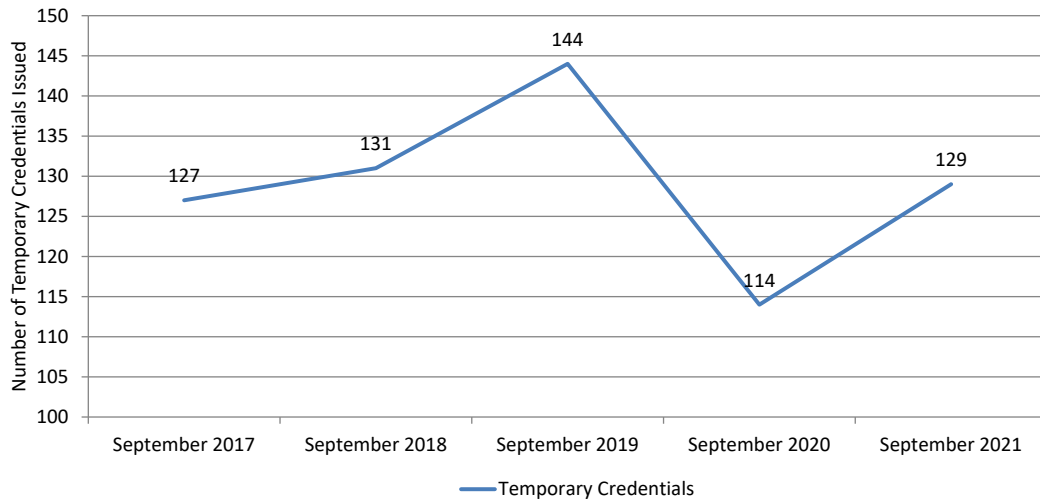


Temporary Real Property Appraiser Report

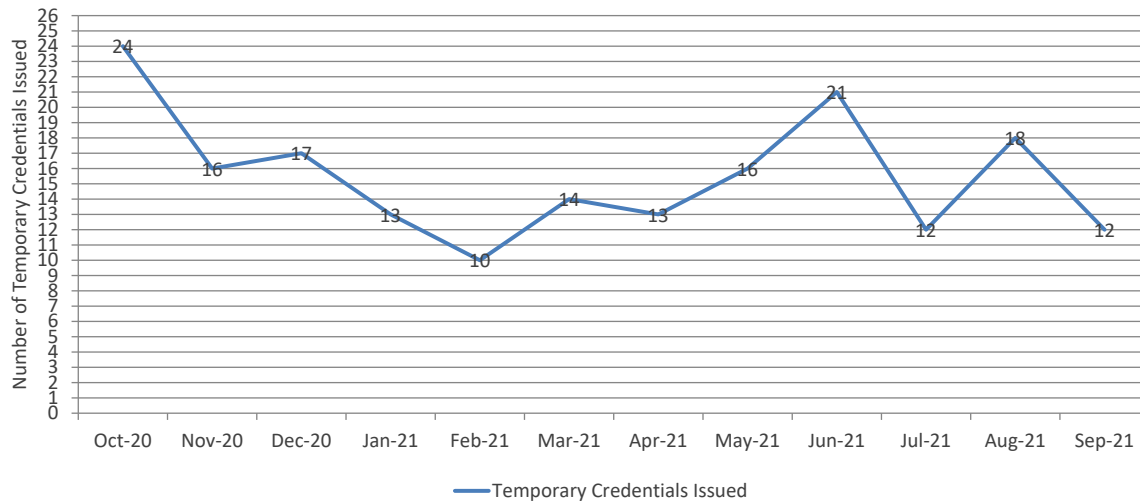
Temporary Real Property Appraiser Credentials Issued by Calendar Year - Five Year Trend



Year-to-date Temporary Real Property Appraiser Credentials Issued - Five Year Trend

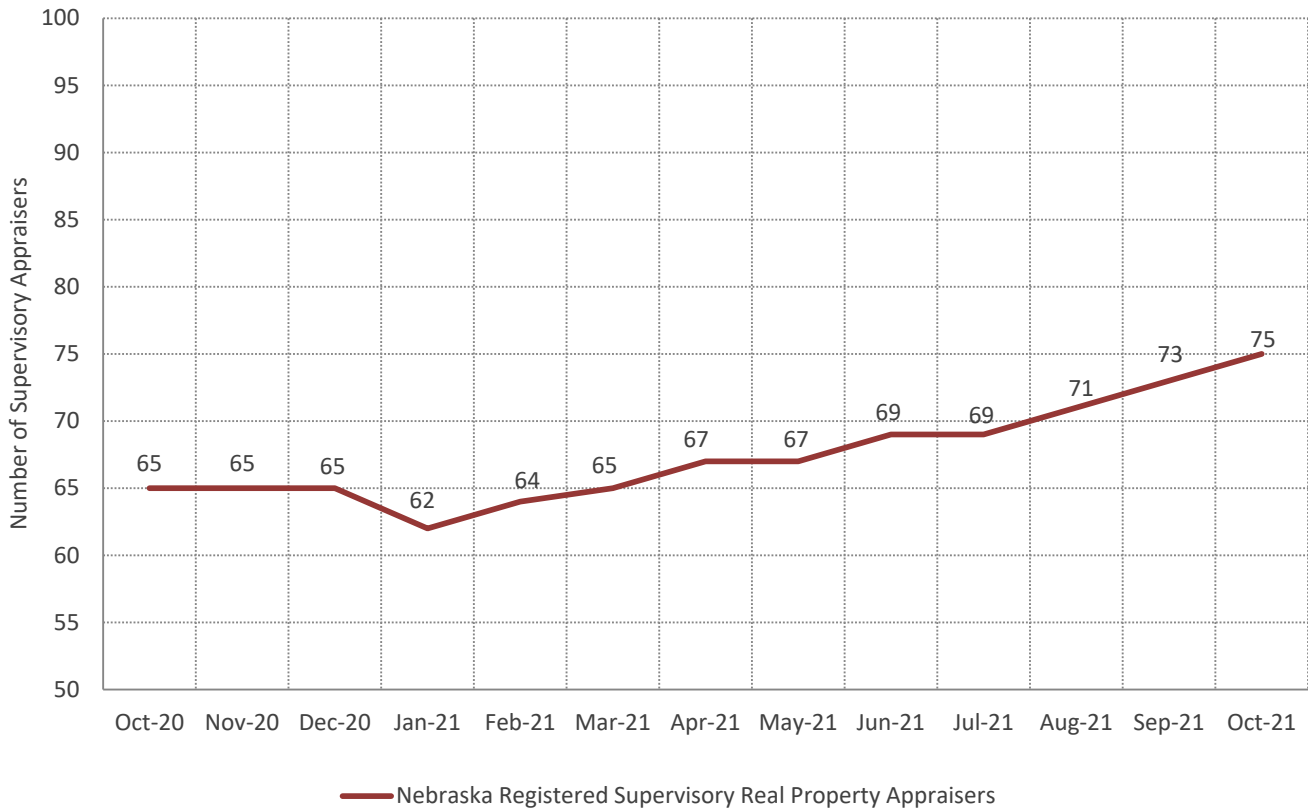


Temporary Real Property Appraiser Credentials Issued by Month - Twelve Month Trend



Supervisory Real Property Appraiser Report

Registered Supervisory Real Property Appraisers - Thirteen Month Trend

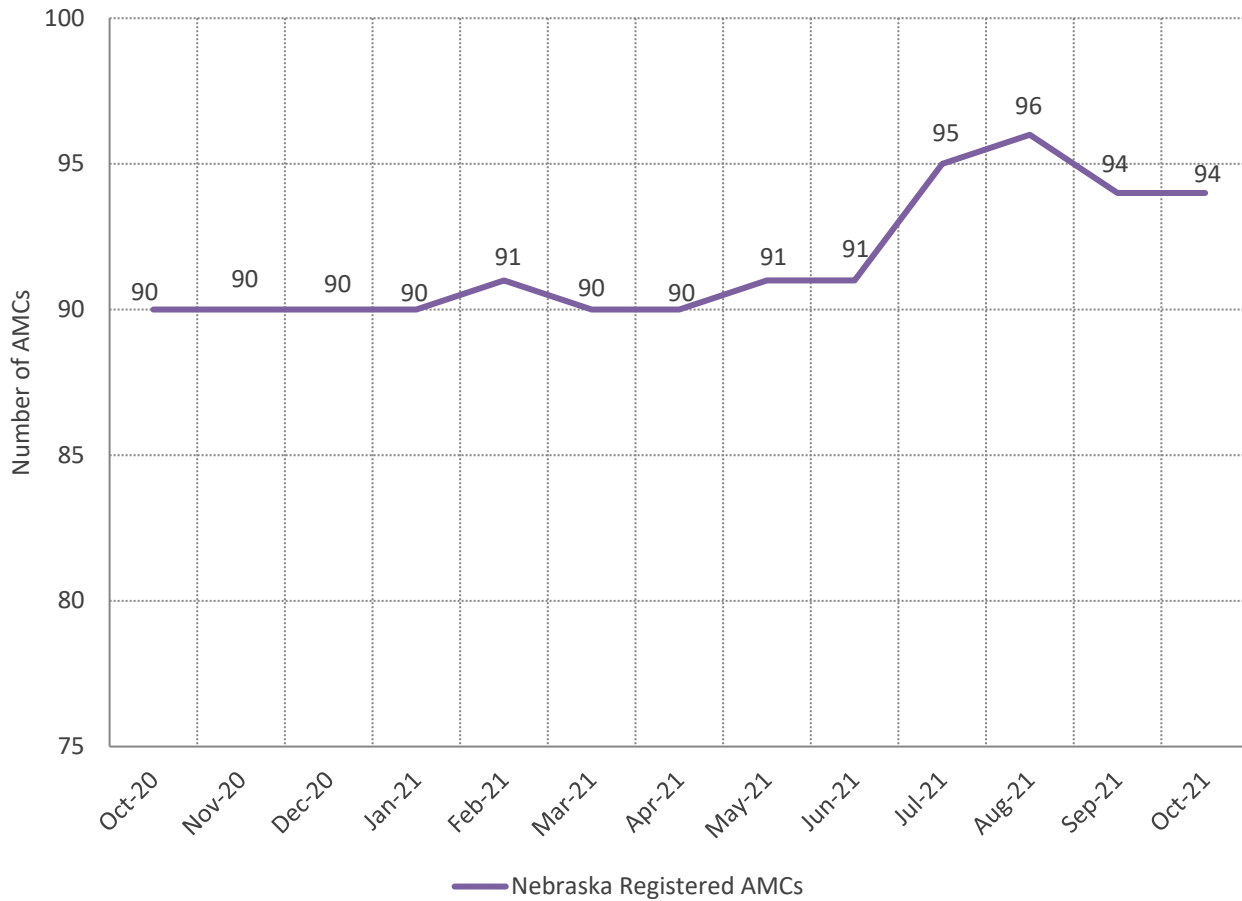


Registered Supervisory Real Property Appraisers - Five Year Trend

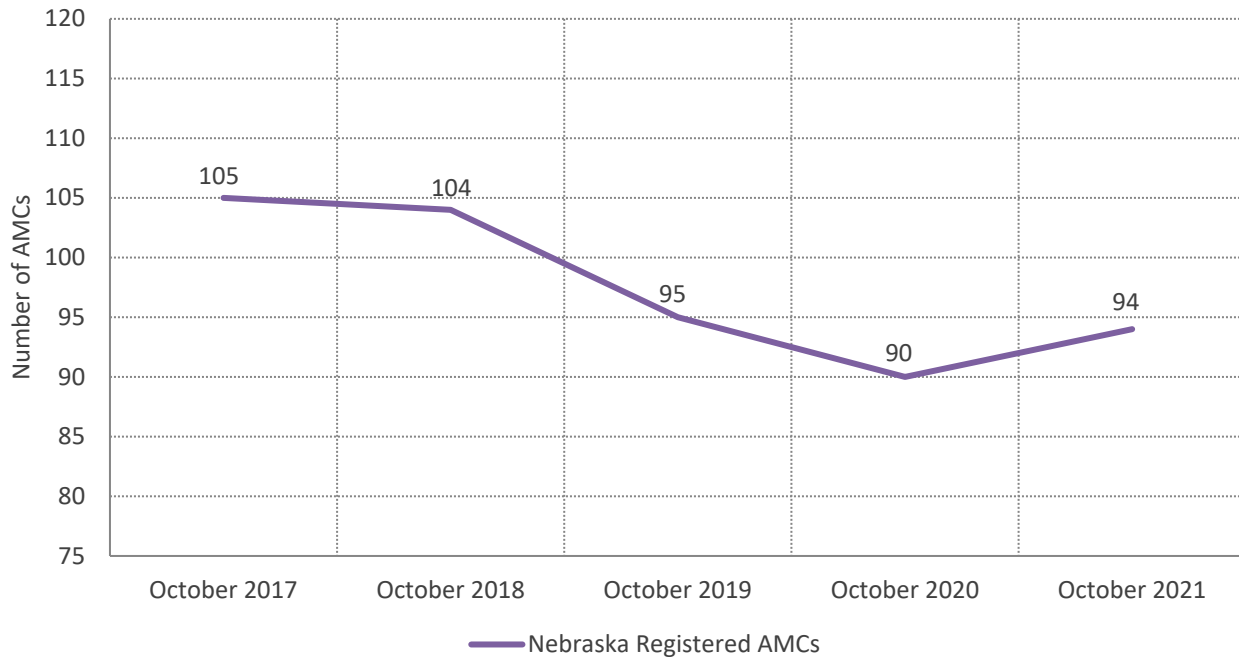


Appraisal Management Company Report

Appraisal Management Companies - Thirteen Month Trend



Appraisal Management Companies - Five Year Trend



NEBRASKA REAL PROPERTY APPRAISER BOARD

DIRECTOR APPROVAL OF REAL PROPERTY APPRAISER APPLICANTS

September 8, 2021 – October 5, 2021

<i>New Trainee Real Property Appraisers</i>		
T2021025	Nicholas Nelsen	Approved September 8, 2021
T2021026	Mason Buckendahl	Approved September 15, 2021
T2021027	Ryan Payton	Approved September 28, 2021 with advisory, no supervisor
<i>New Licensed Residential Real Property Appraisers through Education, Examination, and Experience</i>		
L21001	John Bruna	Approved September 10, 2021 to sit for exam
<i>New Certified General Real Property Appraisers through Education, Examination, and Experience</i>		
CG21014	Ethan Sorensen	Approved September 15, 2021 to sit for exam
<i>New Certified General Real Property Appraisers through Reciprocity</i>		
CG2021017R	Ryan Kelley	Approved September 24, 2021

NEBRASKA REAL PROPERTY APPRAISER BOARD

DIRECTOR APPROVAL OF EDUCATION ACTIVITY AND INSTRUCTOR(S) APPLICANTS

September 8, 2021 – October 5, 2021

Provider	Activity Number	Hours	Title	Instructor(s)	Approval Date
<i>New Continuing Education Activities and Instructors</i>					
Appraisal Institute	2211442.02	7	Valuation Overview of Accessory Dwelling Units	Sandra Adomatis	September 10, 2021
McKissock, LLC	2212440.03	3	Market Disturbances-Appraisals in Atypical Markets and Cycles	Jo Traut	September 20, 2021
	2212439.03	3	Live Webinar: Learning from the Mistakes of Others: Appraisal Disciplinary Case Studies	Robert Abelson Dan Bradley Robert Frazier Charles Huntoon Philicia Lloyd Steve Maher Robert McClelland Jo Traut Josh Walitt	September 22, 2021
	2212443.03	4	Live Webinar: Diversify Your Practice with Assessment Appeals	Robert Abelson Dan Bradley Charles Fisher Robert Frazier Charles Huntoon Philicia Lloyd Steve Maher Robert McClelland Julie Molendorp Jo Traut Josh Walitt	September 28, 2021
<i>New Supervisory Real Property Appraiser and Trainee Courses</i>					
Appraisal Institute	3211341.02	5	Supervisory Appraiser/Trainee Appraiser Course	Brett Hall Mark Ratterman	September 15, 2021

2021-22 Nebraska Real Property Appraiser Board Goals and Objectives
June 16, 2021 Strategic Planning Meeting

	SHORT TERM GOALS / OBJECTIVES	EXPECTED COMPLETION DATE	STATUS/GOAL MET	LONG TERM GOALS / OBJECTIVES	EXPECTED COMPLETION DATE	NOTES
LAWS, RULES, AND GUIDANCE DOCUMENTS	Work with the Banking Commerce and Insurance Legislative Committee's Legal Counsel to draft a bill to be introduced addressing the changes needed in the Real Property Appraiser Act, which includes but is not limited to the incorporation of PAREA as an alternative to real property appraisal practice experience and removing the limitation that a real property appraiser cannot represent him or herself as a property owner for property tax purposes.	12/31/2021	REQ03236 prepared for Board review at the October meeting.	Address changes to USPAP, Real Property Appraiser Qualifications Criteria, ASC Policy Statements, AQB CAP Program Guidelines, and Title XI as required.	Ongoing.	
	Remove engagement letter completion date requirement for issuance of a temporary real property appraiser credential from the Real Property Appraiser Act.	12/31/2021	REQ03236 prepared for Board review at the October meeting.	Harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act and Appraisal Management Company Registration Act as needed.	Ongoing.	
	Adopt Title 298 changes to reduce unnecessary regulatory burden and remove barriers to entry into the real property appraiser profession, provide for better clarification and administration, and harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act through LB808 in 2020 and LB23 in 2021.	12/31/2021	Adopted draft approved by the Attorney General's Office on September 27, 2021. Sent to the Governor's Policy and Research Office for review on September 29, 2021.	Continue to monitor the effectiveness of regulations to reduce unnecessary regulatory burden, remove barriers to entry into the real property appraiser profession, maintain an effective education program, and provide for better clarification and administration.	Ongoing.	
				Continue to adopt Guidance Documents for public advisement concerning interpretation of statutes and rules, and retire Guidance Documents that are no longer relevant.	Ongoing.	
				Continue to adopt internal procedures as needed to assist with the Board's administration of its programs, and retire internal procedures that are no longer relevant.	Ongoing.	
COMPLIANCE	None			Continue monitoring the effectiveness and efficiency of the Compliance Program.	Ongoing.	
CREDENTIALING AND REGISTRATION	Explore development of a supervisory real property appraiser eligibility list derived from a question on the Application for Renewal of Nebraska Real Property Appraiser Credential.	6/30/2022	Estimate received from CIO on June 24, 2021 (20392-Potential Supervisory Real Property Appraiser List Derived from Application for Renewal of Nebraska Real Property Appraiser Credential Question). Board approved project at July 15, 2021 meeting. No progress made by CIO to date.	Explore opportunities to increase the number of Nebraska resident real property appraisers.	Ongoing.	
	Explore change to testing service provider.	12/31/2021	Contacted Pearson Vue and Prometric. After discussion with TAF, it was discovered that Pearson Vue and PSI are the only approved testing service providers for the national appraiser exam administration. Response from Pearson Vue will be presented to the Board for review when received. Second contact attempt made on August 9, 2021.			
	Limit the disciplinary action reporting requirement to a set number of years based on reasonableness on the applications for credentialing.	12/31/2021	Completed July 15, 2021.			
EDUCATION	None.			None.		
PERSONNEL	None.			Continue updating the policies and procedures documents as needed to ensure compliance with state policy changes, NAPE/ASFCME contract changes, and to address general work environment needs and/or changes.	Ongoing.	
				Continue utilization of two interns to assist with processing real property appraiser renewal applications.	Ongoing.	

