

**PUBLIC MEETING OF THE NEBRASKA REAL PROPERTY APPRAISER BOARD
 BY VIRTUAL CONFERENCING
 Thursday, February 16, 2023, 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 10:30 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 1-127

- 1. New Applicants for Trainee Credential
 - a. T23001
- 2. New Applicants for Licensed Residential Credential through Education, Experience, and Examination
 - a. L22006
 - b. L23001
- 3. New Applicants for Certified Residential Credential through Education, Experience, and Examination
 - a. CR22015
- 4. Pending Applications
 - a. CG22024R
- 5. Applicants for Renewal of Real Property Appraiser Credential
 - a. CG2022017R
 - b. CG2K0064R

D. Registration as an Appraisal Management Company

E. Consideration of Compliance Matters

F. Consideration of Other Executive Session Items 1-76

- 1. 2023.01
- 2. 2023.02
- 3. 2023.03
- 4. Personnel Matters

G. Welcome and Chair’s Remarks (*Public Agenda 10:30 am*)

H. NRPAB Employee Recognition Award

I. Board Meeting Minutes

- 1. Approval of January 19, 2023 Meeting Minutes 1-13

J. Director's Report

1. Real Property Appraiser and AMC Counts and Trends	
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3. 2022-23 NRPAB Goals and Objectives + SWOT Analysis	10-12

K. Financial Report and Considerations

1. January Financial Report	
a. Budget Status Report	1-3
b. MTD General Ledger Detail Report	4-10
c. Financial Charts	11-14
2. 2023-2025 Biennial Budget	
a. Governor's Executive Budget Recommendations for NRPAB	15-20
b. Appropriations Committee Preliminary Determination	21-22
3. 2021-2023 Biennium - 2023 Budget Deficit Adjustment	23
4. Per Diems	

L. General Public Comments

M. Consideration of Education/Instructor Requests

N. Unfinished Business

1. Open At-Large Licensed Real Estate Broker Position
2. Business and Education Program Manager Position

O. New Business

1. New Assistant Attorney General Assignment – Darrin Schultz
2. Bill Blake Special Assistant Attorney General Reappointment

P. Legislative Report and Business

1. 108th Legislature (1st Regular Session) Bills of NRPAB Interest
2. Title 298
3. Other Legislative Matters

Q. Administrative Business

1. Guidance Documents
2. Internal Procedural Documents
3. Forms, Applications, and Procedures
 - a. Appraisal Management Company Registration Card
 - b. Real Property Appraiser Credentialing Card

R. Other Business

- 1. Board Meetings
- 2. Conferences/Education
- 3. Memos from the Board
- 4. Quarterly Newsletter
- 5. Appraisal Subcommittee
 - a. Educational Programs for State Appraiser/AMC Regulators 1-2
 - b. Notice of Data Breach Incident 3
 - c. PAVE Initiative to Decrease Barriers to Entry into the Appraisal Profession 4-5
 - d. Public Hearing on Appraisal Bias Brings Together Key Stakeholders 6-7
- 6. The Appraisal Foundation
 - a. First Exposure Draft of Proposed Changes to the Criteria_January 31, 2023 8-35
 - b. TAF February Newsletter 36-38
 - c. The Appraisal Foundation Opens Applications for Board of Trustees 39-40
 - d. Appraiser Qualifications Board Q&As
 - i. Mass Appraisal Experience & Supervisory Signature 41
 - ii. Can Licensed Appraiser be Supervisors 42
 - iii. Additional Criteria Q&As 43-114
- 7. Association of Appraiser Regulatory Officials
- 8. In the News

S. Adjourn

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

January 19, 2023 Meeting Minutes

A. OPENING

Chairperson Thomas Luhrs called to order the January 19, 2023 meeting of the Nebraska Real Property Appraiser Board at 9:02 a.m., by virtual conferencing in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

B. NOTICE OF MEETING

Chairperson Luhrs 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 January 12, 2023. 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 Thomas Luhrs of Imperial, Nebraska, Wade Walkenhorst of Lincoln, Nebraska, Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermsen of Gretna, Nebraska were present. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Katja Peppe, who are headquartered in Lincoln, Nebraska.

ADOPTION OF THE AGENDA

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

C. ELECTION OF OFFICERS

Chairperson Luhrs called for nominations for Chairperson of the Board in 2023. Board Member Downing nominated Wade Walkenhorst as Chairperson of the Board for 2023. Board Member Hermsen seconded the nomination. Chairperson Luhrs recognized the nomination and asked for any additional nominations or discussion. With no additional nominations or discussion, Chairperson Luhrs called for a vote. Walkenhorst was elected with Walkenhorst, Downing, Gerdes, Hermsen, and Luhrs voting aye.

Chairperson Walkenhorst called for nominations for Vice-chairperson of the Board in 2023. Board Member Gerdes nominated Bonnie Downing as Vice-chairperson of the Board for 2023. Board Member Luhrs seconded the nomination. Chairperson Walkenhorst recognized the nomination and asked for any additional nominations or discussion. With no additional nominations or discussion, Chairperson Walkenhorst called for a vote. Downing was elected with Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye. Downing abstained.

Board Member Luhrs congratulated Board Members Walkenhorst and Downing. Chairperson Walkenhorst thanked Board Member Luhrs for his leadership during his time as Chairperson.

Board Member Downing 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 Luhrs seconded the motion. The time on the meeting clock was 9:07 a.m. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

Neal Hilston and Peter Christensen appeared before the Board from 9:30 a.m. to 9:40 a.m.

Board Member Downing moved to come out of executive session at 10:00 a.m. Board Member Luhrs seconded the motion. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

Break from 10:01 a.m. to 10:30 a.m.

H. WELCOME AND CHAIR'S REMARKS

Chairperson Walkenhorst welcomed all to the January 19, 2023 meeting of the Nebraska Real Property Appraiser Board and thanked everyone for attending. The Chairperson once again thanked Board Member Luhrs for his year of service as chairperson and five years as a board member. Board Member Luhrs thanked staff for making the job easy, and applauded the current board for working well together. Chairperson Walkenhorst welcomed Ryan Paulus, who was attending via virtual conferencing. There were no other members of the public present.

I. BOARD MEETING MINUTES

a. APPROVAL OF DECEMBER 15, 2022 MEETING MINUTES

Chairperson Walkenhorst asked for any additions or corrections to the December 15, 2022 meeting minutes. With no discussion, Chairperson Walkenhorst called for a motion. Board Member Downing moved to approve the December 15, 2022 meeting minutes as presented. Board Member Luhrs seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

J. DIRECTOR'S REPORT

1. REAL PROPERTY APPRAISER AND AMC COUNTS AND TRENDS

a. Real Property Appraiser Report

Director Kohtz presented eleven charts outlining the number of real property appraisers as of January 19, 2023, including the real property appraiser renewal reports, to the Board for review. The Director guided the Board to page J.1 and discussed the current trends for each classification for those credentialed through education, experience, and examination, and for those credentialed through reciprocity. Director Kohtz informed the Board that a significant number of “92” and “93” numbered real property appraisers did not renew for 2023. The Director indicated that he was surprised by this as a similar situation occurred around 2017-18, and he anticipated a steady decline after that. The number of certified general real property appraisers credentialed through education experience and examination declined by nineteen, which is much higher than the previous four years. Director Kohtz added that, on the positive side, the trend for the certified residential real property appraisers credentialed through education, experience, and examination is showing a steady increase. The past trends remain for the licensed residential and the trainee classifications credentialed through education, experience, and examination. The Director informed the Board that the current growth trend for the certified general classification credentialed through reciprocity slowed slightly, and the certified residential classification experienced a surprising drop. Director Kohtz informed the Board that there does not appear to be an obvious reason for the decline in this classification, but it may be related to the decline in the number of appraisal management companies the Board is currently experiencing. The Director then guided the Board to page J.2, and informed the Board that the total decline for the number of certified and licensed real property appraisers was twenty-five, which includes twenty-one credentialed through education, experience, and examination. Director Kohtz then guided the Board to page J.4, and once again described the December to January change as it relates to the thirteen-month trend for each classification. The Director finished this section of this report by providing an update on the real property appraiser renewal numbers in total and by classification. In total, 485 of 576 have renewed, which amounts to 84%; the projected renewal percentage is 91%. Director Kohtz also reminded the Board that the number of real property appraiser renewal applications received after January 1st can be very unpredictable, so it is possible that these numbers will change quite a bit before the final renewal report in July. The Director asked for any 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 December 31, 2022 to the Board for review. The Director reported that the number of temporary credentials issued for the calendar year ended right in line with the trends for the previous five years. The Director asked for any questions or comments. There was no discussion.

c. Supervisory Real Property Appraiser Report

Director Kohtz presented two charts outlining the number of supervisory real property appraisers as of January 19, 2023 to the Board for review. The Director reported that the number of supervisory real property appraisers is typical for January compared to the previous four years. Director Kohtz asked for any questions or comments. There was no further discussion.

d. Appraisal Management Company Report

Director Kohtz presented two charts outlining the number of AMCs as of January 19, 2023 to the Board for review, and remarked that the current downward trend in the number of registered AMCs is still in place. The Director asked for any questions or comments. There was no further discussion.