2021-22 Nebraska Real Property Appraiser Board Goals and Objectives
June 16, 2021 Strategic Planning Meeting

PUBLIC INFORMATION	Explore addition of a solid or scrolling message screen at the top of the NRPAB website for use to disseminate relevant timely information, such as notices of meetings.	6/30/2022		Encourage development of Memos from the Board and Facebook posts that contain facts of interest to the appraiser community.	Ongoing.	
				Continue utilizing the NRPAB website, NRPAB Facebook page, The Nebraska Appraiser, and Memos from the Board to disseminate relevant and important information to the appraisal business community and the general public in a timely manner. This includes information related to state and federal regulations, credentialing and registration requirements, renewal information, education information, Board policies and procedures, and other information that affects the industry.	Ongoing.	
				Continue utilization of Memos from the Board to disseminate important information in a timely manner that should not be held for the next release of The Nebraska Appraiser.	Ongoing.	
				Continue releasing new issues of The Nebraska Appraiser on a quarterly basis to disseminate important information to the appraisal business community and the general public in an effective and efficient manner.	Ongoing.	
				Continue releasing new issues of The Nebraska Appraiser on a quarterly basis to disseminate important information to the appraisal business community and the general public in an effective and efficient manner.	Ongoing.	
				Continue to monitor the effectiveness of current NRPAB website, and repair bugs and make improvements and add enhancements needed to address functionality or use.	Ongoing.	
				Explore the development and implementation of an updated NRPAB logo.	None.	
ADMINISTRATION	Explore the purchase and installation of video equipment and software needed to hold NRPAB meetings by virtual conferencing under the Open Meetings Act.	6/30/2022	Meeting Owl Pro purchased. Ceiling mount and required cable in process of being ordered. Installation to begin by Buildings Division as soon as parts arrive.	Continue to monitor the effectiveness of current processes and procedures, and update processes and procedures as needed to maintain effectiveness and efficiency of the administration of the Board's programs.	Ongoing.	
	Explore use of Federal grant money to pursue development of a translator system between the NRPAB Database and the ASC Federal Registry system.	6/30/2022	Additional request for estimate made to CIO on June 23, 2021 (20397 - Develop API Translator between NRPAB Database and the ASC Federal Registries for Real Property Appraisers and AMCs). No estimate provided by CIO to date.	Continue to monitor the effectiveness of current NRPAB database, repair bugs, and make improvements and add enhancements needed to address program or use changes.	Ongoing.	
	Explore online AMC renewal application and upgrade to the AMC Interface in the NRPAB Database.	6/30/2022	Additional request for estimate made to CIO on June 23, 2021 (14261 - AMC Renewal Online Application and Interface). No estimate provided by CIO to date.	Explore online real property appraiser initial applications (Reciprocity; E,E,&E; Temporary) AMC initial applications, education activity applications, and other services that require payment of a fee.	None.	
				Continue to transfer remaining paper files to electronic file format.	Ongoing.	
FINANCIALS	None.			None.		

Agency 053 REAL PROPERTY APPRAISER BD
 Division 000 Real Property App Bd
 Program 079 APPRAISER LICENSING

Percent of Time Elapsed = 25.21

ACCOUNT CODE DESCRIPTION	BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
BUDGETED FUND TYPES - EXPENDITURES						
510000 PERSONAL SERVICES						
511100 PERMANENT SALARIES-WAGES	140,527.00	10,713.73	33,038.08	23.51	5,076.03	102,412.89
511300 OVERTIME PAYMENTS	1,503.00		221.54	14.74		1,281.46
511600 PER DIEM PAYMENTS	9,100.00	500.00	900.00	9.89		8,200.00
511700 EMPLOYEE BONUSES	1,000.00					1,000.00
511800 COMP TIME PAYMENT	1,502.00					1,502.00
512100 VACATION LEAVE EXPENSE	11,267.00	1,316.27	3,339.07	29.64	222.14	7,705.79
512200 SICK LEAVE EXPENSE	3,136.00	76.94	76.94	2.45		3,059.06
512300 HOLIDAY LEAVE EXPENSE	8,154.00	637.20	1,264.44	15.51		6,889.56
Personal Services Subtotal	176,189.00	13,244.14	38,840.07	22.04	5,298.17	132,050.76
515100 RETIREMENT PLANS EXPENSE	12,532.00	954.26	2,840.90	22.67	396.72	9,294.38
515200 FICA EXPENSE	13,479.00	923.80	2,703.17	20.05	360.64	10,415.19
515500 HEALTH INSURANCE EXPENSE	32,903.00	2,741.90	8,225.70	25.00		24,677.30
516300 EMPLOYEE ASSISTANCE PRO	37.08		37.08	100.00		
516500 WORKERS COMP PREMIUMS	1,528.00		1,528.00	100.00		
Major Account 510000 Total	236,668.08	17,864.10	54,174.92	22.89	6,055.53	176,437.63
520000 OPERATING EXPENSES						
521100 POSTAGE EXPENSE	2,500.00	133.81	928.66	37.15		1,571.34
521300 FREIGHT	200.00					200.00
521400 DATA PROCESSING EXPENSE	29,890.00	3,790.77	7,801.91	26.10		22,088.09
521500 PUBLICATION & PRINT EXPENSE	3,000.00		508.84	16.96		2,491.16
521900 AWARDS EXPENSE	150.00					150.00
522100 DUES & SUBSCRIPTION EXPENSE	350.00					350.00
522200 CONFERENCE REGISTRATION	1,080.00		515.00	47.69		565.00
524600 RENT EXPENSE-BUILDINGS	11,279.00	978.70	2,967.21	26.31		8,311.79
524900 RENT EXP-DUPR SURCHARGE	3,859.00	321.59	964.77	25.00		2,894.23
527100 REP & MAINT-OFFICE EQUIP	500.00					500.00
531100 OFFICE SUPPLIES EXPENSE	2,000.00	117.25	1,131.65	56.58		868.35
532100 NON CAPITALIZED EQUIP PU	500.00					500.00
533100 HOUSEHOLD & INSTIT EXP	235.00					235.00
534900 MISCELLANEOUS SUPPLIES EXPENSE	50.00					50.00
541100 ACCTG & AUDITING SERVICES	1,037.00		1,037.00	100.00		

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STATE OF NEBRASKA
Department of Administrative Services
Accounting Division
Budget Status Report
As of 09/30/21

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Agency 053 REAL PROPERTY APPRAISER BD
Division 000 Real Property App Bd
Program 079 APPRAISER LICENSING

Percent of Time Elapsed = 25.21

ACCOUNT CODE DESCRIPTION		BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
541200	PURCHASING ASSESSMENT	90.00		83.00	92.22		7.00
541500	LEGAL SERVICES EXPENSE	35,000.00	1,260.00	1,260.00	3.60		33,740.00
541700	LEGAL RELATED EXPENSE	7,000.00		13.50	.19		6,986.50
542100	SOS TEMP SERV-PERSONNEL	7,680.00					7,680.00
547100	EDUCATIONAL SERVICES	1,500.00	19.00	38.00	2.53		1,462.00
554900	OTHER CONTRACTUAL SERVICE	40,000.00	2,075.25	5,630.50	14.08		34,369.50
556100	INSURANCE EXPENSE	21.00					21.00
556300	SURETY & NOTARY BONDS	26.00					26.00
559100	OTHER OPERATING EXP	1,197.92					1,197.92
Major Account 520000 Total		149,144.92	8,696.37	22,880.04	15.34	0.00	126,264.88
570000 TRAVEL EXPENSES							
571100	BOARD & LODGING	4,850.00	192.00	576.00	11.88		4,274.00
571600	MEALS-NOT TRAVEL STATUS	100.00					100.00
571800	TAXABLE TRAVEL EXPENSES	1,871.00	57.76	211.78	11.32		1,659.22
572100	COMMERCIAL TRANSPORTATION	1,950.00					1,950.00
573100	STATE-OWNED TRANSPORT	200.00					200.00
574500	PERSONAL VEHICLE MILEAGE	9,736.00	318.08	1,081.92	11.11		8,654.08
575100	MISC TRAVEL EXPENSES	966.00	3.75	67.50	6.99		898.50
Major Account 570000 Total		19,673.00	571.59	1,937.20	9.85	0.00	17,735.80
BUDGETED EXPENDITURES TOTAL		405,486.00	27,132.06	78,992.16	19.48	6,055.53	320,438.31

SUMMARY BY FUND TYPE - EXPENDITURES

2	CASH FUNDS	405,486.00	27,132.06	78,992.16	19.48	6,055.53	320,438.31
BUDGETED EXPENDITURES TOTAL		405,486.00	27,132.06	78,992.16	19.48	6,055.53	320,438.31

BUDGETED FUND TYPES - REVENUES

470000 REVENUE - SALES AND CHARGES

471100	SALE OF SERVICES	350.00-	25.00-	50.00-	14.29		300.00-
471120	QUALIFYING ED COURSE FEES	750.00-		300.00-	40.00		450.00-
471121	CONTINUING ED NEW FEES	1,250.00-	50.00-	200.00-	16.00		1,050.00-
471122	CONTINUING ED RENEWAL FEES	100.00-		60.00-	60.00		40.00-
475150	CERTIFIED GENERAL NEW FEES	7,500.00-	900.00-	2,100.00-	28.00		5,400.00-

STATE OF NEBRASKA
Department of Administrative Services
Accounting Division
Budget Status Report
As of 09/30/21Agency 053 REAL PROPERTY APPRAISER BD
Division 000 Real Property App Bd
Program 079 APPRAISER LICENSING

Percent of Time Elapsed = 25.21

ACCOUNT CODE DESCRIPTION		BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
475151	LICENSED NEW FEES	300.00-		300.00-	100.00		
475152	FINGERPRINT FEES	2,580.00-	226.25-	1,086.00-	42.09		1,494.00-
475153	CERTIFIED RESIDENTIAL NEW	2,400.00-	300.00-	1,200.00-	50.00		1,200.00-
475154	CERTIFIED GENERAL RENEWAL	80,025.00-	2,750.00-	11,825.00-	14.78		68,200.00-
475155	LICENSED RENEWAL	11,000.00-					11,000.00-
475156	FINGERPRINT AUDIT PROGRAM FEES	2,900.00-	110.00-	375.00-	12.93		2,525.00-
475157	CERTIFIED RESIDENTIAL RENEWAL	50,875.00-	2,200.00-	5,500.00-	10.81		45,375.00-
475161	TEMPORARY CERTIFIED GENERAL	9,000.00-	800.00-	2,150.00-	23.89		6,850.00-
475163	AMC REGISTERED NEW FEES	12,000.00-	4,000.00-	8,000.00-	66.67		4,000.00-
475164	AMC APPLICATION FEES	2,100.00-	350.00-	1,050.00-	50.00		1,050.00-
475165	AMC REGISTERED RENEWAL	126,000.00-	1,500.00-	18,000.00-	14.29		108,000.00-
475167	CERTIFIED RESIDENTIAL INACTIVE	300.00-					300.00-
475168	CERTIFIED GENERAL INACTIVE	300.00-					300.00-
475234	APPLICATION FEES	26,550.00-	2,350.00-	8,000.00-	30.13		18,550.00-
Major Account 470000 Total		336,280.00-	15,561.25-	60,196.00-	17.90	0.00	276,084.00-
480000 REVENUE - MISCELLANEOUS							
481100	INVESTMENT INCOME	6,250.00-	793.36-	2,425.56-	38.81		3,824.44-
481101	AMC INVESTMENT INCOME	5,750.00-					5,750.00-
484500	REIMB NON-GOVT SOURCES	5,000.00-		173.59-	3.47		4,826.41-
Major Account 480000 Total		17,000.00-	793.36-	2,599.15-	15.29	0.00	14,400.85-
BUDGETED REVENUE TOTAL		353,280.00-	16,354.61-	62,795.15-	17.77	0.00	290,484.85-
SUMMARY BY FUND TYPE - REVENUE							
2	CASH FUNDS	353,280.00-	16,354.61-	62,795.15-	17.77		290,484.85-
BUDGETED REVENUE TOTAL		353,280.00-	16,354.61-	62,795.15-	17.77	0.00	290,484.85-

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Agency 053
Division 000
Grant

REAL PROPERTY APPRAISER BD
AGENCY DEFINED DIVISION

STATE OF NEBRASKA
MTD General Ledger Detail
All Objects
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Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25310	079	000	53105018.471100.		410099	09/28/21	RC	RB	NRPAB DEPOSIT 210928	6482315		25.00-
Total for Object			471100 SALE OF SERVICES									25.00-
25310	079	000	53105018.471121.		406084	09/02/21	RC	RB	NRPAB DEPOSIT 210902	6457985		25.00-
25310	079	000	53105018.471121.		408832	09/21/21	RC	RB	NRPAB DEPOSIT 210921	6473960		25.00-
Total for Object			471121 CONTINUING ED NEW FEES									50.00-
25310	079	000	53105018.475150.		405893	09/01/21	RC	RB	NRPAB DEPOSIT 210901	6455740		300.00-
25310	079	000	53105018.475150.		406084	09/02/21	RC	RB	NRPAB DEPOSIT 210902	6457985		300.00-
25310	079	000	53105018.475150.		406200	09/03/21	RC	RB	NRPAB DEPOSIT 210903	6459441		300.00-
Total for Object			475150 CERTIFIED GENERAL NEW FEES									900.00-
25310	079	000	53105018.475152.		407054	09/09/21	RC	RB	NRPAB DEPOSIT 210909	6463525		90.50-
25310	079	000	53105018.475152.		407235	09/10/21	RC	RB	NRPAB DEPOSIT 210910	6465007		45.25-
25310	079	000	53105018.475152.		409317	09/23/21	RC	RB	NRPAB DEPOSIT 210923	6476876		45.25-
25310	079	000	53105018.475152.		409973	09/27/21	RC	RB	NRPAB DEPOSIT 210927	6480531		45.25-
Total for Object			475152 FINGERPRINT FEES									226.25-
25310	079	000	53105018.475153.		405893	09/01/21	RC	RB	NRPAB DEPOSIT 210901	6455740		300.00-
Total for Object			475153 CERTIFIED RESIDENTIAL NEW									300.00-
25310	079	000	53105018.475154.		406215	09/02/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210902	6458843		550.00-
25310	079	000	53105018.475154.		407573	09/14/21	RC	RB	NRPAB DEPOSIT 210914	6467581		275.00-
25310	079	000	53105018.475154.		408985	09/20/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210920	6473754		275.00-
25310	079	000	53105018.475154.		408833	09/21/21	RC	RB	NRPAB RENEWALS DEPOSIT 210921	6473948		550.00-
25310	079	000	53105018.475154.		409973	09/27/21	RC	RB	NRPAB DEPOSIT 210927	6480531		550.00-
25310	079	000	53105018.475154.		410451	09/28/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210928	6483000		550.00-
Total for Object			475154 CERTIFIED GENERAL RENEWAL									2,750.00-
25310	079	000	53105018.475156.		405903	09/01/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210901	6456482		10.00-
25310	079	000	53105018.475156.		406215	09/02/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210902	6458843		10.00-
25310	079	000	53105018.475156.		407548	09/13/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210913	6466852		5.00-
25310	079	000	53105018.475156.		407573	09/14/21	RC	RB	NRPAB DEPOSIT 210914	6467581		5.00-
25310	079	000	53105018.475156.		408295	09/14/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210914	6468447		15.00-
25310	079	000	53105018.475156.		408426	09/16/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210916	6470707		10.00-
25310	079	000	53105018.475156.		408985	09/20/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210920	6473754		5.00-
25310	079	000	53105018.475156.		408833	09/21/21	RC	RB	NRPAB RENEWALS DEPOSIT 210921	6473948		15.00-
25310	079	000	53105018.475156.		409218	09/21/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210921	6474921		5.00-
25310	079	000	53105018.475156.		409973	09/27/21	RC	RB	NRPAB DEPOSIT 210927	6480531		20.00-

Agency 053 REAL PROPERTY APPRAISER BD
 Division 000 AGENCY DEFINED DIVISION
 Grant

STATE OF NEBRASKA
 MTD General Ledger Detail
 All Objects
 As of 09/30/21

Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25310	079	000	53105018.475156.		410451	09/28/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210928	6483000		10.00-
Total for Object			475156 FINGERPRINT AUDIT PROGRAM FEES									110.00-
25310	079	000	53105018.475157.		407548	09/13/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210913	6466852		275.00-
25310	079	000	53105018.475157.		408295	09/14/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210914	6468447		825.00-
25310	079	000	53105018.475157.		408426	09/16/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210916	6470707		550.00-
25310	079	000	53105018.475157.		408833	09/21/21	RC	RB	NRPAB RENEWALS DEPOSIT 210921	6473948		275.00-
25310	079	000	53105018.475157.		409218	09/21/21	RC	RB	NRPAB RENEW EFW DEPOSIT 210921	6474921		275.00-
Total for Object			475157 CERTIFIED RESIDENTIAL RENEWAL									2,200.00-
25310	079	000	53105018.475161.		405893	09/01/21	RC	RB	NRPAB DEPOSIT 210901	6455740		100.00-
25310	079	000	53105018.475161.		406084	09/02/21	RC	RB	NRPAB DEPOSIT 210902	6457985		200.00-
25310	079	000	53105018.475161.		407054	09/09/21	RC	RB	NRPAB DEPOSIT 210909	6463525		200.00-
25310	079	000	53105018.475161.		407573	09/14/21	RC	RB	NRPAB DEPOSIT 210914	6467581		100.00-
25310	079	000	53105018.475161.		407855	09/15/21	RC	RB	NRPAB DEPOSIT 210915	6468464		50.00-
25310	079	000	53105018.475161.		408218	09/16/21	RC	RB	NRPAB DEPOSIT 210916	6469860		50.00-
25310	079	000	53105018.475161.		408832	09/21/21	RC	RB	NRPAB DEPOSIT 210921	6473960		100.00-
Total for Object			475161 TEMPORARY CERTIFIED GENERAL									800.00-
25310	079	000	53105018.475234.		405893	09/01/21	RC	RB	NRPAB DEPOSIT 210901	6455740		200.00-
25310	079	000	53105018.475234.		406084	09/02/21	RC	RB	NRPAB DEPOSIT 210902	6457985		400.00-
25310	079	000	53105018.475234.		407054	09/09/21	RC	RB	NRPAB DEPOSIT 210909	6463525		700.00-
25310	079	000	53105018.475234.		407235	09/10/21	RC	RB	NRPAB DEPOSIT 210910	6465007		150.00-
25310	079	000	53105018.475234.		407573	09/14/21	RC	RB	NRPAB DEPOSIT 210914	6467581		200.00-
25310	079	000	53105018.475234.		407855	09/15/21	RC	RB	NRPAB DEPOSIT 210915	6468464		100.00-
25310	079	000	53105018.475234.		408218	09/16/21	RC	RB	NRPAB DEPOSIT 210916	6469860		100.00-
25310	079	000	53105018.475234.		408832	09/21/21	RC	RB	NRPAB DEPOSIT 210921	6473960		200.00-
25310	079	000	53105018.475234.		409317	09/23/21	RC	RB	NRPAB DEPOSIT 210923	6476876		150.00-
25310	079	000	53105018.475234.		409973	09/27/21	RC	RB	NRPAB DEPOSIT 210927	6480531		150.00-
Total for Object			475234 APPLICATION FEES									2,350.00-
25310	079	000	53105018.481100.		16703487	09/24/21	JE	G	OIP August 2021 1.34578%	6480835		426.27-
Total for Object			481100 INVESTMENT INCOME									426.27-
25310	079	000	53105018.511100.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		3,888.88
25310	079	000	53105018.511100.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		3,075.16
Total for Object			511100 PERMANENT SALARIES-WAGES									6,964.04
25310	079	000	53105018.511600.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		3,888.88