2. DIRECTOR APPROVAL OF APPLICANTS

a. Real Property Appraiser Report

Director Kohtz presented the Real Property Appraiser Report to the Board for review showing real property appraiser applicants approved for credentialing by the Director, and the real property appraiser applicants approved to sit for exam by the Director, for the period between December 7, 2022 and January 10, 2023. The Director asked for any questions or comments. There was no further discussion.

b. Education Activity and Instructor(s) Report

Director Kohtz presented the Education Activities and Instructors Report to the Board for review showing education activities and instructors approved by the Director for the period between December 7, 2022 and January 10, 2023. The Director asked for any questions or comments. There was no further discussion.

3. 2022-23 NRPAB GOALS AND OBJECTIVES + SWOT ANALYSIS

Director Kohtz presented the 2022-23 NRPAB Goals and Objectives and SWOT Analysis to the Board for review and indicated that he had no updates. The Director asked for any questions or comments. There was no further discussion.

K. FINANCIAL REPORT AND CONSIDERATIONS – JANUARY 2023

1. APPROVAL OF DECEMBER RECEIPTS AND EXPENDITURES

The receipts and expenditures for December were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to the Data Processing Expense of \$5,621.75 and informed the Board that this expenditure is for the last of the work on the AMC online renewal application and NRPAB Database AMC Interface upgrade project before it stalled. This expenditure will be more typical for the next couple of months until billing catches back up to the work when work resumes. The Director moved on to the Publication & Print Expense of \$311.37 and noted that the office ordered more receipt books and envelopes, which are infrequent expenses. Director Kohtz indicated that expenditures for the month of December totaled \$30,947.96, and the year-to-date expenditures for the fiscal year are \$199,443.99, which amounts to 41.52 percent of the budgeted expenditures for the fiscal year; 50.41 percent of the fiscal year has passed.

The Director turned the Board's attention to revenues. Director Kohtz informed the Board that new credential revenues are lagging behind in pace, but typically take off at this time of year due to applicants waiting until January to submit their applications to get a longer period of credentialing before renewal. Director Kohtz remarked that the percent of budget revenues for Certified General Renewals, Certified Residential Renewals, and Licensed Renewals reflect the actual renewal numbers at 89.21 percent, 97.02 percent, and 84.48 percent, respectively. The Director moved on to AMC Registered New Fees and AMC Application Fees and reported that no applications for new AMC registrations have been received in the fiscal year. Director Kohtz informed the Board that revenues have not met expectations for the first half of the fiscal year, but that could change in a hurry. The Director indicated that revenues for December were \$64,683.80, and that the year-to-date revenues for the fiscal year are \$293,065.89, which amounts to 69.02 percent of the projected revenues for the fiscal year. Director Kohtz asked for any questions or comments. There was no further discussion.

Director Kohtz then brought attention to the MTD General Ledger for December and reported that he had no specific comments. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz presented four graphs showing expenses, revenues, and cash balances. The Director once again pointed out the expenditures and revenues for the month of December for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. Director Kohtz then reported that Real Property Appraiser Fund revenues for the month of December totaled \$53,577.91, the Real Property Appraiser Fund expenses totaled \$18,138.66, the AMC Fund revenues totaled \$11,105.89, and the AMC Fund expenses totaled \$12,809.30. The Director remarked that the cash balance for the AMC Fund is \$350,371.65, the Appraiser Fund is \$483,106.73, and the overall cash balance for both funds is \$833,478.38. The Director asked for any questions or comments. There was no further discussion.

Board Member Luhrs moved to accept and file the December 2022 financial reports for audit. Board Member Gerdes seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst 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. 2023 AARO MEMBERSHIP DUES

Director Kohtz presented an invoice from AARO for 2023 membership dues to the Board for consideration. The Director asked the Board if it would like to remain a member of AARO. Chairperson Walkenhorst remarked that there is a request for a \$600.00 expense for AARO membership dues for 2023. The Chairperson opened the floor to discussion and questions. All Board Members agreed to remain a member of AARO. With no further discussion, Board Member Luhrs moved to approve payment of the 2023 AARO membership dues. Board Member Downing seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst called for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

L. GENERAL PUBLIC COMMENTS

Chairperson Walkenhorst asked for any public comments. Ryan Paulus introduced himself as a compliance analyst with The CE Shop. Mr. Paulus informed the Board that The CE Shop is an online education provider of real estate continuing education. The company wishes to expand to offer appraisal continuing education as well. Mr. Paulus stated that he looks forward to learning more about the Board, and hopefully, The CE Shop will send course applications in the next few months. Chairperson Walkenhorst thanked Mr. Paulus for his comments and interest in the Board.

M. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS

Director Kohtz invited BEPM Peppe to summarize the education and instructor matters to be considered by the Board. BEPM Peppe presented a memo regarding the two ASFMRA activities titled, "Appraising Ag Facilities: Feedlot Seminar," and reported that ASFMRA had submitted a timed outline that meets the requirements of Title 298 for each education activity as requested by the Board. Chairperson Walkenhorst asked for any discussion. All board members agreed that the submitted outlines are acceptable. Board Member Gerdes moved to approve the following education activities and instructors as listed:

NEW CONTINUING EDUCATION ACTIVITIES AND INSTRUCTORS ASFMRA

Appraising Ag Facilities: Feedlot Seminar (222140L.01) / 8 Hours / Classroom – Brian Gatzke, Stacey Meneses

Appraising Ag Facilities: Feedlot Seminar (222340M.01) / 8 Hours / Synchronous – Brian Gatzke, Stacey Meneses

Board Member Luhrs seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

N. UNFINISHED BUSINESS

1. OPEN AT-LARGE LICENSED REAL ESTATE BROKER POSITION

Director Kohtz reported that he emailed Kathleen Dolezal's replacement at the Governor's office, Pat Selk, about the open At-large Licensed Real Estate Broker position. The Director reported that he has not received a response, and the phone number listed in the directory for this office is incorrect, so there is currently no contact with the Governor's office. The Director asked for any questions or comments. There was no discussion.

2. BUSINESS AND EDUCATION PROGRAM MANAGER POSITION

Director Kohtz reported that four applications for the Business and Education Program Manager position have been received during the second posting. The Director stated that he planned to interview two of the candidates, but if neither is a good fit, another round of posting may be required. The Director requested permission to hire an SOS Temporary Employee at the Administrative Specialist classification should no hire be made after these two interviews. Director Kohtz noted that the agency used little of the budgeted allocation for the temporary employee to assist with real property appraiser renewals between September and January, so there is enough in the budget for this purpose. Board Member Luhrs moved to authorize the Director to hire an Administrative Services SOS Temporary Employee at the Administrative Specialist classification if needed. Board Member Downing seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

O. NEW BUSINESS: No discussion.

P. LEGISLATIVE REPORT AND BUSINESS

1. 108TH LEGISLATURE (1ST REGULAR SESSION) BILLS OF NRPAB INTEREST

Director Kohtz presented the first legislative report of the current session to the Board for review. The following bills were discussed:

LB16 – The Director reported that LB16 allows for recognition in Nebraska for most types of occupational licenses issued in other states and changes provisions relating to preliminary applications by individuals with a criminal conviction. Specifically, this bill requires that certain information is required to be reported by the applicant for mitigating factors, only allows for certain felony convictions to be disqualifying, requires issuance of a preliminary adverse determination by the director of the occupational board or the board’s designated employee, provides for an opportunity for an informal meeting to be held within sixty days of application, and provides for a waiver of fees based on the applicant’s income being at or below 300% of the federal poverty level. To the extent that an occupational board or lawful occupation is also governed by federal law, federal law shall take precedence over the Occupational Board Reform Act. The act shall not be construed to preempt federal law governing lawful occupations in this state.

Director Kohtz informed the Board that this bill is a former amendment that includes two bills from the previous Legislature. The Director indicated that two years ago he worked to get language added to one of the two bills to ensure that the Board does not violate XI. When the two bills were swept into an amendment bill, it passed out of committee and was added to the floor agenda on the last day of the session. During that discussion, an amendment was added exempting the Board’s peer agencies from many provisions in the bill. LB16 is written exactly as the final amended version appeared. Director Kohtz then declared that there is no reason why the Board should be held to stricter standards compared to its peer agencies.

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In addition, there are a few other issues that need to be addressed, such as the different standards that exist between reviewing a background for issuance of a credential compared to reviewing a background for a preliminary review, the requirement that the executive director make the determination on the background of a preliminary application and the occupational board only ratify it, and that the occupational board shall waive a fee if the applicant proves that their income is at or below 300% of the federal poverty level. Director Kohtz requested that the Board authorize him to request that the Board be added to the exempted agencies found in Section 7 of LB16 on the Board's behalf. Also, if the Board is not added prior to the date of the hearing, oppose the bill as drafted due to unequal treatment compared to the Board's peer agencies. The Director indicated that he will also work with Senator Briese's office on the other issues. The Board agreed with the Director's position. Chairperson Walkenhorst asked for a motion. Board Member Luhrs moved to authorize the Director to request that that the Board be added to the exempted agencies found in Section 7 of LB16, and if the Board is not added prior to the date of the hearing, the director may, in representation of the board, oppose the bill. The motion was seconded by Downing. Chairperson Walkenhorst asked for any discussion on the motion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst.

LB41 – The Director reported that this bill prohibits state agencies from imposing annual filing and reporting requirements on charitable organizations greater than those defined in state or federal law. Director Kohtz informed the Board that this bill will have no impact on the Board. There was no further discussion.

LB104 – The Director reported that this bill change provisions of the County Employees Retirement Act, the Judges Retirement Act, the School Employees Retirement Act, the Nebraska State Patrol Retirement Act, and the State Employees Retirement Act. Specifically, LB104 changes the requirements for distribution of funds and updates definitions. Director Kohtz informed the Board that this bill will have impact on state teammates but no impact on the Board. There was no further discussion.