Agency 053 REAL PROPERTY APPRAISER BD
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Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
Total for Object			511600 PER DIEM PAYMENTS									325.00
25310	079	000	53105018.512100.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		252.97
25310	079	000	53105018.512100.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		602.39
Total for Object			512100 VACATION LEAVE EXPENSE									855.36
25310	079	000	53105018.512200.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		50.12
Total for Object			512200 SICK LEAVE EXPENSE									50.12
25310	079	000	53105018.512300.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		414.18
Total for Object			512300 HOLIDAY LEAVE EXPENSE									414.18
25310	079	000	53105018.515100.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		310.14
25310	079	000	53105018.515100.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		310.13
Total for Object			515100 RETIREMENT PLANS EXPENSE									620.27
25310	079	000	53105018.515200.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		312.68
25310	079	000	53105018.515200.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		287.82
Total for Object			515200 FICA EXPENSE									600.50
25310	079	000	53105018.515500.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		891.12
25310	079	000	53105018.515500.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		891.11
Total for Object			515500 HEALTH INSURANCE EXPENSE									1,782.23
25310	079	000	53105018.521100.		16651629	09/14/21	JE	G	Postage 20210801 - 20210831	6468635		.46
25310	079	000	53105018.521100.		16657109	09/15/21	JE	G	POSTAGE DUE AUG 2021	6469965		133.35
25310	079	000	53105018.521100.		16688485	09/22/21	JE	G	NRPAB POSTAGE AUG 2021	6477291		46.83-
Total for Object			521100 POSTAGE EXPENSE									86.98
25310	079	000	53105018.521400.		47715782	09/01/21	PV	V	AS - OCIO - COMMUNICATIONS	6449855		110.70
25310	079	000	53105018.521400.		47835916	09/13/21	PV	V	AS - OCIO - IMSERVICES	6468086		3,019.57
Total for Object			521400 CIO CHARGES									3,130.27
25310	079	000	53105018.524600.		16590593	09/07/21	JE	G	RENT & LB530 SEPT 2021-OTHER	6456557		939.94
25310	079	000	53105018.524600.		16646165	09/13/21	JE	G	NRPAB RENT SEPT 2021	6468016		328.98-
25310	079	000	53105018.524600.		47835904	09/13/21	PV	V	SECRETARY OF STATE	6468077		25.19
Total for Object			524600 RENT EXPENSE-BUILDINGS									636.15
25310	079	000	53105018.524900.		16590593	09/07/21	JE	G	RENT & LB530 SEPT 2021-OTHER	6456557		311.69

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REAL PROPERTY APPRAISER BD
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Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25310	079	000	53105018.524900.		16646165	09/13/21	JE	G	NRPAB RENT SEPT 2021	6468016		112.56-
Total for Object			524900 RENT EXP-DEPR SURCHARGE									209.03
25310	079	000	53105018.531100.		16418545	09/07/21	JE	G	OFFICE DEPOT JUL 2021	6426125		117.25
25310	079	000	53105018.531100.		16646163	09/13/21	JE	G	NRPAB OFFICE DEPOT JUL 2021	6468007		41.04-
Total for Object			531100 OFFICE SUPPLIES EXPENSE									76.21
25310	079	000	53105018.539500.		47804149	09/03/21	PC	V	Purchase Card Offset	6460337		192.00
25310	079	000	53105018.539500.		16612854	09/03/21	J1	G	PURCHASE CARD TRANSACTION	6460410		192.00-
Total for Object			539500 PURCHASING CARD SUSPENSE									
25310	079	000	53105018.541500.		47860955	09/20/21	PV	V	BLAKE AUSTIN LAW FIRM LLP	6474178		60.00
25310	079	000	53105018.541500.		47876777	09/22/21	PV	V	BLAKE AUSTIN LAW FIRM LLP	6476361		1,200.00
Total for Object			541500 LEGAL SERVICES EXPENSE									1,260.00
25310	079	000	53105018.547100.		47876781	09/22/21	PV	V	AS - PERSONNEL DIVISION	6476372		12.35
Total for Object			547100 EDUCATIONAL SERVICES									12.35
25310	079	000	53105018.554900.		47816745	09/08/21	PV	V	BAUERMEISTER APPRAISAL SERVICE	6463572		250.00
25310	079	000	53105018.554900.		47816750	09/08/21	PV	V	PATROL, NEBRASKA STATE	6463586		362.00
25310	079	000	53105018.554900.		47838539	09/14/21	PV	V	AGRIPLEX REAL ESTATE & APPRAIS	6468477		875.00
Total for Object			554900 OTHER CONTRACTUAL SERVICES									1,487.00
25310	079	000	53105018.571100.		16612854	09/03/21	J1	G	PURCHASE CARD TRANSACTION	6460410		20.89-
25310	079	000	53105018.571100.		16612854	09/03/21	J1	G	PURCHASE CARD TRANSACTION	6460410		145.69
Total for Object			571100 LODGING									124.80
25310	079	000	53105018.571800.		47878950	09/22/21	PV	V	DOWNING, BONNIE M	6477597		37.54
Total for Object			571800 MEALS - TRAVEL STATUS									37.54
25310	079	000	53105018.574500.		47785121	09/01/21	PV	V	WALKENHORST, WADE	6457713		4.37
25310	079	000	53105018.574500.		47785977	09/01/21	PV	V	KOHTZ, TYLER N	6458474		31.30
25310	079	000	53105018.574500.		47878950	09/22/21	PV	V	DOWNING, BONNIE M	6477597		171.08
Total for Object			574500 PERSONAL VEHICLE MILEAGE									206.75
25310	079	000	53105018.575100.		47785121	09/01/21	PV	V	WALKENHORST, WADE	6457713		2.44
Total for Object			575100 MISC TRAVEL EXPENSE									2.44
Total for Business Unit		53105018	NE REAL PROPERTY APPRAISER									8,743.70

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Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25320	079	000	53105200.475163.		409316	09/23/21	RC	RB	NRPAB AMC DEPOSIT 210923	6476911		2,000.00-
25320	079	000	53105200.475163.		410100	09/28/21	RC	RB	NRPAB AMC DEPOSIT 210928	6482321		2,000.00-
Total for Object			475163 AMC REGISTERED NEW FEES									4,000.00-
25320	079	000	53105200.475164.		410100	09/28/21	RC	RB	NRPAB AMC DEPOSIT 210928	6482321		350.00-
Total for Object			475164 AMC APPLICATION FEES									350.00-
25320	079	000	53105200.475165.		406085	09/02/21	RC	RB	NRPAB AMC DEPOSIT 210902	6457928		1,500.00-
Total for Object			475165 AMC REGISTERED RENEWAL									1,500.00-
25320	079	000	53105200.481100.		16703487	09/24/21	JE	G	OIP August 2021 1.34578%	6480835		367.09-
Total for Object			481100 INVESTMENT INCOME									367.09-
25320	079	000	53105200.511100.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		2,093.67
25320	079	000	53105200.511100.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		1,656.02
Total for Object			511100 PERMANENT SALARIES-WAGES									3,749.69
25320	079	000	53105200.511600.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		175.00
Total for Object			511600 PER DIEM PAYMENTS									175.00
25320	079	000	53105200.512100.		3159399	09/08/21	T2	7	PAYROLL LABOR DISTRIBUTION	6458426		136.55
25320	079	000	53105200.512100.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		324.36
Total for Object			512100 VACATION LEAVE EXPENSE									460.91
25320	079	000	53105200.512200.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		26.82
Total for Object			512200 SICK LEAVE EXPENSE									26.82
25320	079	000	53105200.512300.		3159608	09/22/21	T2	7	PAYROLL LABOR DISTRIBUTION	6468160		223.02
Total for Object			512300 HOLIDAY LEAVE EXPENSE									223.02
25320	079	000	53105200.515100.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		166.99
25320	079	000	53105200.515100.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		167.00
Total for Object			515100 RETIREMENT PLANS EXPENSE									333.99
25320	079	000	53105200.515200.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		168.36
25320	079	000	53105200.515200.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		154.94
Total for Object			515200 FICA EXPENSE									323.30

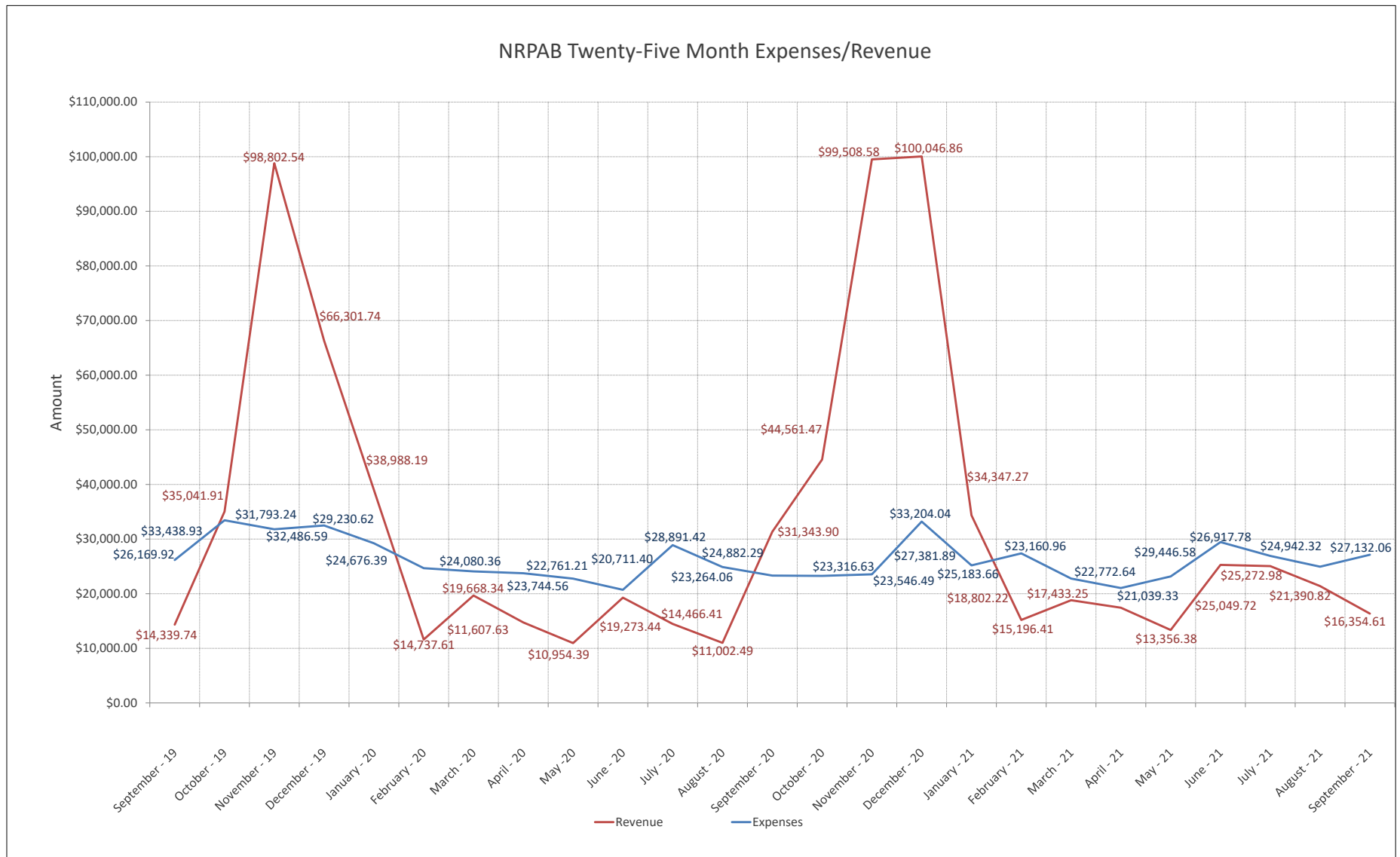
Agency 053 REAL PROPERTY APPRAISER BD
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 Grant

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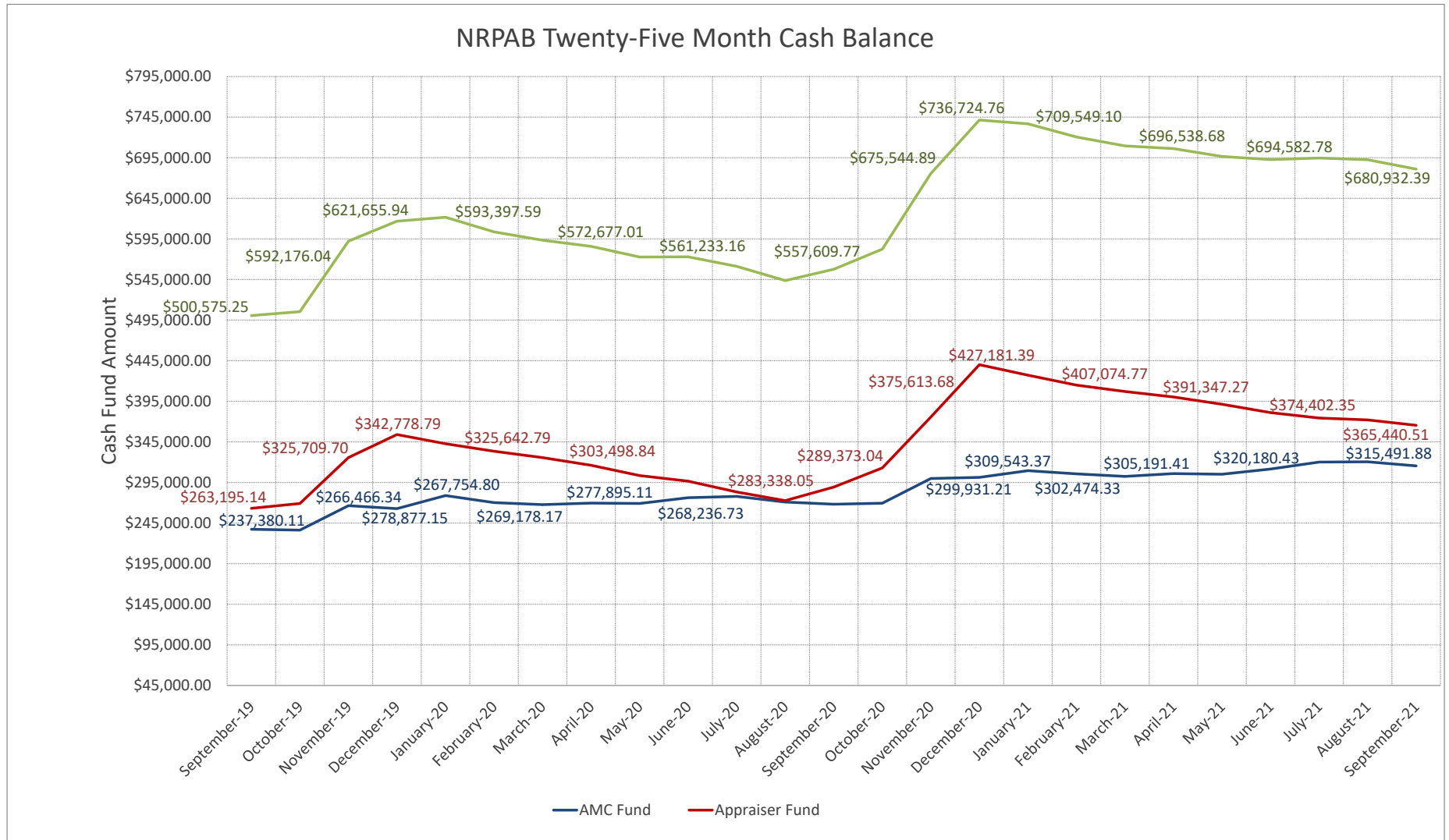
Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25320	079	000	53105200.515500.		3159400	09/08/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6458426		479.83
25320	079	000	53105200.515500.		3159609	09/22/21	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6468160		479.84
Total for Object			515500 HEALTH INSURANCE EXPENSE									959.67
25320	079	000	53105200.521100.		16688485	09/22/21	JE	G	NRPAB POSTAGE AUG 2021	6477291		46.83
Total for Object			521100 POSTAGE EXPENSE									46.83
25320	079	000	53105200.521400.		47715782	09/01/21	PV	V	AS - OCIO - COMMUNICATIONS	6449855		59.61
25320	079	000	53105200.521400.		47835916	09/13/21	PV	V	AS - OCIO - IMSERVICES	6468086		600.89
Total for Object			521400 CIO CHARGES									660.50
25320	079	000	53105200.524600.		16646165	09/13/21	JE	G	NRPAB RENT SEPT 2021	6468016		328.98
25320	079	000	53105200.524600.		47835904	09/13/21	PV	V	SECRETARY OF STATE	6468077		13.57
Total for Object			524600 RENT EXPENSE-BUILDINGS									342.55
25320	079	000	53105200.524900.		16646165	09/13/21	JE	G	NRPAB RENT SEPT 2021	6468016		112.56
Total for Object			524900 RENT EXP-DEPR SURCHARGE									112.56
25320	079	000	53105200.531100.		16646163	09/13/21	JE	G	NRPAB OFFICE DEPOT JUL 2021	6468007		41.04
Total for Object			531100 OFFICE SUPPLIES EXPENSE									41.04
25320	079	000	53105200.547100.		47876781	09/22/21	PV	V	AS - PERSONNEL DIVISION	6476372		6.65
Total for Object			547100 EDUCATIONAL SERVICES									6.65
25320	079	000	53105200.554900.		47816750	09/08/21	PV	V	PATROL, NEBRASKA STATE	6463586		588.25
Total for Object			554900 OTHER CONTRACTUAL SERVICES									588.25
25320	079	000	53105200.571100.		16612854	09/03/21	J1	G	PURCHASE CARD TRANSACTION	6460410		11.25-
25320	079	000	53105200.571100.		16612854	09/03/21	J1	G	PURCHASE CARD TRANSACTION	6460410		78.45
Total for Object			571100 LODGING									67.20
25320	079	000	53105200.571800.		47878950	09/22/21	PV	V	DOWNING, BONNIE M	6477597		20.22
Total for Object			571800 MEALS - TRAVEL STATUS									20.22
25320	079	000	53105200.574500.		47785121	09/01/21	PV	V	WALKENHORST, WADE	6457713		2.35
25320	079	000	53105200.574500.		47785977	09/01/21	PV	V	KOHTZ, TYLER N	6458474		16.86
25320	079	000	53105200.574500.		47878950	09/22/21	PV	V	DOWNING, BONNIE M	6477597		92.12
Total for Object			574500 PERSONAL VEHICLE MILEAGE									111.33

Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25320	079	000	53105200.575100.		47785121	09/01/21	PV	V	WALKENHORST, WADE	6457713		1.31
Total for Object			575100	MISC TRAVEL EXPENSE								1.31
Total for Business Unit			53105200	AMC LICENSING								2,033.75
Total for Division			000									10,777.45
Total for Agency			053	REAL PROPERTY APPRAISER BD								10,777.45