LB164 – The Director reported that this bill updates the state building and energy codes to include the 2021 edition of the International Building Code and to include the 2021 edition of the International Residential Code. There was no further discussion.

LB205 – The Director reported that the purposes of this bill are to provide for the efficient procurement of goods and services by governmental units, and to promote the economical, nondiscriminatory, and efficient administration and completion of construction projects funded, assisted, or awarded by a governmental unit. LB205 limits or prohibits certain language or provisions from being used in state contracts. Director Kohtz informed the Board that this bill will have minimal impact on the Board. There was no further discussion.

LB214 – The Director reported that this bill adopts changes to federal law regarding banking and finance and change provisions relating to digital asset depositories, loan brokers, mortgage loan originators, and installment loans. LB214 also adopts updates to federal law relating to banks and financial institutions. There was no further discussion.

LB279 – The Director reported that this bill eliminates the requirement that executive officers of banks submit a written report to the Department of Banking stating the amount of loans or indebtedness in which the officer is a borrower, co-signer, or guarantor, and how those proceeds have been or are to be used. There was no further discussion.

LB293 – The Director reported that the purpose of this bill is to require that the Department of Administrative Services immediately adopt and promulgate rules and regulations establishing formal protest procedures, including procedures for a contested case hearing, for any state agency contract for services awarded in excess of ten million dollars. Any protest shall be filed with the department. Director Kohtz informed the Board that due to the dollar amount, this bill will likely have no impact on the Board. There was no further discussion.

LB302 – The Director reported that this bill replaces “city, village, or school district” with “political subdivision,” and requires that any public employee, except as otherwise governed under section 49-1499.02, who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict and deliver it to the responsible public body, which shall enter it as a public record. The public employee must abstain from participating in the matter unless legally required to. There was no further discussion.

LB360 – The Director reported that this bill adopts the Office of Inspector General of Nebraska Procurement Act and establishes the purpose and duties of the Office of Inspector General of Nebraska Procurement. There was no further discussion.

LB408 – The Director reported that this bill requires that any member of a nonelective government body not designated in 49-1493 who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict and deliver it to the responsible public body, which shall enter it as a public record. The public employee must abstain from participating in the matter unless legally required to. There was no further discussion.

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

2. TITLE 298

Director Kohtz reported that he has no update concerning the revisions to Title 298 adopted by the Board after the November 17, 2022 hearing and no response has been received from the Attorney General's Office.

3. OTHER LEGISLATIVE MATTERS: No discussion.

Q. ADMINISTRATIVE BUSINESS: No discussion.

R. OTHER BUSINESS

1. BOARD MEETINGS: No discussion.

2. CONFERENCES/EDUCATION

a. Spring AARO Conference; May 9-11, 2023 – Savannah, GA

Director Kohtz reported that the Spring 2023 AARO Conference would take place on May 9-11 in Savannah, Georgia. The Director informed the Board that he plans to attend and asked for permission to attend the conference on behalf of the Board. No board members expressed interest in attending. Board Member Luhrs moved to approve Director Kohtz for attendance at the Spring 2023 AARO Conference on May 9-11, 2023. Board Member Downing seconded the motion. Chairperson Walkenhorst recognized the motion and asked for any discussion. With no discussion, Chairperson Walkenhorst asked for a vote. The motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

3. MEMOS FROM THE BOARD: No discussion.

4. QUARTERLY NEWSLETTER: No discussion.

5. APPRAISAL SUBCOMMITTEE

a. ASC Hearing on Appraisal Bias – January 24, 2023

Director Kohtz reported that the Appraisal Subcommittee will hold a public hearing on appraisal bias on January 24, 2023. The Director asked for any questions or comments. There was no discussion.

6. THE APPRAISAL FOUNDATION

a. Fourth Exposure Draft of Proposed Changes to USPAP_ December 13, 2022

Director Kohtz presented the Fourth Exposure Draft of Proposed Changes to USPAP to the Board for review. The Director informed the Board that the ASB once again included a new section within the Ethics Rule titled, "Nondiscrimination." This section sets forth two broad prohibitions; a prohibition against unethical discrimination and a prohibition against illegal discrimination. This section also includes additional requirements in support of the two prohibitions. The content is a significant change from the third exposure draft; the language is more USPAP and real property appraiser centric as opposed to just explaining how existing federal laws apply to real property appraisal practice. The ASB also plans to issue new guidance, which includes new Advisory Opinions, to provide more detailed information about the concepts in the new proposed section.

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Director Kohtz then guided the Board to page R.15 to review the proposed language in the new Nondiscrimination section. The Director also informed the Board that the changes included in the second exposure draft remain in this draft as well. The Director asked for any questions or comments. There was no discussion.

b. TAF December State Regulators Newsletter

Director Kohtz presented The Appraisal Foundation's December State Regulator Newsletter to the Board for review. The Director noted that the Association of Real Estate License Law Officials (ARELLO) online education delivery mechanism has been approved under CAP by the AQB. Director Kohtz expressed support for this approval as there are now three options for online education delivery mechanism approval. The Director asked for any questions or comments. There was no discussion.

c. TAF January Newsletter

Director Kohtz presented The Appraisal Foundation's January Newsletter to the Board for review and informed the Board that he had no specific comments. The Director asked for any questions or comments. There was no discussion.

d. BOT Public Meeting: May 18-20, 2023 – Cape Coral, FL

Director Kohtz informed the Board that the next BOT public meeting is scheduled for May 18-20, 2023 in Cape Coral, FL. The Director asked for any questions or comments. There was no discussion.

e. ASB Public Meeting: September 14, 2023 – Virtual

Director Kohtz informed the Board that the next ASB virtual public meeting is scheduled for September 14, 2023. The Director asked for any questions or comments. There was no discussion.

f. AQB Public Meeting: September 28, 2023 – Virtual

Director Kohtz informed the Board that the next AQB virtual public meeting is scheduled for September 28, 2023. The Director asked for any questions or comments. There was no discussion.

7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS: No discussion.

8. IN THE NEWS: No discussion.

D. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicants CG22024R, CG2021007R, CG2021009R, and CG2020028R. Chairperson Walkenhorst asked for a motion on CG2021007R, CG2021009R, and CG2020028R.

Board Member Downing moved to take the following action:

CG2021007R / Approve renewal of Certified General Real Property Appraiser credential. Issue written advisory directing applicant to carefully read and truthfully answer all disciplinary and/or criminal background questions on any future application to the Board. All misdemeanor convictions must be reported within the five-year period immediately preceding the date of application.

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

Board Member Downing moved to take the following action:

CG2021009R / Approve renewal of Certified Residential Real Property Appraiser credential. Issue written advisory explaining the Board's understanding of the Connecticut disciplinary action matter and directing applicant to carefully read and truthfully answer all disciplinary questions on any future application to the Board.

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

Board Member Downing moved to take the following action:

CG2020028R / Approve renewal of Certified General Real Property Appraiser credential. Issue written advisory directing applicant to carefully read and truthfully answer all disciplinary questions on any future application to the Board.

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

E. REGISTRATION AS APPRAISAL MANAGEMENT COMPANY: No discussion.

F. CONSIDERATION OF COMPLIANCE MATTERS: No discussion.

G. CONSIDERATION OF OTHER EXECUTIVE SESSION ITEMS

1. 2022.13

The Board reviewed a complaint submitted to the Nebraska Department of Banking and Finance provided by the Nebraska Department of Banking and Finance concerning a potential conflict of interest between an employee at a financial intuition and an employee at a real property appraisal company. No action was taken by the Board.

2. 2022.14

The Board reviewed a matter in which an appraisal management company failed to properly report disciplinary action taken by another state AMC regulatory authority. Board Member Downing moved to issue written advisory directing the organization to take notice of Neb. Rev. Stat. § 76-3216(4) and carefully read and truthfully answer all disciplinary questions on any future applications to the Board. Board Member Luhrs seconded the motion. Chairperson Walkenhorst recognized the motion and called for a vote. Motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye.

3. PERSONNEL MATTERS

Employee personnel matters were discussed.

S. ADJOURNMENT

Chairperson Walkenhorst declared that it was about time to adjourn. Board Member Downing indicated that she had one last comment. Board Member Downing thanked Business and Education Program Manager Katja Peppe for her years of service and wished her luck in her future endeavors. All board members agreed. Ms. Peppe thanked the Board for a good work experience and for the well wishes.

Chairperson Walkenhorst stated that the next meeting is scheduled for February 16, 2023, and noted that he would not be in attendance. Staff and board members acknowledged the report.

Board Member Downing moved to adjourn the meeting. Board Member Gerdes seconded the motion. Motion carried with Downing, Gerdes, Hermsen, Luhrs, and Walkenhorst voting aye. At 11:23 a.m., Chairperson Walkenhorst adjourned the January 19, 2023 meeting of the Real Property Appraiser Board.