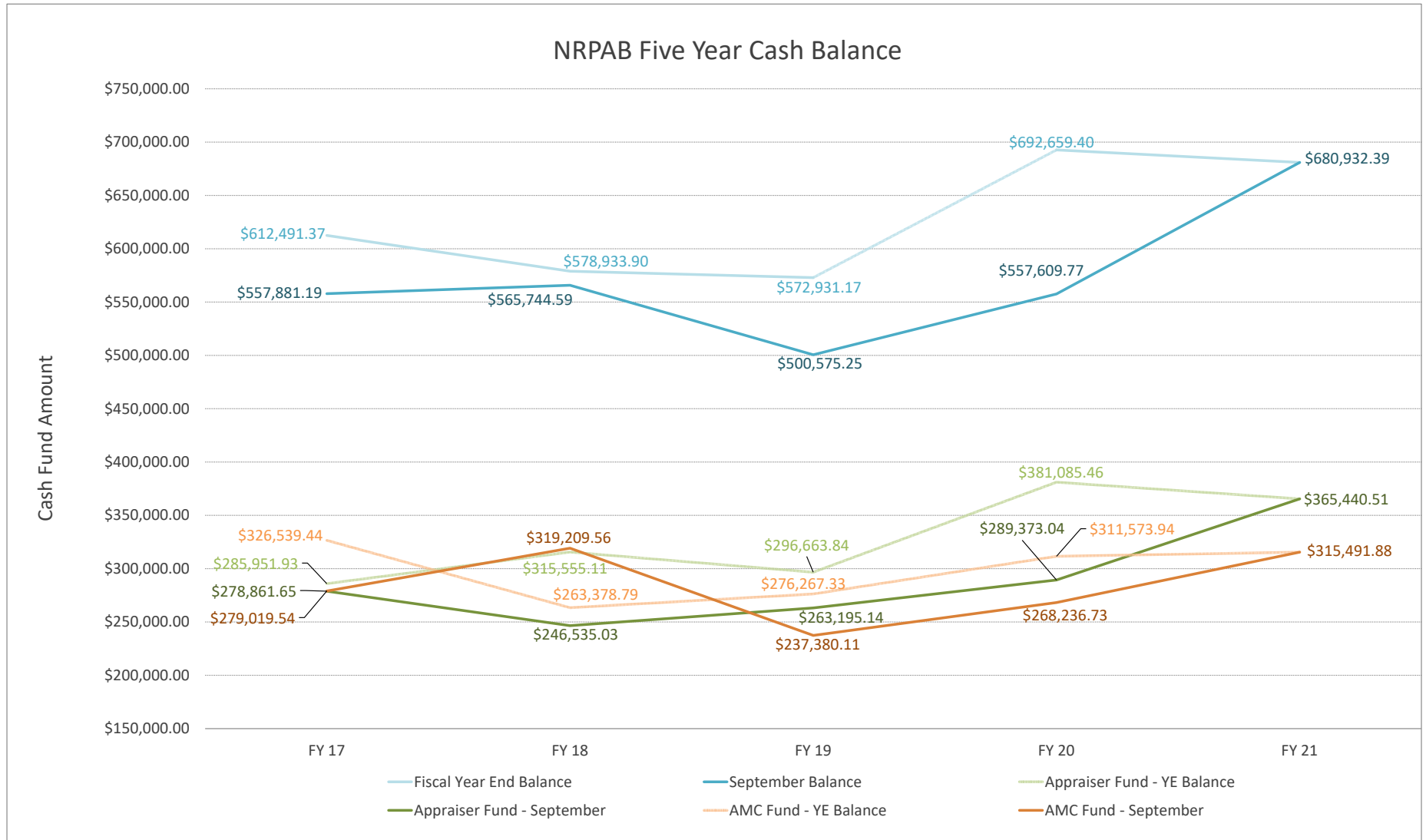
Financial Report and Considerations - Financial Charts



Financial Report and Considerations - Financial Charts



Financial Report and Considerations - Financial Charts



3. FY 2021-22 Budget Amendment

Account	Object Code	Budgeted Fund Types	Budgeted Amount	
Personal Service Expenditures			Budgeted Amount	
25310	511100	Permanent Salaries - Wages	\$140,527.00	
25310	511200	Temporary Salaries - Wages	\$0.00	
25310	511300	Overtime Payments	\$1,503.00	
25310	511600	Per Diem Payments	\$9,100.00	
25310	511700	Employee Bonuses	\$1,000.00	
25310	511800	Comp Time Payments	\$1,502.00	
25310	512100	Vacation Leave Expenses	\$11,267.00	
25310	512200	Sick Leave Expenses	\$3,136.00	
25310	512300	Holiday Leave Expenses	\$8,154.00	
25310	512500	Funeral Leave Expenses	\$0.00	
Personal Service Subtotals			\$176,189.00	
Employee Benefit Expenditures			Budgeted Amount	
25310	515100	Retirement Plan Expenses	\$12,532.00	
25310	515200	FICA Expenses	\$13,479.00	
25310	515400	Life & Accident Ins Expenses	\$0.00	
25310	515500	Health Insurance Expenses	\$32,903.00	
25310	516300	Employee Assistance Pro	\$37.08	
25310	516400	Unemployment Comp Ins Exp	\$0.00	
25310	516500	Workers Comp Premiums	\$1,528.00	
Employee Benefit Subtotals			\$60,479.08	
Operating Expenses			Budgeted Amount	
25310	521100	Postage Expenses	\$2,500.00	
25310	521200	Comm Exp-Voice/Data	\$0.00	
25310	521300	Freight	\$200.00	
25320	521400	CIO Charges	\$29,890.00	
25310	521500	Publication & Print Expense	\$3,000.00	
25310	521900	Awards Expense	\$150.00	
25310	522100	Dues & Subscription Expense	\$350.00	
25310	522200	Conference Registration	\$1,080.00	
25310	539500	Purchasing Card Suspense	\$0.00	
25320	524600	Rent Expense - Buildings	\$11,279.00	
25310	532200	Personal Computing Equip	\$0.00	
25320	524900	Rent Exp - Dupr Surcharge	\$3,859.00	
25310	527900	Personal Comput Equip R & M	\$0.00	
25320	527100	Rep & Maint - Office Equip	\$500.00	
25310	532260	Voice Equip	\$0.00	

25310	532280	Video Equip	\$1,500.00	\$1,200.00 added for purchase of Owl Labs Meeting Owl Pro - 360-Degree, 1080p HD Smart Video Conference Camera, Microphone. Item # 5248651 + \$300.00 added for accessory equipment = \$1,500.00
25310	531100	Office Supplies Expense	\$3,200.00	
25310	532100	Non-Capitalized Equip PU	\$200.00	\$300.00 moved to Video Equipment (532280).
25310	533100	Household & Instit Expense	\$235.00	
25310	534900	Misc Supplies Expense	\$50.00	
25310	527960	Voice Equip Repair & Maint	\$0.00	
25310	541100	Acctg & Auditing Services	\$1,037.00	
25310	541200	Purchasing Assessment	\$90.00	
25310	541400	HRMS Assessment	\$0.00	
25310	541500	Legal Services Expense	\$35,000.00	
25310	541700	Legal Related Expense	\$7,000.00	
25310	541900	Settlements	\$0.00	
25310	542100	SOS Temp Serv - Personnel	\$7,680.00	
25310	547100	Educational Services	\$1,500.00	
25310	554900	Other Contractual Service	\$40,000.00	
25310	555200	Non-Capitalized Software	\$0.00	
25310	556100	Insurance Expense	\$21.00	
25310	556300	Surety & Notary Bonds	\$26.00	
25310	559100	Other Operating Expenses	\$897.92	
Operating Expenses Subtotals			\$151,244.92	
Travel Expenses			Budgeted Amount	
25310	571100	Lodging	\$4,650.00	Remove one in person board meeting for Downing and Luhrs: Downing: 100.00 per night + Luhrs: 100.00 per night = \$200.00 moved to Video Equipment (532280).
25310	571600	Meals - Taxable	\$100.00	
25310	571800	Meals - Travel Status	\$1,771.00	Remove one in person board meeting for Downing and Luhrs: Downing: State First and Last Day Travel Per Diem 28.88 x 2 = 57.76 + Luhrs: State First and Last Day Travel Per Diem 28.88 x 2 = 57.76 = 115.52 - \$100.00 moved to Video Equipment (532280).
25310	572100	Commercial Transportation	\$1,950.00	
25310	573100	State-Owned Transportation	\$200.00	
25310	574500	Personal Vehicle Mileage	\$9,136.00	Remove one in person board meeting for Downing and Luhrs: Downing: 490 miles x .56 = 274.40 per round trip + Luhrs: 586 miles x .56 = 328.16 per round trip= \$602.56. \$600.00 moved to Video Equipment (532280).
25310	574600	Contractual Serv - Travel Exp	\$0.00	
25310	575100	Misc Travel Expenses	\$966.00	
Travel Expenses Subtotals			\$18,773.00	
Capital Outlay			Budgeted Amount	
25310	583000	Furniture & Office Equipment	\$0.00	
25310	583300	Computer Equip & Software	\$0.00	
Capital Outlay Subtotals			\$0.00	
Operating Expenditures Subtotals			\$229,297.00	
Expenditures Subtotals			\$405,486.00	

Mid-Biennium Issue Detail Report
Agency: 053 - REAL PROPERTY APPRAISER BOARD
Budget Cycle: 2022 Mid-Biennium **Version: AF - AGENCY FINAL REQUEST**

Issue: Reclassification of NRPAB Position

Description:

The Office Specialist position was reclassified to the Administrative Specialist position on August 16, 2021.

Program	FY22 Request	FY23 Request
079 - APPRAISER LICENSING	2,614	3,010
Total Issue Request	2,614	3,010

Mid-Biennium Issue Detail Report
Agency: 053 - REAL PROPERTY APPRAISER BOARD
Budget Cycle: 2022 Mid-Biennium **Version: AF - AGENCY FINAL REQUEST**

Issue: Reclassification of NRPAB Position

Program: 079 - APPRAISER LICENSING

Permanent Salaries Request	FY22 FTE	FY22 Request	FY23 FTE	FY23 Request
A01014 ADMINISTRATIVE SPECIALIST	1.00	31,409	1.00	36,175
S01012 OFFICE SPECIALIST	0.00	-29,138	0.00	-33,561
Total Permanent Salaries Request	1.00	2,271	1.00	2,614
Operations Request		FY22 Request		FY23 Request
SALARIES				
511100 PERMANENT SALARIES-WAGES		2,271		2,614
Subtotal SALARIES		2,271		2,614
BENEFITS				
515100 RETIREMENT PLANS EXPENSE		170		196
515200 FICA EXPENSE		173		200
515400 LIFE & ACCIDENT INS EXP		0		0
515500 HEALTH INSURANCE EXPENSE		0		0
516300 EMPLOYEE ASSISTANCE PRO		0		0
Subtotal BENEFITS		343		396
Total Operations Request		2,614		3,010

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Program: 079 - APPRAISER LICENSING

Funding	FY22 Request	FY23 Request
Operations Funding		
General Fund	0	0
Cash Fund	2,614	3,010
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Operations Funding	2,614	3,010
Aid Funding		
General Fund	0	0
Cash Fund	0	0
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Aid Funding	0	0
Total Funding		
General Fund	0	0
Cash Fund	2,614	3,010
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Funding	2,614	3,010
Personal Service Limit	2,271	2,614
FTE	1.00	1.00
Variance		
Total Request	2,614	3,010
Total Funding	2,614	3,010
Total Variance	0	0

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Issue Total Funding	FY22 Request	FY23 Request
Operations Funding		
General Fund	0	0
Cash Fund	2,614	3,010
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Operations Funding	2,614	3,010
Aid Funding		
General Fund	0	0
Cash Fund	0	0
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Aid Funding	0	0
Total Funding		
General Fund	0	0
Cash Fund	2,614	3,010
Federal Fund	0	0
Revolving Fund	0	0
Other Fund	0	0
Total Funding	2,614	3,010
Personal Service Limit	2,271	2,614
FTE	1.00	1.00
Variance		
Total Request	2,614	3,010
Total Funding	2,614	3,010
Total Variance	0	0

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ISSUE: RECLASSIFICATION OF NRPAB POSITION

DESCRIPTION OF REQUEST:

Funding is requested for the difference between the Office Specialist (NAPE/ASFCME Contract Position S01012) and Administrative Specialist (NAPE/ASFCME Contract Position A01014) classification for both FY 2021-22 and FY 2022-23 due to the position being reclassified as an Administrative Specialist during FY 2021-22.

The Nebraska Department of Administrative Services Personnel Division and NAPE/ASFCME engaged in a classification consolidation project as it relates to State employees under the NAPE/ASFCME Labor Contract. As of July 1, 2021, the Staff Assistant I classification no longer exists. As such, this position was reclassified to the Office Specialist classification (S01012), effective July 1, 2021. A request was made by the Board's director to State Personnel to consider reclassification of this position from the Office Specialist classification to the Administrative Technician classification as this position was considered by the Board to be misclassified during the classification consolidation project. The Office Specialist classification indicates that this position performs a variety of detailed, time-consuming technical support activities to assist a section, unit, or immediate supervisor (usually mid-level or professional) with detailed portions of program, technical, or administrative operations or perform moderately complex clerical/secretarial support of a generalized or specialized nature. This is an accurate description of this position's duties as they relate to the Board's Compliance Program; however responsibilities related to the Board's Real Property Appraiser Credentialing Program, AMC Registration Program, Accounting Program, and Public Information Programs require the position to work independently, determine work processes, follow diverse and complex rules and regulations, procedures, guidelines, etc. and uses discretion in interpreting and adapting these regulations and guidelines to make decisions. In addition, this position also manages the day to day operations of the Board's Education Program. Work products or services by this position affect the accuracy, reliability, and efficiency of the program/administrative operations of the Board. As the PSL funding for each fiscal year was based on the personnel classifications and statuses at the time the 2021-2023 Biennial Budget request was made, the Board had no reason to believe that its personnel situation would change after the beginning of FY 2021-22. AS Personnel Division agreed with the Board's assessment and reclassified this position to the Administrative Specialist classification. As such, the Board is requesting PSL funding for the difference between the Office Specialist and Administrative Specialist classifications for each fiscal year.

Attachments:

NRPA Pos 60003783 K Duerig reclass decision.pdf
NAPE Promotion Calculation Sheet_Duerig August 17, 2021.pdf
Administrative Specialist (Business and Education Program Manager)_Effective August 17, 2021.pdf

RATIONALE FOR REQUEST:

The PSL limit authorized by the Nebraska State Legislature cannot be exceeded by the Board. The Board's PSL funding for the 2021-2023 Biennium includes funding for the Office Specialist classification, but not the Administrative Specialist classification. The Board is requesting PSL funding for the difference between the Office Specialist and Administrative Specialist classifications for each fiscal year to ensure that the Board does not exceed the PSL limit for salaries.

The PSL limit authorized by the Nebraska State Legislature cannot be exceeded by the Board. As previously mentioned in the "Description of Request," the PSL funding for each fiscal year was based on the personnel classifications and statuses at the time the 2021-2023 Biennial Budget request was made, and the Board had no reason to believe that its personnel situation would change after the beginning of FY 2021-22. The Board's PSL funding for the 2021-2023 Biennium includes funding for the Office Specialist classification,

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but not the Administrative Specialist classification. The Board is requesting PSL funding for the difference between the Office Specialist and Administrative Specialist classifications for each fiscal year to ensure that the Board does not exceed the PSL limit for salaries. As all PSL funding is allocated, there are no steps that the Board could take to diminish the impact of the adjustment.

IMPACT OF REQUEST:

The mission of the Nebraska Real Property Appraiser Board is to administer and enforce the Nebraska Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act with efficiency, equity, and integrity, to not only ensure that the citizens of Nebraska are protected and served, but also that the appraisal business community is highly qualified through education, experience, and examination. Staff carries out the Board's vision and mission. If the PSL salary limit was reached, the Board may have to take action, such as furloughing employees or cutting hours, which would diminish the Board's ability to carry out its mission and vision in an effective and efficient manner.

The Board's primary functions are to issue and renew appraiser credentials; develop and implement standards for appraiser credentialing; register and renew registration for appraisal management companies; approve appraiser qualifying courses and appraiser continuing education activities, along with instructors for these activities; investigate and adjudicate grievances; develop laws and rules through relevant, efficient and effective legislation and rule making; and disseminate relevant information to general public, stakeholders, credentialed appraisers and appraisal management companies. Through these processes, the Board ensures that the citizens of Nebraska are protected and served, and also that the appraisal business community is highly qualified through education, experience, and examination. In addition, the Board is required to comply with federal requirements set forth by the Appraisal Subcommittee, Title XI of FIRREA, and the Dodd-Frank Wall Street Reform and Consumer Protection Act. This position plays a critical role in the Board's administration and enforcement of the Nebraska Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act. The reclassification of this position to the Administrative Specialist classification allows the Board to be more flexible in the administration of its programs and increase the efficiency of the staff. Once again, if the PSL salary limit was reached, the Board may have to take action, such as furloughing employees or cutting hours, which would diminish the Board's ability to carry out its mission and vision in an effective and efficient manner. Any reduction in services would result in a negative effect on the public, the mortgage lending industry, Nebraska real property appraisers, appraisal management companies, and education providers. This deficiency request is not in an area identified as "evidence based" in the 2021-2023 Biennial Budget request.

STATUTORY CHANGES:

No statutory changes are suggested by the Board related to this funding deficiency.

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL

Introduced by

Read first time

Committee:

1 A BILL FOR AN ACT relating to the Real Property Appraiser Act; to amend
2 sections 76-2201, 76-2203, 76-2207.23, and 76-2218, Reissue Revised
3 Statutes of Nebraska, sections 76-2233.01 and 76-2236, Revised
4 Statutes Cumulative Supplement, 2020, and sections 76-2207.30,
5 76-2221, 76-2230, 76-2231.01, and 76-2232, Revised Statutes
6 Supplement, 2021; to define and redefine terms; to change provisions
7 relating to continuing education, experience, and educational
8 requirements for real property appraisers; to change provisions
9 relating to exemptions to the Real Property Appraiser Act; to change
10 provisions relating to temporary credentials for nonresident real
11 property appraisers; to harmonize provisions; to repeal the original
12 sections; and to declare an emergency.
13 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 76-2201, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 76-2201 Sections 76-2201 to 76-2250 and section 5 of this act shall
4 be known and may be cited as the Real Property Appraiser Act.

5 Sec. 2. Section 76-2203, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 76-2203 For purposes of the Real Property Appraiser Act, the
8 definitions found in sections 76-2203.01 to 76-2219.02 and section 5 of
9 this act shall be used.

10 Sec. 3. Section 76-2207.23, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 76-2207.23 Completed application means an application for
13 credentialing has been processed, all statutory requirements for a
14 credential to be issued ~~awarded~~ have been met by the applicant, and all
15 required documentation is submitted to the board for final consideration.

16 Sec. 4. Section 76-2207.30, Revised Statutes Supplement, 2021, is
17 amended to read:

18 76-2207.30 Financial Institutions Reform, Recovery, and Enforcement
19 Act of 1989 means the act as it existed on January 1, 2022 ~~2021~~.

20 Sec. 5. PAREA program means a practical applications of real estate
21 appraisal program approved by the Appraiser Qualifications Board as
22 prescribed by rules and regulations of the Real Property Appraiser Board.

23 Sec. 6. Section 76-2218, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 76-2218 (1) Except as provided in subsections (2) through (6) ~~(2)~~
26 ~~and (3)~~ of this section, two-year continuing education period means the
27 period of twenty-four months commencing on January 1 and completed on
28 December 31 of the following year.

29 (2) ~~For a In the case of new~~ real property appraiser credential
30 ~~holders~~ holders credentialed prior to July 1 pursuant to section 76-2228.01,
31 76-2230, 76-2231.01, or 76-2232, two-year continuing education period

1 means the period commencing on the date of initial credentialing and
2 completed on December 31 of the following year.

3 (3) For a In the case of new real property appraiser credential
4 holders credentialed on or and after July 1 pursuant to section
5 76-2228.01, 76-2230, 76-2231.01, or 76-2232, two-year continuing
6 education period means the period of twenty-four months commencing on
7 January 1 of the following year following the date of initial
8 credentialing.

9 (4) For a new real property appraiser credentialed pursuant to
10 section 76-2233 who held a valid credential of the same class to engage
11 in real property appraisal practice under the laws of another
12 jurisdiction on January 1 of the year in which the credential was issued
13 by the board, two-year continuing education period means the period of
14 twenty-four months commencing on January 1 of the year in which the
15 credential was issued by the board.

16 (5) For a new real property appraiser credentialed pursuant to
17 section 76-2233 who (a) did not hold a valid credential of the same class
18 to engage in real property appraisal practice under the laws of another
19 jurisdiction on January 1 of the year in which the credential was issued
20 by the board and (b) was credentialed pursuant to section 76-2233 prior
21 to July 1, two-year continuing education period means the period
22 commencing on the date of initial credentialing and completed on December
23 31 of the following year.

24 (6) For a new real property appraiser credentialed pursuant to
25 section 76-2233 who (a) did not hold a valid credential of the same class
26 to engage in real property appraisal practice under the laws of another
27 jurisdiction on January 1 of the year in which the credential was issued
28 by the board and (b) was credentialed pursuant to section 76-2233 on or
29 after July 1, two-year continuing education period means the period of
30 twenty-four months commencing on January 1 of the year following the date
31 of initial credentialing.

1 Sec. 7. Section 76-2221, Revised Statutes Supplement, 2021, is
2 amended to read:

3 76-2221 The Real Property Appraiser Act shall not apply to:

4 (1) Any person who is a salaried employee of (a) the federal
5 government, (b) any agency of the state government or a political
6 subdivision which appraises real estate, (c) any insurance company
7 authorized to do business in this state, or (d) any bank, savings bank,
8 savings and loan association, building and loan association, credit
9 union, or small loan company licensed by this state or supervised or
10 regulated by or through federal enactments covering financial
11 institutions who renders an estimate or opinion of value of real estate
12 or any interest in real estate when such estimate or opinion is rendered
13 in connection with the salaried employee's employment for an entity
14 listed in subdivisions (a) through (d) of this subdivision, except that
15 any salaried employee of the entities listed in subdivisions (a) through
16 (d) of this subdivision who signs a report as a credentialed real
17 property appraiser shall be subject to the act and the Uniform Standards
18 of Professional Appraisal Practice. Any salaried employee of the entities
19 listed in subdivisions (a) through (d) of this subdivision who is a
20 credentialed real property appraiser and who does not sign a report as a
21 credentialed real property appraiser shall include the following
22 disclosure prominently with such report: This opinion of value may not
23 meet the minimum standards contained in the Uniform Standards of
24 Professional Appraisal Practice and is not governed by the Real Property
25 Appraiser Act;

26 (2) A person referred to in subsection (1) of section 81-885.16;

27 (3) Any person who provides assistance (a) in obtaining the data
28 upon which assignment results are based, (b) in the physical preparation
29 of a report, such as taking photographs, preparing charts, maps, or
30 graphs, or typing or printing the report, or (c) that does not directly
31 involve the exercise of judgment in arriving at the assignment results

1 set forth in the report;

2 (4) Any owner of real estate, employee of the owner, or attorney
3 licensed to practice law in this state representing the owner who renders
4 an estimate or opinion of value of the real estate or any interest in the
5 real estate when such estimate or opinion is for the purpose of real
6 estate taxation, or any other person who renders such an estimate or
7 opinion of value when that estimate or opinion requires a specialized
8 knowledge that a real property appraiser would not have, ~~except that a~~
9 ~~real property appraiser or a person licensed under the Nebraska Real~~
10 ~~Estate License Act is not exempt under this subdivision;~~

11 (5) Any owner of real estate, employee of the owner, or attorney
12 licensed to practice law in this state representing the owner who renders
13 an estimate or opinion of value of real estate or any interest in real
14 estate or damages thereto when such estimate or opinion is offered as
15 testimony in any condemnation proceeding, or any other person who renders
16 such an estimate or opinion when that estimate or opinion requires a
17 specialized knowledge that a real property appraiser would not have,
18 ~~except that a real property appraiser or a person licensed under the~~
19 ~~Nebraska Real Estate License Act is not exempt under this subdivision;~~

20 (6) Any owner of real estate, employee of the owner, or attorney
21 licensed to practice law in this state representing the owner who renders
22 an estimate or opinion of value of the real estate or any interest in the
23 real estate when such estimate or opinion is offered in connection with a
24 legal matter involving real property;

25 (7) Any person appointed by a county board of equalization to act as
26 a referee pursuant to section 77-1502.01, except that any person who also
27 practices as an independent real property appraiser for others shall be
28 subject to the Real Property Appraiser Act and shall be credentialed
29 prior to engaging in such other real property appraisal practice. Any
30 real property appraiser appointed to act as a referee pursuant to section
31 77-1502.01 and who prepares a report for the county board of equalization

1 shall not sign such report as a credentialed real property appraiser and
2 shall include the following disclosure prominently with such report: This
3 opinion of value may not meet the minimum standards contained in the
4 Uniform Standards of Professional Appraisal Practice and is not governed
5 by the Real Property Appraiser Act;

6 (8) Any person who is appointed to serve as an appraiser pursuant to
7 section 76-706, except that if such person is a credential holder, he or
8 she shall (a) be subject to the scope of practice applicable to his or
9 her classification of credential and (b) comply with the Uniform
10 Standards of Professional Appraisal Practice, excluding standards 1
11 through 10; or

12 (9) Any person, including an independent contractor, retained by a
13 county to assist in the appraisal of real property as performed by the
14 county assessor of such county subject to the standards established by
15 the Tax Commissioner pursuant to section 77-1301.01. A person so retained
16 shall be under the direction and responsibility of the county assessor.

17 Sec. 8. Section 76-2230, Revised Statutes Supplement, 2021, is
18 amended to read:

19 76-2230 (1) To qualify for a credential as a licensed residential
20 real property appraiser, an applicant shall:

21 (a) Be at least nineteen years of age;

22 (b) Hold a high school diploma or a certificate of high school
23 equivalency or have education acceptable to the Real Property Appraiser
24 Board;

25 (c)(i) Have successfully completed and passed examination for no
26 fewer than one hundred fifty class hours in Real Property Appraiser
27 Board-approved qualifying education courses conducted by education
28 providers as prescribed by rules and regulations of the Real Property
29 Appraiser Board and completed the fifteen-hour National Uniform Standards
30 of Professional Appraisal Practice Course. Each course shall include a
31 proctored, closed-book examination pertinent to the material presented;

1 or

2 (ii) Hold a degree in real estate from an accredited degree-awarding
3 college or university that has had all or part of its curriculum approved
4 by the Appraiser Qualifications Board as required core curriculum or the
5 equivalent as determined by the Appraiser Qualifications Board. If the
6 degree in real estate or equivalent as approved by the Appraiser
7 Qualifications Board does not satisfy all required qualifying education
8 for credentialing, the remaining class hours shall be completed in Real
9 Property Appraiser Board-approved qualifying education pursuant to
10 subdivision (c)(i) of this subsection;

11 (d)(i) ~~(d)~~ Have no fewer than one thousand hours of experience as
12 prescribed by rules and regulations of the Real Property Appraiser Board.
13 The required experience shall be acceptable to the Real Property
14 Appraiser Board and subject to review and determination as to conformity
15 with the Uniform Standards of Professional Appraisal Practice. The
16 experience shall have occurred during a period of no fewer than six
17 months; or

18 (ii) Successfully complete a PAREA program. If the PAREA program
19 does not satisfy all required experience for credentialing, the remaining
20 experience hours shall be completed pursuant to subdivision (d)(i) of
21 this subsection;

22 (e) Submit two copies of legible ink-rolled fingerprint cards or
23 equivalent electronic fingerprint submissions to the Real Property
24 Appraiser Board for delivery to the Nebraska State Patrol in a form
25 approved by both the Nebraska State Patrol and the Federal Bureau of
26 Investigation. A fingerprint-based national criminal history record check
27 shall be conducted through the Nebraska State Patrol and the Federal
28 Bureau of Investigation with such record check to be carried out by the
29 Real Property Appraiser Board; and

30 (f) Within the twelve months following approval of the applicant's
31 education and experience by the Real Property Appraiser Board, pass a

1 licensed residential real property appraiser examination, certified
2 residential real property appraiser examination, or certified general
3 real property appraiser examination, approved by the Appraiser
4 Qualifications Board, prescribed by rules and regulations of the Real
5 Property Appraiser Board, and administered by a contracted testing
6 service.

7 (2) To qualify for an upgraded credential, a licensed residential
8 real property appraiser shall satisfy the appropriate requirements as
9 follows:

10 (a) Submit two copies of legible ink-rolled fingerprint cards or
11 equivalent electronic fingerprint submissions to the Real Property
12 Appraiser Board for delivery to the Nebraska State Patrol in a form
13 approved by both the Nebraska State Patrol and the Federal Bureau of
14 Investigation. A fingerprint-based national criminal history record check
15 shall be conducted through the Nebraska State Patrol and the Federal
16 Bureau of Investigation with such record check to be carried out by the
17 Real Property Appraiser Board; and

18 (b) Within the twelve months following approval of the applicant's
19 education and experience by the Real Property Appraiser Board for an
20 upgraded credential, pass an appropriate examination approved by the
21 Appraiser Qualifications Board for that upgraded credential, prescribed
22 by rules and regulations of the Real Property Appraiser Board, and
23 administered by a contracted testing service.

24 (3) To qualify for a credential as a certified residential real
25 property appraiser, a licensed residential real property appraiser shall:

26 (a)(i) Meet the postsecondary educational requirements pursuant to
27 subdivisions (1)(b) and (c) of section 76-2231.01; or

28 (ii)(A) Have held a credential as a licensed residential real
29 property appraiser for a minimum of five years; and

30 (B) Not have been subject to a nonappealable disciplinary action by
31 the board or any other jurisdiction, which action limited the real

1 property appraiser's legal eligibility to engage in real property
2 appraisal practice within five years immediately preceding the date of
3 application for the certified residential real property appraiser
4 credential;

5 (b) Successfully complete and pass proctored, closed-book
6 examinations for no fewer than fifty additional class hours in board-
7 approved qualifying education courses conducted by education providers as
8 prescribed by rules and regulations of the board, or hold a degree in
9 real estate from an accredited degree-awarding college or university or
10 equivalent pursuant to subdivision (1)(d)(ii) of section 76-2231.01; and

11 (c) Meet the experience requirements pursuant to subdivision (1)(e)
12 of section 76-2231.01.

13 (4) To qualify for a credential as a certified general real property
14 appraiser, a licensed residential real property appraiser shall:

15 (a) Meet the postsecondary educational requirements pursuant to
16 subdivisions (1)(b) and (c) of section 76-2232;

17 (b) Successfully complete and pass proctored, closed-book
18 examinations for no fewer than one hundred fifty additional class hours
19 in board-approved qualifying education courses conducted by education
20 providers as prescribed by rules and regulations of the board, or hold a
21 degree in real estate from an accredited degree-awarding college or
22 university or equivalent pursuant to subdivision (1)(d)(ii) of section
23 76-2232; and

24 (c) Meet the experience requirements pursuant to subdivision (1)(e)
25 of section 76-2232.

26 (5) An appraiser holding a valid licensed residential real property
27 appraiser credential shall satisfy the requirements for the trainee real
28 property appraiser credential for a downgraded credential.

29 (6) The scope of practice for a licensed residential real property
30 appraiser shall be limited to real property appraisal practice concerning
31 noncomplex residential real property or real estate having no more than

1 four units, if any, with a transaction value of less than one million
2 dollars and complex residential real property or real estate having no
3 more than four units, if any, with a transaction value of less than four
4 hundred thousand dollars. The appraisal of subdivisions for which a
5 development analysis or appraisal is necessary is not included in the
6 scope of practice for a licensed residential real property appraiser.

7 Sec. 9. Section 76-2231.01, Revised Statutes Supplement, 2021, is
8 amended to read:

9 76-2231.01 (1) To qualify for a credential as a certified
10 residential real property appraiser, an applicant shall:

11 (a) Be at least nineteen years of age;

12 (b)(i) Hold a bachelor's degree, or higher, from an accredited
13 degree-awarding college or university;

14 (ii) Hold an associate's degree from an accredited degree-awarding
15 community college, college, or university in the study of business
16 administration, accounting, finance, economics, or real estate;

17 (iii) Successfully complete thirty semester hours of college-level
18 education from an accredited degree-awarding community college, college,
19 or university that includes:

20 (A) Three semester hours in each of the following: English
21 composition; microeconomics; macroeconomics; finance; algebra, geometry,
22 or higher mathematics; statistics; computer science; and business law or
23 real estate law; and

24 (B) Three semester hours each in two elective courses in any of the
25 topics listed in subdivision (b)(iii)(A) of this subsection, or in
26 accounting, geography, agricultural economics, business management, or
27 real estate;

28 (iv) Successfully complete thirty semester hours of the College-
29 Level Examination Program from an accredited degree-awarding community
30 college, college, or university that includes:

31 (A) Three ~~three~~ semester hours in each of the following subject

1 matter areas: College algebra; ~~college composition~~; college composition
2 modular; ~~college mathematics~~; principles of macroeconomics; principles of
3 microeconomics; introductory business law; and information systems; and
4 ~~or~~

5 (B) Six semester hours in each of the following subject matter
6 areas: College composition; and college mathematics; or

7 (v) Successfully complete any combination of subdivisions (b)(iii)
8 and (iv) of this subsection that ensures coverage of all topics and hours
9 identified in subdivision (b)(iii) of this subsection;

10 (c) Have his or her education evaluated for equivalency by one of
11 the following if the college degree is from a foreign country:

12 (i) An accredited degree-awarding college or university;

13 (ii) A foreign degree credential evaluation service company that is
14 a member of the National Association of Credential Evaluation Services;
15 or

16 (iii) A foreign degree credential evaluation service company that
17 provides equivalency evaluation reports accepted by an accredited degree-
18 awarding college or university;

19 (d)(i) Have successfully completed and passed examination for no
20 fewer than two hundred class hours in Real Property Appraiser Board-
21 approved qualifying education courses conducted by education providers as
22 prescribed by rules and regulations of the Real Property Appraiser Board
23 and completed the fifteen-hour National Uniform Standards of Professional
24 Appraisal Practice Course. Each course shall include a proctored, closed-
25 book examination pertinent to the material presented; or

26 (ii) Hold a degree in real estate from an accredited degree-awarding
27 college or university that has had all or part of its curriculum approved
28 by the Appraiser Qualifications Board as required core curriculum or the
29 equivalent as determined by the Appraiser Qualifications Board. If the
30 degree in real estate or equivalent as approved by the Appraiser
31 Qualifications Board does not satisfy all required qualifying education

1 for credentialing, the remaining class hours shall be completed in Real
2 Property Appraiser Board-approved qualifying education pursuant to
3 subdivision (d)(i) of this subsection;

4 (e)(i) {e} Have no fewer than one thousand five hundred hours of
5 experience as prescribed by rules and regulations of the Real Property
6 Appraiser Board. The required experience shall be acceptable to the Real
7 Property Appraiser Board and subject to review and determination as to
8 conformity with the Uniform Standards of Professional Appraisal Practice.
9 The experience shall have occurred during a period of no fewer than
10 twelve months; or

11 (ii) Successfully complete a PAREA program. If the PAREA program
12 does not satisfy all required experience for credentialing, the remaining
13 experience hours shall be completed pursuant to subdivision (e)(i) of
14 this subsection;

15 (f) Submit two copies of legible ink-rolled fingerprint cards or
16 equivalent electronic fingerprint submissions to the Real Property
17 Appraiser Board for delivery to the Nebraska State Patrol in a form
18 approved by both the Nebraska State Patrol and the Federal Bureau of
19 Investigation. A fingerprint-based national criminal history record check
20 shall be conducted through the Nebraska State Patrol and the Federal
21 Bureau of Investigation with such record check to be carried out by the
22 Real Property Appraiser Board; and

23 (g) Within the twelve months following approval of the applicant's
24 education and experience by the Real Property Appraiser Board, pass a
25 certified residential real property appraiser examination or certified
26 general real property appraiser examination, approved by the Appraiser
27 Qualifications Board, prescribed by rules and regulations of the Real
28 Property Appraiser Board, and administered by a contracted testing
29 service.

30 (2) To qualify for an upgraded credential, a certified residential
31 real property appraiser shall satisfy the following requirements:

1 (a) Submit two copies of legible ink-rolled fingerprint cards or
2 equivalent electronic fingerprint submissions to the Real Property
3 Appraiser Board for delivery to the Nebraska State Patrol in a form
4 approved by both the Nebraska State Patrol and the Federal Bureau of
5 Investigation. A fingerprint-based national criminal history record check
6 shall be conducted through the Nebraska State Patrol and the Federal
7 Bureau of Investigation with such record check to be carried out by the
8 Real Property Appraiser Board; and

9 (b) Within the twelve months following approval of the applicant's
10 education and experience by the Real Property Appraiser Board for an
11 upgrade to a certified general real property appraiser credential, pass a
12 certified general real property appraiser examination approved by the
13 Appraiser Qualifications Board, prescribed by rules and regulations of
14 the Real Property Appraiser Board, and administered by a contracted
15 testing service.

16 (3) To qualify for a credential as a certified general real property
17 appraiser, a certified residential real property appraiser shall:

18 (a) Meet the postsecondary educational requirements pursuant to
19 subdivisions (1)(b) and (c) of section 76-2232;

20 (b) Successfully complete and pass proctored, closed-book
21 examinations for no fewer than one hundred additional class hours in
22 board-approved qualifying education courses conducted by education
23 providers as prescribed by rules and regulations of the board, or hold a
24 degree in real estate from an accredited degree-awarding college or
25 university or equivalent pursuant to subdivision (1)(d)(ii) of section
26 76-2232; and

27 (c) Meet the experience requirements pursuant to subdivision (1)(e)
28 of section 76-2232.

29 (4) A certified residential real property appraiser shall satisfy
30 the requirements for the trainee real property appraiser credential and
31 licensed residential real property appraiser credential for a downgraded

1 credential. If requested, evidence acceptable to the Real Property
2 Appraiser Board concerning the experience shall be presented along with
3 an application in the form of written reports or file memoranda.

4 (5) The scope of practice for a certified residential real property
5 appraiser shall be limited to real property appraisal practice concerning
6 residential real property or real estate having no more than four
7 residential units, if any, without regard to transaction value or
8 complexity. The appraisal of subdivisions for which a development
9 analysis or appraisal is necessary is not included in the scope of
10 practice for a certified residential real property appraiser.

11 Sec. 10. Section 76-2232, Revised Statutes Supplement, 2021, is
12 amended to read:

13 76-2232 (1) To qualify for a credential as a certified general real
14 property appraiser, an applicant shall:

15 (a) Be at least nineteen years of age;

16 (b) Hold a bachelor's degree, or higher, from an accredited degree-
17 awarding college or university;

18 (c) Have his or her education evaluated for equivalency by one of
19 the following if the college degree is from a foreign country:

20 (i) An accredited degree-awarding college or university;

21 (ii) A foreign degree credential evaluation service company that is
22 a member of the National Association of Credential Evaluation Services;
23 or

24 (iii) A foreign degree credential evaluation service company that
25 provides equivalency evaluation reports accepted by an accredited degree-
26 awarding college or university;

27 (d)(i) Have successfully completed and passed examination for no
28 fewer than three hundred class hours in Real Property Appraiser Board-
29 approved qualifying education courses conducted by education providers as
30 prescribed by rules and regulations of the Real Property Appraiser Board
31 and completed the fifteen-hour National Uniform Standards of Professional

1 Appraisal Practice Course. Each course shall include a proctored, closed-
2 book examination pertinent to the material presented; or

3 (ii) Hold a degree in real estate from an accredited degree-awarding
4 college or university that has had all or part of its curriculum approved
5 by the Appraiser Qualifications Board as required core curriculum or the
6 equivalent as determined by the Appraiser Qualifications Board. If the
7 degree in real estate or equivalent as approved by the Appraiser
8 Qualifications Board does not satisfy all required qualifying education
9 for credentialing, the remaining class hours shall be completed in Real
10 Property Appraiser Board-approved qualifying education pursuant to
11 subdivision (d)(i) of this subsection;

12 (e)(i) ~~(e)~~ Have no fewer than three thousand hours of experience, of
13 which one thousand five hundred hours shall be in nonresidential
14 appraisal work, as prescribed by rules and regulations of the Real
15 Property Appraiser Board. The required experience shall be acceptable to
16 the Real Property Appraiser Board and subject to review and determination
17 as to conformity with the Uniform Standards of Professional Appraisal
18 Practice. The experience shall have occurred during a period of no fewer
19 than eighteen months; or

20 (ii) Successfully complete a PAREA program. If the PAREA program
21 does not satisfy all required experience for credentialing, the remaining
22 experience hours shall be completed pursuant to subdivision (e)(i) of
23 this subsection;

24 (f) Submit two copies of legible ink-rolled fingerprint cards or
25 equivalent electronic fingerprint submissions to the Real Property
26 Appraiser Board for delivery to the Nebraska State Patrol in a form
27 approved by both the Nebraska State Patrol and the Federal Bureau of
28 Investigation. A fingerprint-based national criminal history record check
29 shall be conducted through the Nebraska State Patrol and the Federal
30 Bureau of Investigation with such record check to be carried out by the
31 Real Property Appraiser Board; and

1 (g) Within the twelve months following approval of the applicant's
2 education and experience by the Real Property Appraiser Board, pass a
3 certified general real property appraiser examination, approved by the
4 Appraiser Qualifications Board, prescribed by rules and regulations of
5 the Real Property Appraiser Board, and administered by a contracted
6 testing service.