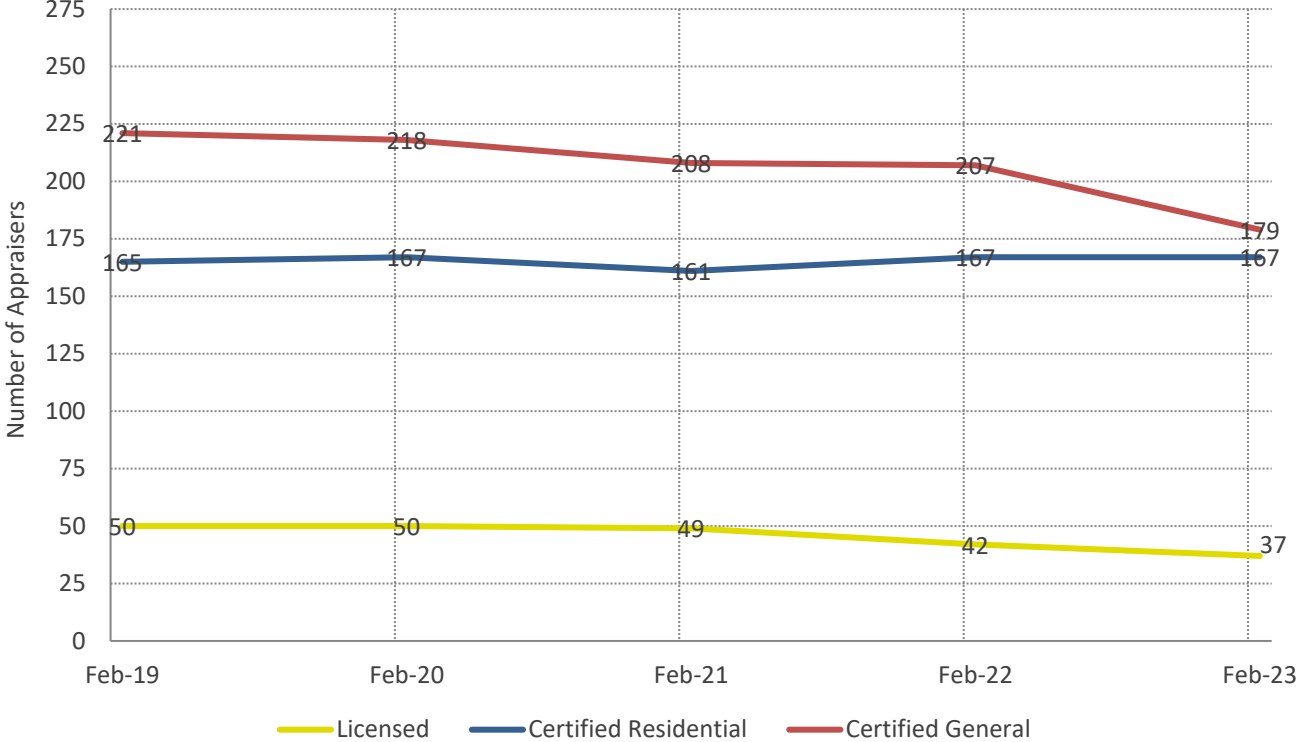
Respectfully submitted,

Tyler N. Kohtz
Director

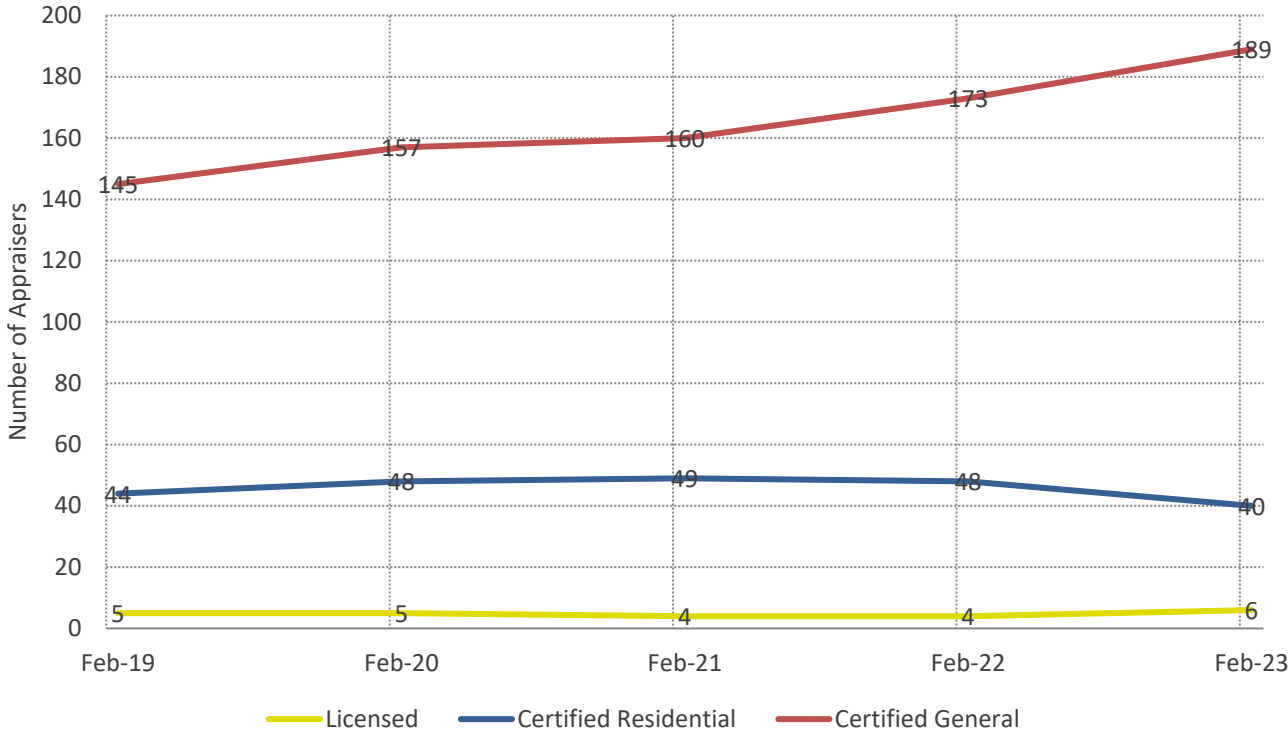
These minutes were available for public inspection on January 31, 2023, in compliance with Nebraska Revised Statute § 84-1413 (5).