7 (2) A certified general real property appraiser shall satisfy the
8 requirements for the trainee real property appraiser credential, licensed
9 residential real property appraiser credential, and certified residential
10 real property appraiser credential for a downgraded credential. If
11 requested, evidence acceptable to the Real Property Appraiser Board
12 concerning the experience shall be presented along with an application in
13 the form of written reports or file memoranda.

14 (3) The scope of practice for the certified general real property
15 appraiser shall include real property appraisal practice concerning all
16 types of real property or real estate that appraiser is competent to
17 engage in.

18 Sec. 11. Section 76-2233.01, Revised Statutes Cumulative Supplement,
19 2020, is amended to read:

20 76-2233.01 (1) A nonresident currently credentialed to engage in
21 real property appraisal practice concerning real estate and real property
22 under the laws of another jurisdiction may obtain a temporary credential
23 as a licensed residential real property appraiser, a certified
24 residential real property appraiser, or a certified general real property
25 appraiser to engage in real property appraisal practice in this state.

26 (2) To qualify for the issuance of a temporary credential, an
27 applicant shall:

28 (a) Submit an application on a form approved by the board;

29 (b) Submit a letter of engagement or a contract indicating the
30 location of the real property appraisal practice assignment—and
31 ~~completion date;~~

1 (c) Submit an irrevocable consent that service of process upon him
2 or her may be made by delivery of the process to the director of the
3 board if the plaintiff cannot, in the exercise of due diligence, effect
4 personal service upon the applicant in an action against the applicant in
5 a court of this state arising out of the applicant's activities in this
6 state; and

7 (d) Pay the appropriate application fee in an amount established by
8 the board pursuant to section 76-2241.

9 (3) The credential status of an applicant under this section,
10 including current standing and any disciplinary action imposed against
11 his or her credentials, shall be verified through the National Registry
12 of the Appraisal Subcommittee of the Federal Financial Institutions
13 Examination Council.

14 (4) Application for a temporary credential is valid for one year
15 from the date application is made to the board or upon the expiration of
16 the assignment specified in the letter of engagement, whichever occurs
17 first.

18 (5) A temporary credential issued under this section shall be
19 expressly limited to a grant of authority to engage in real property
20 appraisal practice required for an assignment in this state. Each
21 temporary credential shall expire upon the completion of the assignment
22 or upon the expiration of a period of six months from the date of
23 issuance, whichever occurs first. A temporary credential may be renewed
24 for one additional six-month period.

25 (6) Any person issued a temporary credential to engage in real
26 property appraisal practice in this state shall comply with all of the
27 provisions of the Real Property Appraiser Act relating to the appropriate
28 classification of credentialing. The board may, upon its own motion, and
29 shall, upon the written complaint of any aggrieved person, cause an
30 investigation to be made with respect to an alleged violation of the act
31 by a person who is engaged in, or who has engaged in, real property

1 appraisal practice as a temporary credential holder, and that person
2 shall be deemed a real property appraiser within the meaning of the act.

3 Sec. 12. Section 76-2236, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 76-2236 (1) Every credential holder shall furnish evidence to the
6 board that he or she has satisfactorily completed no fewer than twenty-
7 eight hours of approved continuing education activities in each two-year
8 continuing education period. ~~The continuing education period begins on~~
9 ~~January 1 of the next year for any credential holder who first obtained~~
10 ~~his or her credential at the current level on or after July 1.~~ Hours of
11 satisfactorily completed approved continuing education activities cannot
12 be carried over from one two-year continuing education period to another.
13 Evidence of successful completion of such continuing education activities
14 for the two-year continuing education period, including passing
15 examination if applicable, shall be submitted to the board in the manner
16 prescribed by the board. No continuing education activity shall be less
17 than two hours in duration. A person who holds a temporary credential
18 does not have to meet any continuing education requirements in the Real
19 Property Appraiser Act.

20 (2) As prescribed by rules and regulations of the Real Property
21 Appraiser Board and at least once every two years, the seven-hour
22 National Uniform Standards of Professional Appraisal Practice Update
23 Course as approved by the Appraiser Qualifications Board or the
24 equivalent of the course as approved by the Real Property Appraiser
25 Board, shall be included in the continuing education requirement of each
26 credential holder. An instructor certified by the Appraiser
27 Qualifications Board satisfies this requirement by successfully
28 completing a seven-hour instructor recertification course and examination
29 as approved by the Appraiser Qualifications Board.

30 (3) A continuing education activity conducted in another
31 jurisdiction in which the activity is approved to meet the continuing

1 education requirements for renewal of a credential in such other
2 jurisdiction shall be accepted by the board if that jurisdiction has
3 adopted and enforces standards for such continuing education activity
4 that meet or exceed the standards established by the Real Property
5 Appraiser Act and the rules and regulations of the board.

6 (4) The board may adopt a program of continuing education for
7 individual credentials as long as the program is compliant with the
8 Appraiser Qualifications Board's criteria specific to continuing
9 education.

10 (5) No more than fourteen hours may be approved by the Real Property
11 Appraiser Board as continuing education in each two-year continuing
12 education period for participation, other than as a student, in appraisal
13 educational processes and programs, which includes teaching, program
14 development, authorship of textbooks, or similar activities that are
15 determined by the board to be equivalent to obtaining continuing
16 education. Evidence of participation shall be submitted to the board upon
17 completion of the appraisal educational process or program. No
18 preapproval will be granted for participation in appraisal educational
19 processes or programs.

20 (6) Qualifying education, as approved by the board, successfully
21 completed by a credential holder to fulfill the class-hour requirement to
22 upgrade to a higher classification than his or her current
23 classification, shall be approved by the board as continuing education.

24 (7) Qualifying education, as approved by the board, taken by a
25 credential holder not to fulfill the class-hour requirement to upgrade to
26 a higher classification, shall be approved by the board as continuing
27 education if the credential holder completes the examination.

28 (8) A board-approved supervisory real property appraiser and trainee
29 course successfully completed by a certified real property appraiser
30 shall be approved by the board as continuing education no more than once
31 during each two-year continuing education period.

1 (9) The Real Property Appraiser Board shall approve continuing
2 education activities and instructors which it determines would protect
3 the public by improving the competency of credential holders.

4 Sec. 13. Original sections 76-2201, 76-2203, 76-2207.23, and
5 76-2218, Reissue Revised Statutes of Nebraska, sections 76-2233.01 and
6 76-2236, Revised Statutes Cumulative Supplement, 2020, and sections
7 76-2207.30, 76-2221, 76-2230, 76-2231.01, and 76-2232, Revised Statutes
8 Supplement, 2021, are repealed.

9 Sec. 14. Since an emergency exists, this act takes effect when
10 passed and approved according to law.



Guidance Document 21-04

Proposed October 21, 2021

This guidance document is advisory in nature but is binding on the Nebraska Real Property Appraiser Board ("Board") until amended or repealed by the Board. A guidance document does not include internal procedural documents that only affect the internal operations of the Board and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document (Neb. Rev. Stat. § 84-901.03 (2)).

SUBJECT: Certification by the International Distance Education Certification Center for Correspondence Education Activities

LEGAL REFERENCE: Neb. Rev. Stat. § 76-2223(1)(m),(n) (Laws 2020, LB808, § 71); Neb. Rev. Stat. § 76-2228.01 (Laws 2021, LB23, § 4); Neb. Rev. Stat. § 76-2230 (Laws 2021, LB23, § 6); Neb. Rev. Stat. § 76-2231.01 (Laws 2021, LB23, § 7); Neb. Rev. Stat. § 76-2232 (Laws 2021, LB23, § 8); Neb. Rev. Stat. § 76-2236 (Laws 2020, LB808, § 82); 298 NAC Chapter 1, § 001.05 (2020); 298 NAC Chapter 1, § 001.08 (2020); 298 NAC Chapter 2, § 001 (2020); 298 NAC Chapter 4, § 001 (2020); 298 NAC Chapter 6, § 001 (2020)

SUMMARY OF ACTION

BACKGROUND

At the Board's June 18, 2020 regular meeting, the Nebraska Real Property Appraiser Board ("Board") discussed the Appraisal Subcommittee's ("ASC") guidance on COVID-19 providing a waiver allowing for in-class education activities to be offered online without meeting the requirements for online delivery as recommended by the Appraiser Qualifications Board ("AQB") of The Appraisal Foundation. Specifically, the AQB recommended that continuing education offerings that were originally designed to be presented in a traditional classroom setting be allowed to be offered remotely via distance education, without the delivery mechanism approval set forth in Section III.D.3 of the Real Property Appraiser Qualification Criteria ("Criteria"). At this meeting, the Board moved to allow Supervisory Appraiser and Trainee Courses approved as classroom activities to be presented remotely via distance education under the March 31, 2020 ASC temporary waiver.

At its October 15, 2020 regular meeting, the Board discussed a September 25, 2020 letter from the ASC to State Appraiser Regulatory Officials with the subject, “COVID-19 Relief – Additional Guidance for Continuing Education (CE) and Qualifying Education (QE) delivery,” in which the ASC expanded the temporary waiver to allow qualifying education offerings originally designed to be presented in a traditional classroom setting to be offered remotely via distance education, without the delivery mechanism approval set forth in the Criteria, through December 31, 2021. At this meeting, the Board moved to allow continuing and qualifying education activities approved as classroom activities to be presented remotely via distance education under the September 25, 2020 Appraisal Subcommittee temporary waiver.

Due to the temporary waiver granted by the ASC at the recommendation of the AQB, the AQB received overwhelming feedback that the conversion of approved classroom courses to synchronous settings (without further approval) was in great demand and the courses were a success. Because of this experience, the AQB concluded that synchronous education offerings were equivalent to traditional in-person classroom offerings. And, as a result, the AQB saw a need to propose separating synchronous courses from asynchronous courses. Thus, the AQB adopted a new edition of the Criteria on August 24, 2021. Among the updates included in the newest edition of the Criteria, effective as of January 1, 2022 are:

- Synchronous courses will now be considered equivalent to in-person classroom courses.
- Synchronous courses will no longer be required to have delivery mechanism approval under the Criteria and an alternative course delivery mechanism approval for asynchronous courses was introduced.
- Hybrid courses must meet the requirements for each specific course delivery method (e.g., a course that is hybrid synchronous/asynchronous must meet the synchronous requirements for the synchronous portion of the course and the asynchronous requirements for the asynchronous portion of the course).
- Qualifying and continuing education courses may use remote proctoring for exams, including biometric proctoring.

It is the Board’s priority to reduce unnecessary regulatory burden and remove barriers for the real property appraiser profession. Just as the AQB experienced, the Board also saw a tremendous response from real property appraisers who were able to take advantage of this new educational opportunity. The Board’s change to its education program due to Covid-19 successfully accomplished the Board’s objectives and aligns with its mission and vision. As the ASC temporary waiver expires on January 1, 2022, and the new Criteria go into effect on the same date, it is the Board’s intent to permanently remove the requirement that a correspondence education activity must be certified by the International Distance Education Certification Center (“IDECC”) effective as of January 1, 2022.

ANALYSIS

The Board shall administer and enforce the Real Property Appraiser Act (“Act”). In accordance with Neb. Rev. Stat. § 76-2223(1)(m), this includes adopting and promulgating rules and regulations to establish minimum standards for education providers, courses, and instructors. In addition, the Board shall do all other things necessary to carry out the Act in accordance with N.R.S. § 76-2223(1)(n).

N.R.S. § 76-2228.01 (Trainee Real Property Appraisers), N.R.S. § 76-2230 (Licensed Residential Real Property Appraisers), N.R.S. § 76-2231.01 (Certified Residential Real Property Appraisers), and N.R.S. § 76-2232 (Certified General Real Property Appraisers), establish that an applicant for credentialing must successfully complete and pass examination for a specific number hours in real property appraiser Board-approved qualifying education courses conducted by education providers as prescribed by rules and regulations. Furthermore, N.R.S. § 76-2236 establishes that an applicant for renewal of a real property appraiser credential shall furnish evidence to the Board that he or she has satisfactorily completed no fewer than twenty-eight hours of approved continuing education activities in each two-year continuing education period.

298 NAC Chapter 2, § 001 defines the requirements for acceptance of qualifying education activities and the supervisory real property appraiser and trainee course required for issuance of a credential as a trainee real property appraiser, licensed residential real property appraiser, certified residential real property appraiser and certified general real property appraiser. In accordance with Section 001, any classroom qualifying education activity or supervisory real property appraiser and trainee course completed in the State of Nebraska must be approved by the Board, and any classroom qualifying education activity or supervisory real property appraiser and trainee course completed in another jurisdiction must be approved as such by the jurisdiction in which it was completed at the time the classroom activity was completed, and meet or exceed the requirements for approval of such classroom education activity as outlined in Chapter 6 of Title 298.

Any qualifying education activity or supervisory real property appraiser and trainee course completed online, or by correspondence, by a resident of Nebraska, must be approved by the Board, and any qualifying education activity or supervisory real property appraiser and trainee course not approved by the Board completed by a resident of another jurisdiction online, or by correspondence, must be approved as such by the jurisdiction in which he or she is a legal resident at the time the online or correspondence activity was completed, and meet or exceed the requirements for approval of such online or correspondence education activity as outlined in Chapter 6 of Title 298.

298 NAC Chapter 4, § 001 defines the requirements for acceptance of continuing education activities required for renewal of a credential as a trainee real property appraiser, licensed residential real property appraiser, certified residential real property appraiser, and certified general real property appraiser. In accordance with Section 001, any classroom continuing education activity completed in the State of Nebraska, including attendance at an in person conference, must be approved by the Board, and any classroom continuing education activity or in person conference completed in another jurisdiction must be approved as continuing education by the jurisdiction in which it was completed at the time the classroom continuing education activity was completed or in person conference was attended, and meet or exceed the requirements for approval of a classroom continuing education activity as outlined in Chapter 6 of Title 298.

Any continuing education activity completed online, or by correspondence, by a resident of Nebraska, including attendance of a virtual conference, must be approved by the Board, and any continuing education activity not approved by the Board completed online, or by correspondence, including attendance of a virtual conference, by a resident of another jurisdiction, must be approved as continuing education by the jurisdiction in which he or she is a legal resident at the time the online or correspondence activity was completed, or the virtual conference was attended, and meet or exceed the requirements for approval of an online or correspondence continuing education activity as outlined in Chapter 6 of Title 298.

298 NAC Chapter 6, § 001 defines the requirements for approval of education activities offered by education providers and colleges, community colleges, or universities. Subsection 001.07 outlines the specific requirements for approval of online or correspondence education activities. Per 298 NAC Chapter 6, § 001.07A, “Each online education and correspondence education activity shall be certified by the International Distance Education Certification Center (“IDECC”), or conducted by an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education, that awards academic credit for the distance education courses.”

Section III.D of the Criteria effective on January 1, 2022 states, “Distance education is defined as any education process based on the geographical separation of student and instructor. Components of distance education include synchronous, asynchronous, and hybrid. In synchronous educational offerings, the instructor and students interact simultaneously online, similar to a phone call, video chat or live webinar, or web-based meeting...” In addition, “Synchronous courses provide for instruction and interaction substantially the same as on-site classroom courses. Synchronous courses meet class hour requirements if they comply with requirements III.A and III.B.” Per 298 NAC Chapter 1, § 001.08, “Correspondence education means (1) any activity delivered by technology, including but not limited to, the internet, satellite, or other telecommunications device, that requires a person to be engaged at a specific time, simultaneously tied to a live, active, verbal presentation by an instructor; or (2) any activity in which a person receives lessons and/or homework by mail, email, or the internet, and completes and returns the homework in order to receive a grade.” For the purpose of its administrative duties as they relate to Chapter 6 of the Nebraska Administrative Code, the AQB’s definition of asynchronous distance education and the Board’s definition of correspondence education are equivalent.

Finally, per 298 NAC Chapter 1, § 001.05, Conference means a formal or informal scheduled gathering in which many people discuss problems or ideas related to a particular topic. A conference may be held as correspondence education activity.

GUIDANCE

The AQB of The Appraisal Foundation has determined that a correspondence education activity provide for instruction and interaction substantially the same as a classroom education activity, thus, effective on January 1, 2022, IDECC certification is no longer required for the Board’s approval of a correspondence education activity to be offered by an education provider, or for acceptance of a correspondence education activity as real property appraiser education, if the education activity is approved by the Board or meets or exceeds the requirements for approval as an education activity as outlined in Chapter 6 of Title 298.

NEWSLETTER



Dear Tyler Kohtz,

It's an exciting day at The Appraisal Foundation.

Today is the official launch of the new 7-Hour National USPAP Update Course. This required continuing education course is always released every two years, but this year we've made some big changes.

This new 7-Hour USPAP Update Course is designed to give you the tools to be your own USPAP expert by the time you leave the course. Through dynamic case studies and new tools, appraisers will learn how to better navigate the USPAP document to solve problems in their daily appraisal practice.

The most innovative part of this course is our newest publication: The USPAP Reference Manual.

The USPAP Reference Manual is designed to help you quickly find answers to the USPAP questions you encounter in your daily appraisal practice. The Reference Manual can direct you right to the relevant passages of the USPAP publication.

The USPAP Reference Manual will be integral to the completion of the 7-Hour Update Course. Using the Reference Manual, you will tackle several case studies, and, in the process, learn how to use the Reference Manual to easily and quickly solve USPAP problems as they arise.

We also have an interactive version of this new publication available. If you are using this special linked edition of the USPAP Reference Manual, then the entire publication is hyperlinked directly to the relevant sections in USPAP making your search even easier without having to flip back and forth between books.

We are pleased to be offering this innovative new course and Reference Manual and look forward to hearing how it impacts your daily appraisal practice.

Sincerely,

Dave Bunton
President

Updates from the ASB

In This Newsletter

From the President's Desk:
Introducing the new USPAP Update Course and Reference Manual

Updates from the ASB

Updates from the AQB

Appraiser Talk

Upcoming Events

October 21: [Board of Trustees Public Meeting](#)

October 28: [ASB Public Meeting](#)

November 19: [AQB Public Meeting](#)

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The [First Exposure Draft](#) of proposed changes to the 2023 USPAP is still available for [public comment](#) until October 11th.

Updates from the AQB

The Johns Hopkins Master of Science in Real Estate and Infrastructure is the latest degree to be approved by the AQB's Real Estate Degree Review program.

Click [here](#) to learn more about this free program and to view a list of schools with approved degrees.

Appraiser Talk

The Appraisal Foundation's podcast Appraiser Talk releases it's newest episode every Monday.

You can check out a full list of published podcasts and listen to each episode [here](#). Click [here](#) to sign up to receive a notification each time a new episode is published.

You can subscribe to Appraiser Talk on Spotify, Apple Podcasts or wherever you get your podcasts. If you have a question you'd like to hear answered on the show, email it to Amy Timmerman at amy@appraisalfoundation.org.

of this month's newsletter to share on social media.

About The Appraisal Foundation

The Appraisal Foundation is the nation's foremost authority on the valuation profession. The organization sets the Congressionally authorized standards and qualifications for real estate appraisers, and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. This work advances the profession by ensuring appraisals are independent, consistent, and objective. More information on The Appraisal Foundation is available at www.appraisalfoundation.org.

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The Appraisal Foundation Releases Statement on Freddie Mac Appraisal Bias Report

(Washington, DC) September 21, 2021 – The Appraisal Foundation issued the following statement today on the release of a research analysis from Freddie Mac on appraisal bias:

“The results of this analysis are deeply troubling,” said The Appraisal Foundation President Dave Bunton. “Having data like this publicly available is critical to continuing to address issues of discrimination and promote diversity, equity and inclusion in the appraisal profession. I hope that we will see even more data released on this issue in the near future so we can better understand the best ways to build and uphold public trust in the appraisal profession. The Appraisal Foundation will continue its efforts to create an appraisal profession that is reflective of the United States we live in today and trusted by all Americans. We look forward to working with professional appraisal organizations, federal and state agencies and other stakeholders to address this sobering report.”

—End—

Racial and Ethnic Valuation Gaps In Home Purchase Appraisals

Related Links

- Research Note (<http://www.freddiemac.com/fmac-resources/research/pdf/202109-Note-Appraisal-Gap.pdf>)

To follow up on several stories of potential purchase appraisal¹ bias in various news outlets,² Freddie Mac kicked off a study of whether minorities are more likely to receive an appraisal value that is lower than the contract price during purchase transactions.³

First, we examine the raw differences in the percentage of properties that receive an appraisal value lower than the contract price in minority tracts compared to those in White tracts.⁴ We find substantial appraisal valuation gaps⁵ for minority versus White tracts. Second, we examine the raw differences in the percentage of applicants that receive an appraisal value lower than the contract price and find that minority applicants are more likely to receive an appraisal value lower than the contract price.

After observing these gaps, we conduct exploratory research to begin to understand what causes the valuation gaps for minority versus White tracts. In the third section, we test whether the observed gaps are driven by only a few appraisers. Our analysis shows gaps for a large fraction of appraisers who provide valuations in both minority and White tracts. In the fourth section, we explore several possible explanations for the observed appraisal gaps in minority neighborhoods. Our research shows that differences in comparable sale (or comp⁶) distances, comp reconciliation,⁷ variances in sale prices of comps, and possible systematic overpayment for properties by minorities cannot explain the appraisal gaps for minority tracts observed in our data. Finally, in the fifth section we build models to test whether the minority tract flag based on the minority concentration in the tract explains appraisal gaps beyond structural and neighborhood characteristics. Our preliminary modeling results suggest that a property is more likely to receive an appraisal lower than the contract price if it is in a minority tract.

Introduction

An appraisal is meant to opine on the market value of a home, so that lenders have adequate collateral for the loan. The focus of our research is to study whether the appraisal outcome is different for minority groups versus the White group. Our research is based on two assumptions: (1) markets for home sales are functioning well, regardless of the share of minority people living in a neighborhood; and (2) the contract price is a reasonable benchmark in purchase transactions.⁸ With these assumptions, we compare the appraisal value to the contract price, which we take as the benchmark in purchase transactions. In this Research Note, we use the term "appraisal value lower than contract price" to refer to appraised values that are lower than the contract price for home purchases.

We analyze the percentage of properties or applicants receiving "appraisal value lower than contract price." The metric is calculated separately for Black and Latino versus White groups. The term "appraisal gap" has been used in various papers with varying meanings. For the purpose of this Research Note, an "appraisal gap" means the percent difference in the share of properties or applicants receiving "appraisal value lower than contract price" between minority and White groups. A positive gap means that a minority group is more likely to receive an appraised value lower than contract price relative to the White group. We focus on four race and ethnicity groups for this analysis: Black, Latino, White, and Overall. When examining whether appraisal gaps exist, we consider the race and ethnicity of both the tracts in which the properties being appraised are located and of the applicants applying for a loan to buy the property.

1. Is there an appraisal gap in minority neighborhoods?

Appraisers' opinions of value are more likely to fall below the contract price in Black and Latino census tracts, and the extent of the gap increases as the percentage of Black or Latino people in the tract increases.

We examine the appraisal outcomes for properties in Black and Latino tracts versus those in White tracts. Tracts are classified according to the minority share of the population in that tract according to the 2010 census data. We use 50% as the threshold to define minority tracts. Specifically, if the share of Black (or Latino) people in a tract is 50% or more, this tract is categorized as Black (or Latino). In addition, to see how the gaps change as the share of minority people increases, we further classify Black (or Latino) tracts as follows:

- [50%-80%] if the Black (or Latino) share is $\geq 50\%$ and $< 80\%$
- [80%-100%] if the Black (or Latino) share is $\geq 80\%$.

If the overall minority share⁹ in a tract is below 50%, the tract is flagged as White.

Exhibit 1, based on data for more than 12 million appraisals for purchase transactions submitted to Freddie Mac from January 1, 2015, to December 31, 2020 through the Uniform Collateral Data Portal (UCDP),¹⁰ shows that properties in Black and Latino tracts receive appraisal values lower than the contract price more often than those in White tracts. If the minority group has a higher percent than the White group, that gap is highlighted in orange, indicating an unfavorable outcome for that minority group. For example, 12.5% of the properties in Black tracts receive "appraisal value lower than contract price," compared to 7.4% for those in White tracts, leading to a gap of 5.2%.

EXHIBIT 1:

Appraisal gaps for minority tracts

Appraisals for the purchase of single-family one-unit homes,
Jan. 1, 2015-Dec. 31, 2020

Property Tract	Count	% Lower Than Contract Price	Gap vs. White
Overall	12,752,779	8.3%	-
White	10,632,616	7.4%	-
Latino [50% -100%]	553,470	15.4%	8.0%
Latino [50%-80%]	443,218	15.0%	7.7%
Latino [80%-100%]	110,252	16.7%	9.4%
Black [50%-100%]	373,747	12.5%	5.2%
Black [50%-80%]	245,428	12.1%	4.8%
Black [80%-100%]	128,319	13.3%	5.9%

In addition, as the concentration of Black or Latino in a census tract increases, the appraisal valuation gap increases. For example, the gap for properties in Latino tracts increases from 7.7% in the [50%-80%] bucket to 9.4% in the [80%-100%] bucket.

To check whether the appraisal gap patterns in Exhibit 1 are consistent and robust, we perform numerous robustness checks from different perspectives, including by appraisal type (appraisal with interior inspection vs. exterior-only inspection or desktop—no on-site inspection); by occupancy type (owner, tenant, vacant); by property condition, by housing trend indicated in the appraisal report (stable, increasing, declining); and by urbanization level (urban, suburban, rural). In addition, we analyze the top 30 Metropolitan Statistical Areas (MSAs). The patterns we see based on the aggregate national data in Exhibit 1 mostly persist; thus, the appraisal gaps seem pervasive.

2. Is there an appraisal gap for minority applicants?

Black and Latino applicants receive lower appraisal values than the contract price more often than White applicants.

In this section, we use the minority status designated by applicants on their mortgage applications to examine the difference between Black and Latino applicants and White applicants. In purchase transactions, appraisals are completed on sellers' properties, but the information on race and ethnicity is collected from borrowers. This data limitation can potentially result in an underestimation of the appraisal gap. For example, if a Black homeowner's property is valued less than the benchmark and later sold to a White borrower, this transaction will be categorized as "White" instead of "Black" in our dataset. We hope to address this data limitation in future research.

Exhibit 2 is based on a dataset we generate by merging the 12+ million appraisals from UCDP used in the first section with loan application data submitted to Freddie Mac. This merge reduces the UCDP dataset from 12+ million to less than 2 million (due to missing values in the merge field and thus a low merge rate) and includes appraisals from 2016 to 2020 instead of the original time period (2015 to 2020). Exhibit 2

shows that Black and Latino applicants receive “appraisal value lower than contract price” more often than White applicants. For example, 9.5% of the Latino applicants receive “appraisal value lower than contract price”, compared to 6.5% of White applicants, resulting in a gap of 2.9%.

EXHIBIT 2:

Appraisal gaps for minority applicants

Appraisals for the purchase of single-family one-unit homes,
Jan. 1, 2016-Dec. 31, 2020

Race/Ethnicity Applicants	Count	% Lower Than Contract Price	Gap vs. White
Overall	1,711,961	7.1%	-
White	1,043,557	6.5%	-
Latino	155,965	9.5%	2.9%
Black	73,287	8.6%	2.1%

3. Are the appraisal gaps for minority tracts driven by only a small fraction of appraisers?

An analysis of the group of appraisers with enough observations in both minority tracts and White tracts to yield valid t-statistics reveals that a large portion of appraisers are generating statistically significant gaps.¹¹

To know whether a small fraction of appraisers is generating the observed gaps, we calculate the gaps for each individual appraiser who submitted appraisals for properties in both minority tracts and White tracts. In addition, we perform one-sided t-tests to examine which gaps are statistically larger than zero.

Based on our dataset, 21,058 appraisers submitted appraisal reports in both Black and White tracts; out of this group, 934 appraisers have statistical power and qualify as the Black versus White sample for t-test. Exhibit 3 shows the distribution of the 934 appraisers' gaps. The x-axis shows the appraisal gap, and the y-axis presents the percentage of the 934 appraisers who exhibit that gap. For example, looking at the 10% appraisal gap bar, about 6% of the 934 appraisers had appraisal reports that show a Black versus White gap of 10%. According to Exhibit 3, the distribution of the 934 appraisers' gaps is skewed to the right since the majority of appraisers show positive appraisal gaps. This differs from the case of unbiased appraisals, where about half of the appraisers would show negative estimated gaps and the other half show positive estimated gaps.

Exhibit 4 presents the distribution of the t-statistics of the 934 appraisers' appraisal gaps.¹² The t-statistic can tell whether the gap is statistically significant. According to Exhibit 4, the gaps are significantly larger than zero for 54% (502 / 934) of the appraisers at the 5% significance level, and for 31% (293 / 934) of the appraisers at the 1% significance level. These results suggest that a large portion of appraisers who performed enough appraisals in both Black and White tracts exhibit statistically significant Black versus White gaps.

EXHIBIT 3:

Distribution of gaps, Black vs. White

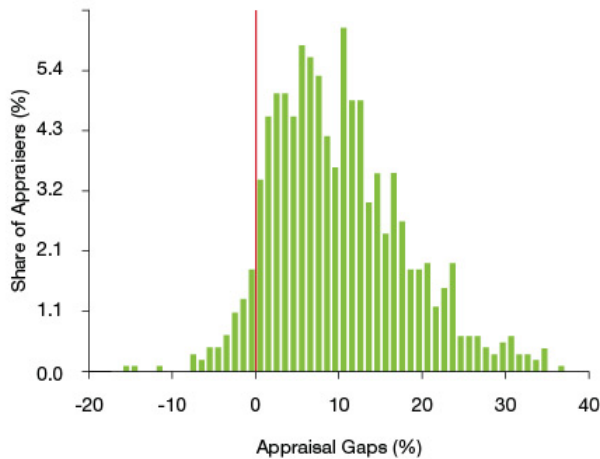
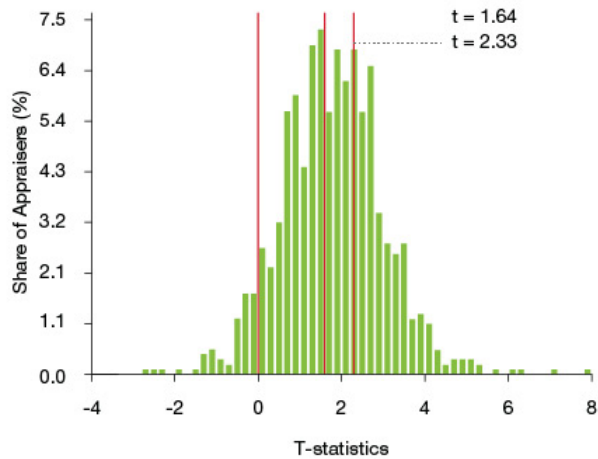


EXHIBIT 4:

Distribution of t-statistics, Black vs. White



Our dataset includes 18,908 appraisers who submitted appraisal reports in both Latino and White tracts; out of this group, 1,560 appraisers have statistical power and qualify as the Latino versus White sample for t-tests. Exhibit 5 shows the distribution of the 1,560 appraisers' gaps, which is skewed to the right. Exhibit 6 shows the distribution of their t-statistics. The gaps are significantly larger than zero for 47% (729 / 1,560) of the appraisers at the 5% significance level, and for 27% (423 / 1,560) of the appraisers at the 1% significance level. These results suggest that a large portion of appraisers who performed enough appraisals in both Latino and White tracts exhibit statistically significant Latino versus White gaps.

EXHIBIT 5:

Distribution of gaps, Latino vs. White

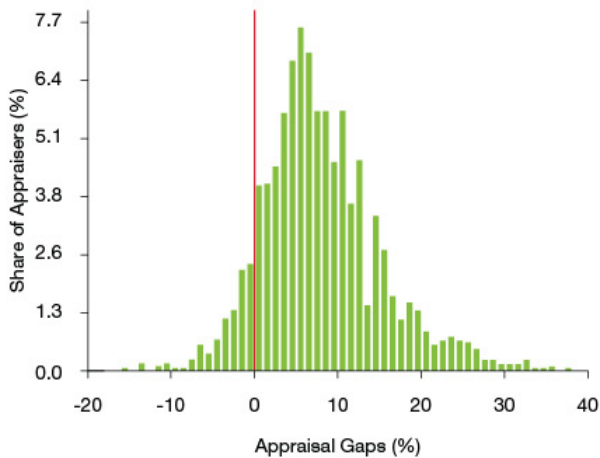
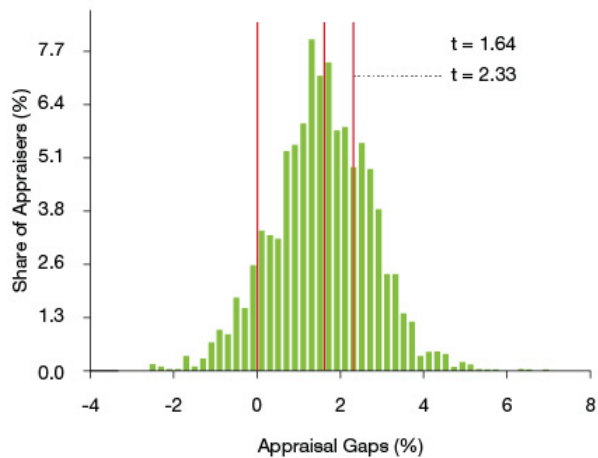


EXHIBIT 6:

Distribution of t-statistics, Latino vs. White



4. What causes the appraisal gap?

We conduct exploratory research to begin to understand what causes the observed gaps for minority versus White tracts. We focus our research on the fact that appraisers primarily determine the appraisal value of a property by comparing the historical sale prices of comps. By leveraging our in-house appraiser and appraisal expertise and through discussions with researchers who are experts on this topic,¹³ we identified several candidate factors and explored them in isolation, including comp distance, comp reconciliation, comp variance, and purchaser overpayment.

In addition to this exploratory research, in section 5 we also use a model-based approach to examine whether gaps still exist for minority tracts after adjusting for property and neighborhood characteristics.

Comp distance

The average distance between a subject property and its comps is substantially smaller when the property is in a Black or Latino tract than in a White tract.

We define "comp distance" as the average distance in miles between the subject property and the comps listed on the appraisal report. It is calculated as $\frac{\sum_{i=1}^n \text{Distance}_i}{n}$, where n refers to the number of comps. Exhibit 7 shows that the average comp distance is much smaller when the property is in a Black or Latino tract than in a White tract. For example, the average distance for properties in a Latino tract is 0.73 miles, compared to 1.40 miles in a White tract, resulting in a negative gap of 0.67 miles. On a relative basis, this negative gap is 48% (0.67/1.40). We also sort the data into urban, suburban, and rural subsets to check whether the overall pattern in Exhibit 7 persists. We find that the patterns are consistent in both urban and suburban areas.

EXHIBIT 7

Comp distance

Appraisals for the purchase of single-family one-unit homes, 2015–2020

Minority Threshold	Property Tract	Count	Average Distance (Miles)	Gap vs. White	
				Absolute	Relative
50-100%	Overall	12,752,779	1.29	-	-
	White	10,632,616	1.40	-	-
	Latino	553,470	0.73	-0.67	-48%
	Black	373,747	0.82	-0.58	-41%

Comp reconciliation

Properties in Black and Latino tracts tend to be reconciled toward the lower end of the comp range compared to those in White tracts, although the dollarized impact is small.

The "comp reconciliation" metric is defined as $\frac{\text{Appraisal Value} - \text{Lowest Comp}}{\text{Highest Comp} - \text{Lowest Comp}}$, where the "Highest (Lowest) Comp" refers to the highest (lowest) "Adjusted Sales Price"¹⁴ of comps on the appraisal report. Taking the difference between the highest and the lowest Adjusted Sales Price of the comps as the range, it measures how far away the appraisal value is from the lowest comp expressed as a percentage of the range. The higher the metric (%), the farther it is away from the lowest comp and thus the higher in the range. Given that the comp approach is what appraisers use primarily to determine appraisal values, it is important to check whether appraisal values tend to be in the lower end of the Adjusted Sales Price range of the comps when a property is in a minority tract as compared to a White tract. Exhibit 8 shows that appraisals for properties in Black and Latino tracts tend to be slightly closer to the lower end of the comp range. However, the average dollar impact is less than \$500.

EXHIBIT 8

Comp reconciliation

Appraisals for the Purchase of Single-Family One-Unit Homes, 2015–2020

Minority Threshold	Property Tract	Count (A)	Comp Reconciliation			
			Average Comp Range (B)	Reconciliation Metric (C)	Gap vs. White (D) Range (B)	Dollar Impact (E = B*D)
50-100%	Overall	12,752,779	\$42,363	37.6%	-	-
	White	10,632,616	\$43,050	37.7%	-	-
	Latino	553,470	\$37,020	36.6%	-1.1%	\$ (418)
	Black	373,747	\$31,912	37.5%	-0.2%	\$ (72)

Comp variance

There is more variation in the sales price of comps used in appraisals for properties in Black tracts than White tracts, but there is less variation for Latino tracts.

The "comp variance" metric is defined as $\frac{\text{Highest Comp} - \text{Lowest Comp}}{\text{Contract Price}}$, where the "Highest (Lowest) Comp" refers to the highest (lowest) sales price of the comps. It measures the difference between the highest and the lowest sales price of the comps expressed as a percentage of the contract price. The higher the metric (the higher the percent), the larger the variance. Given the heterogeneity of minority neighborhoods (Lee, 2018), we want to examine whether there is more variation in the sales prices within comps used in appraisals for properties in minority tracts than in White tracts.

Exhibit 9 shows that there is more variation in sales prices for comps used in appraisals for properties in Black tracts than in White tracts; however, there is less variation in Latino tracts. No matter whether there is more or less variation, the average dollar impact of these gaps is less than \$6,000.

EXHIBIT 9

Comp variance

Appraisals for the purchase of single-family one-unit homes, 2015–2020

Minority Threshold	Property Tract	Count (A)	Average Contract Price (B)	Variance Metric (C)	Gap vs. White (D)	Dollar Impact (E = B*D)
50-100%	Overall	12,752,779	\$349,589	21.4%	-	-
	White	10,632,616	\$350,373	21.7%	-	-
	Latino	553,470	\$323,961	20.1%	-1.6%	\$(5,027)
	Black	373,747	\$239,590	24.1%	2.4%	\$5,762

Purchaser overpayment

The estimates of overpayment by Black and Latino home buyers are modest, and consequently would not explain the observed appraisal gaps.

One possible explanation of the differential rate of appraised values being below sales prices is that on average Black and Latino buyers pay more for similar properties than White buyers when purchasing a home. To examine this possibility, we compare and compute differences in the sales prices that buyers of different races and ethnicities pay for comparable housing during the same time period.

The data used in this exercise are from Freddie Mac's mortgages funded from January 1993 to June 2021 for the purchase of owner-occupied properties. We include properties that were sold at least twice during that period and excluded properties where subsequent sales occurred within 36 months. The final data set we analyze has 2,965,495 observations and 36.3% of these are of transaction pairs that span mixed racial/ethnic groups. Also, of the 72,568 census tracts covered by our sample about 86% have transaction pairs that span mixed racial/ethnic groups.

A challenge in this exercise is to properly account for unobserved changes in housing quality over time and housing quality differences across race and ethnicity. To address this, we implement a repeat-sales approach that controls for unobserved housing quality to better isolate racial and ethnic differences in sales prices for comparable homes. We estimate the following equation:¹⁵ $\ln(p_{ijnt}) = \gamma * Race_{it} + \mu_j + \theta_{nt} + \varepsilon_{ijnt}$

where p_{ijnt} is the sale price for buyer i purchasing property j in the census tract n at time t ; $Race_{it}$ is a vector of indicators for the race and ethnicity of the buyer at time t (White being the base category); μ_j is a house-specific fixed effect that controls for changes in house quality over time, and ensures that house price changes are computed for the same properties using the first and second transaction prices; θ_{nt} denotes a set of fixed effects per census tract over time and allows us to control for tract-level house price changes during the same period; and ε_{ijnt} measures the average premium (or discount) paid by Black and Latino buyers relative to White buyers.

Exhibit 10 reports that the estimated overpayment for Black and Latino home buyers are materially different starting in 2008. Black buyers are estimated to pay 0.05% more than White buyers when buying a home, based on data starting in 2008, but this difference is statistically insignificant.¹⁶ Similarly, Latino home buyers are estimated to pay 0.39% more than White buyers, based on data starting in 2008. These

estimated premiums are small and would not explain the observed appraisal gaps.¹⁷

EXHIBIT 10

Estimated Overpayments for Black and Latino Home Buyers

Period	Black				Latino			
	Black-White Co-efficient Estimate	Standard Error	T-Value	Prob > T	Latino-White Co-efficient Estimate	Standard Error	T-Value	Prob > T
1993-2007	0.0104***	0.0015	7.17	0.0000	-0.0004	0.0011	-0.36	0.7216
2008-2021	0.0005	0.0033	0.16	0.8761	0.0039*	0.0022	1.81	0.0756

To summarize the results from this section, the factors we have explored explain only a modest amount of the observed gaps.

5. Does the race and ethnicity tract flag explain appraisal gaps beyond structural and neighborhood characteristics?

Our preliminary modeling results suggest that even when taking structural and neighborhood characteristics into consideration, a property is more likely to receive an appraisal lower than the contract price if it is in a minority tract.

It is possible that the appraisal gaps observed in our data could be caused by variations in the characteristics of the properties or neighborhoods. To examine this possibility, we adopt a modeling approach that controls for both property and neighborhood characteristics, thus isolating the effect of racial and ethnic differences in the likelihood of receiving an “appraisal value lower than contract price” for comparable homes. In addition, we control for appraiser fixed effects to remove the impact from random appraiser behaviors.¹⁸

We estimate a Light Gradient Boosted Machine (LightGBM) model and an Ordinary Least Square (OLS) model based on the 12+ million appraisals. Our preliminary modeling results indicate that the flags for Black and Latino tracts are significant and the coefficient is positive, which means that a property is more likely to receive an “appraisal value lower than contract price” if it is in a Black or Latino tract. For robustness checks, we estimate a Logistic Regression model and an OLS model based only on the reports submitted by appraisers who have enough reports in both minority (Black or Latino) and White tracts. The model results based on this subset are consistent: that is, a property is more likely to receive an “appraisal value lower than contract price” if it is in a Black or Latino tract than if it is in a White tract.

Implications for further research and housing industry practice

The Freddie Mac research clearly indicates that the topic of a potential appraisal gap is worthy of considerable research. We are committed to building solutions in the following ways. First, our analysis has not yet determined the full root cause of the gap; we plan to continue our research to better understand the key drivers contributing to the gap and share findings with the industry. Second, we continue to explore opportunities to leverage various data collection methods, robust data driven analytics and supporting tools to create new approaches across the valuation spectrum. We are testing whether alternatives to traditional appraisals offer a more objective analysis of property value.

Third, Freddie Mac is a core partner in the Appraisal Institute's¹⁹ Appraiser Diversity Initiative, which commits to building a more diverse next generation of appraisers. Fourth, we are part of the Office of the Comptroller of the Currency's Project REACH initiative, dedicated to financial inclusion through enhanced access to capital.²⁰ Our participation in Project REACH's appraisal working group is a core component of our commitment.

Finally, we join the industry in exploring several emerging potential solutions. Potential solutions may include a review of appraisal best practices, defining uniform standards for AVMs, addressing consumer disclosure and reconsideration of value processes, and revising fair lending exam procedures and risk assessments.

This Research Note aims to share what we have learned so far. It is also a call to the housing industry to help identify root causes and potential viable solutions that can achieve more consistent valuation outcomes across communities.

References

- 1 A purchase appraisal is one where the "assignment type" on the appraisal form is for a purchase transaction.
- 2 "Black Homeowners Face Discrimination in Appraisals," August 25, 2020, *The New York Times*.
"An Unconscious Bias? Biracial Denver Couple Says They Faced Discrimination on Home Appraisal," November 18, 2020, Denver7.
- 3 This study focuses on two minority groups, Black and Latino, with the White non-Latino group as the reference. The term "minority" refers to Black or Latino and the term "White" refers to White non-Latino throughout this Research Note.
- 4 Tracts refer to census tracts. They are small subdivisions within a county typically containing between 1,200 and 8,000 people. In this Research Note, the word "neighborhood" and "tract" are interchangeable.
- 5 For the purposes of this Research Note, an "appraisal gap" means the percent difference between minority and White groups in the share of properties or applicants receiving "appraisal value lower than contract price."
- 6 In a residential appraisal, the value is developed primarily by examining other competitive homes that have been sold recently. Those sales are called "comparable sales," commonly called "comps."
- 7 "Reconciliation" refers to the process used by the appraiser to weight the conclusions of the individual comparable sales and derive a final opinion on the home value.
- 8 We acknowledge that the sale price is not always equal to market value, and we expect that in all areas some appraisals will report values lower than the contract price. However, research data indicate that a high percentage of appraisals are at or above the purchase contract price (Calem, Lambie-Hanson, and Nakamura, 2017).
- 9 Anyone who is not White non-Latino is counted in the overall minority group.
- 10 When there are multiple submissions in the UCDP, this analysis uses the first appraisal. We exclude non-arm-length transactions (i.e., a non-arm-length sale is a sale between related parties), contracts with a concession amount exceeding 3%, and appraisal values or property features outside of the normal range (for example, properties with more than ten bedrooms or more than four stories).
- 11 Conditions for t-statistics to be valid are as follows: $\text{MIN}\{N1 \cdot P1, N1 \cdot (1 - P1)\} \geq 10$ and $\text{MIN}\{N2 \cdot P2, N2 \cdot (1 - P2)\} \geq 10$ where $N1$ = Number of appraisals in Black tracts, $P1$ = Percent of appraisals that have a value lower than the contract price in Black tracts, $N2$ = Number of appraisals in White tracts, $P2$ = Percent of appraisals that have a value lower than the contract price in White tracts.
- 12 The results in Exhibit 4 and Exhibit 6 are based on the unpooled t-test of proportions in which the variance is calculated separately for each group. We have also performed the pooled t-test and observed very similar results.
- 13 We thank experts at Better Mortgage, the Urban Institute, and the Brookings Institution for sharing their insights.
- 14 The appraiser generates the Adjusted Sales Price by comparing the comp to the subject property that is being appraised.
- 15 This analysis uses the approach described in Bayer et al. (2017).
- 16 Bayer et al. (2017) examined Chicago, San Francisco, Baltimore/Washington, DC, and Los Angeles using data from 1990 to 2006 and found an overpayment of 1.6% for Black buyers. We estimated a Black-White gap of 1% based on the 1993 to 2007 period.
- 17 We also examined estimates of overpayment at the MSA level and by share of minorities in the census tract and found no evidence supporting differential biases by MSA. Because even a small overpayment might lead to a false positive result and an overstatement of the appraisal gap, we checked the robustness of the earlier findings by imposing a larger overpayment adjustment of 0.5% and found qualitatively similar results to those in Exhibits 3 and 4.
- 18 In modeling, "control for appraiser fixed effects" means creating dummy variables for individual appraisers and including them in the model estimation process.
- 19 Our commitment to the Appraiser Diversity Institute can be found here: <https://www.appraisalinstitute.org/chase-commits-3-million-to-appraiser-diversity-initiative/> (<https://www.appraisalinstitute.org/chase-commits-3-million-to-appraiser-diversity-initiative/>)
- 20 An overview of the OCC's Project REACH's can be viewed here: <https://occ.gov/topics/consumers-and-communities/minority-outreach/project-reach.html> (<https://occ.gov/topics/consumers-and-communities/minority-outreach/project-reach.html>).

Calem, P. S., L. Lambie-Hanson, and L. I. Nakamura. 2017. "Appraising Home Purchase Appraisals." Working Paper No. 17-23, Federal Reserve Bank of Philadelphia.

Lee, C. A. 2018. "Heterogeneity in Income: Effects of Racial Concentration on Foreclosures in Los Angeles." Housing Policy Debate 28 (6): 940–62.

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APPRAISER QUALIFICATIONS BOARD

Appraiser Qualifications Board Q&As

TOPICS COVERED: DEFINITION OF SYNCHRONOUS COURSES and
COURSE DELIVERY MECHANISM APPROVAL

Issue Date: October 4, 2021

On August 24, 2021, the AQB adopted changes to the *Criteria* which will go into effect on January 1, 2022 (and will be referred to as the “2022 *Criteria*” in this document). Some of these changes have drawn questions from stakeholders. These Q&As are specifically directed at answering those questions.

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For Appraisers

Question:

Will the changes to section III (Generic Education Criteria), effective January 1, 2022, impact me as an appraiser taking appraisal courses?

Answer:

While these changes are largely directed at the requirements for how education providers have their courses approved, they will benefit appraisers by giving them more flexibility in obtaining CE credits. If you are interested in learning more, you can read the below section for education providers.

Question:

One of the changes involves removing the 50% limitation on experience gained for work completed without a traditional client and it now allows the appraiser to complete up to 100% of their experience work without having a traditional client.

What is an example of a “non-traditional” client?

Answer:

Not having a client in the traditional sense, for example, means a client has not hired an appraiser for a business purpose.

In other words, an aspiring appraiser could ask people they know, “Could I appraise your home?” The people would have no business or personal reason to order the appraisal, but the individual would still be gaining experience. Of course, that experience would also have to comply with any additional state requirements, such as obtaining a supervisory signature, should such requirements exist.

Question:

Does removing the 50% limitation on experience gained for work completed without a traditional client mean I, a trainee, do not need a supervisor?

Answer:

This new change for the 2022 *Criteria* does nothing to impact the existing trainee/supervisor model. If a state requires a supervisory signature on appraisal reports, the 2022 *Criteria* does not affect that requirement. Additionally, this change does not eliminate the occurrence of an appraiser making necessary property inspections, the appraiser completing any needed field work, or the appraiser having any necessary or required supervision.

For Education Providers

Course Delivery Mechanism & *Criteria*

Question:

Are classroom and synchronous courses equivalent under the 2022 *Criteria*?

Answer:

Yes. The 2022 *Criteria* now states that because synchronous courses provide for instruction and interaction that are substantially the same as in-person classroom courses, synchronous courses no longer need to meet the approval requirements that are required for an asynchronous course.

The only remaining difference between a classroom course and a synchronous course is their definitions. In a synchronous course, the instructor and the students interact simultaneously online, and thus, a synchronous course falls under the definition of “distance education.” However, even though a synchronous course is defined as distance education, the 2022 *Criteria* allows synchronous courses to undergo the same approval process as a classroom course.

Now, both classroom and synchronous course sessions must meet requirements specified in III.A. and III.B. of the 2022 *Criteria* (below).

A. Class hour

1. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student.
2. The prescribed number of class hours includes time for examinations.

B. Credit for the class hour requirements may be obtained only from the following providers:

1. Colleges or universities;
2. Community or junior colleges;
3. Real estate appraisal or real estate-related organizations;
4. State or federal agencies or commissions;
5. Proprietary schools;
6. Providers approved by state certification/licensing agencies; or
7. The Appraisal Foundation or its Boards.

Question:

Do synchronous courses still require delivery mechanism approval?

Answer:

No. Under the 2022 *Criteria*, synchronous courses have the same requirements as classroom courses, with no delivery mechanism approval needed (e.g., IDECC or similar entities). However, state appraiser regulatory agencies (states) can still choose to require delivery mechanism approval for synchronous courses.

Question:

For synchronous courses, are the requirements in the 2022 *Criteria* the same as those presented in the ASC's Covid-19 relief letter dated September 25, 2020¹?

Answer:

No. During the Covid-19 relief (expiring December 31, 2021), the ASC allowed, with the AQB's recommendation, that approved classroom courses could be taught synchronously with no additional approval required for the course or delivery mechanism. This allowance was subject to multiple considerations that do not exist in the current *Criteria* including, for example, the requirement for the provider to verify the photo identification of each of the students.

In other words, the ASC's Covid-19 letter had slightly different requirements than were ultimately adopted into the 2022 *Criteria*.

Question:

Given that synchronous and classroom courses are now equivalent, will I need to continue submitting separate applications to the AQB's Course Approval Program (CAP) for these courses?

Answer:

No. On January 1, 2022 (when the 2022 *Criteria* goes into effect), all classroom and synchronous courses will be submitted and approved as "classroom/synchronous" under CAP. This means the provider can submit one application and if the course is approved, the provider can choose to present that course either in the classroom and/or synchronously, subject to any additional state requirements

Question:

When a classroom and synchronous version of a course were, in the past, approved separately through Course Approval Program (CAP), and thus both have different expiration dates, which expiration date – the one for the classroom course or the one for the synchronous course – will be honored, given that the two formats are now considered equivalent?

Answer:

CAP will honor the expiration date for the course which had the most recent "initial" approval.

Below is an example of a course (Basic Appraisal Principles) with different classroom and synchronous approvals and expiration dates. In this example, the classroom course has been renewed twice while the synchronous course is still on its initial approval. Even though the classroom expiration date is later than the synchronous expiration date, the synchronous course was *initially* approved more recently, so that expiration date will be honored.

Basic Appraisal Principles		
	Classroom Expiration	Synchronous Expiration
Initial Approval	December 31, 2018	October 1, 2022
First Renewal Approval	December 31, 2021	
Second Renewal Approval	December 31, 2024	

The course provider must use the most recently approved course's materials.

¹ <https://www.asc.gov/Documents/OtherCorrespondence/MEMO%20to%20States%20COVID-19%20Relief%20-%20Addl%20Guidance%20for%20Education%20Delivery%2009.25.20.pdf>

Question:

I always had my asynchronous courses approved through The International Distance Education Certification Center (IDECC), but I now want to use the Appraisal Foundation, which is a new AQB approved entity for course delivery mechanism approval. What are the delivery mechanism specifications for asynchronous courses approved by the Foundation? For example, is there a specific number of learning objectives required, how many quiz questions are required per hour, etc.

Answer:

The Appraisal Foundation (the Foundation) and the AQB are currently developing the policies, procedures, and requirements for asynchronous delivery mechanism approval. Once finalized, the Foundation will make an announcement through all its communication channels and post it on its website. Education providers will receive an email from the Foundation's Publications Manager, with the new information. As of the publication of this Q&A document, the Foundation expects to have their approval program ready in the first quarter of 2022.

Question:

Will the expiration dates of IDECC-approved asynchronous courses be honored for any course delivery mechanism approval? Or, when the courses expire, will all asynchronous courses need to be submitted for AQB course delivery mechanism approval?

Answer:

According to the *Criteria*, IDECC continues to be a valid delivery mechanism approval entity, and you can continue to use them to renew your courses. However, as an alternative to IDECC, the AQB has also approved the Foundation as a delivery mechanism approval entity. While you can choose to use either entity, please check with your state, as they may require you to have approval from IDECC (or from others) for distance education courses.

Question:

Will there be a certification requirement similar to IDECC's Certified Distance Education Instructor (CDEI) designation for either asynchronous or synchronous instructors?

Answer:

No. Under the AQB/Foundation delivery mechanism approval entity, there will be no delivery type specific instructor certification required, however, states may have their own additional requirements. Be sure to verify what is required directly with the state.

Question:

Will states be required to follow the new education requirements within the *Criteria* (e.g., allowing alternatives to IDECC)?

Answer:

States must follow the minimum requirements set forth in the *Criteria* but can exceed these minimums. For example, states could require IDECC for both synchronous *and* asynchronous courses as this is a requirement that is *above* the minimum requirements of the *Criteria*.

Question:

Do you have any guidance on how to incorporate and implement remote and/or biometric proctoring for distance education qualifying education courses?

Answer:

The *Criteria* requirements related to exams for distance education state that exams must include a written, closed-book final examination and that the exam must either be proctored in person or remotely. Because there are various ways to ensure a closed book exam experience, the *Criteria* leaves the “how” open to providers and state regulatory agencies to decide the best method to use to comply with this *Criteria*.

USPAP & the *Criteria*

Question:

Now that the *Criteria* regards synchronous courses as substantially the same as on-site classroom courses, does it mean there is no exam requirement for synchronous USPAP courses?

Answer:

Yes. With the adoption of the 2022 *Criteria*, the Functional Specifications and Requirements for Gaining Equivalency Rating for Asynchronous Delivery document was updated, which resulted in removing any references to synchronous delivery. Therefore, there is no longer an exam requirement for USPAP synchronous courses. View the new Functional Specifications documents by clicking [HERE](#).

Question:

Are we allowed to provide USPAP courses synchronously (e.g., via Zoom) after December 31, 2021?

Answer:

Yes. As mentioned above, the 2022 *Criteria*, does not require delivery mechanism approval for synchronous courses. However, a state may still require a synchronous course to have its delivery mechanism approved. Please check with the states in which you’ll be offering these courses to confirm what requirements they have.

For States

Question:

Did the AQB eliminate The International Distance Education Certification Center (IDECC) as a valid delivery mechanism approval entity?

Answer:

No, according to the *Criteria* (Section III. D. 3.), AQB approved organizations for course delivery mechanism approval (including IDECC) remain valid delivery mechanism approval entities. The only change the Board made was to add the AQB (via The Appraisal Foundation) as an alternative delivery mechanism approval entity option.

Question:

Since the Foundation will now be a valid alternative to IDECC, what does the AQB/Foundation delivery mechanism entail?

Answer:

The AQB and the Foundation are developing the process for the new delivery mechanism approval. It will be robust and will allow for course provider innovation and technological advancement. The AQB/Foundation is working with a panel of education providers and state regulators to ensure the program's success.