Real Property Appraiser Report

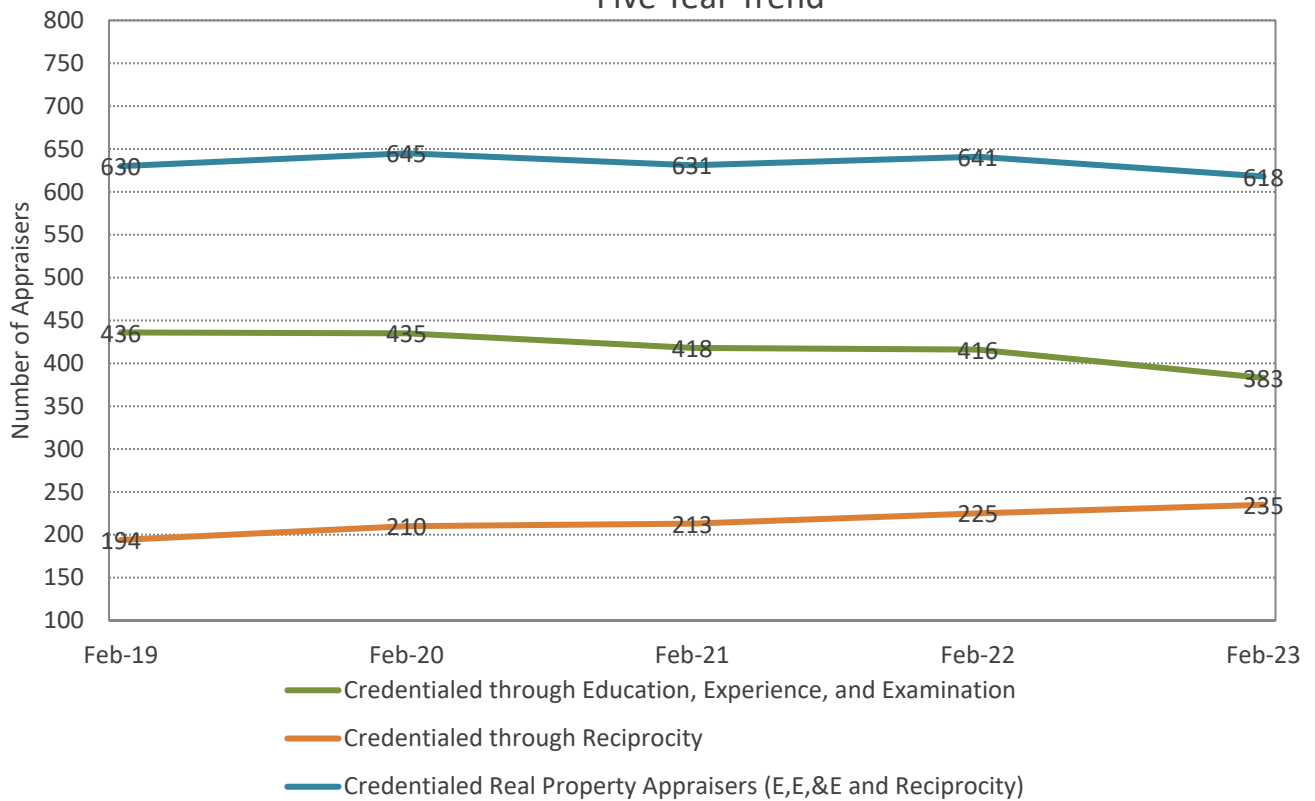
Real Property Appraisers Credentialed through Education, Experience, and Examination (not including Trainee) - Five Year Trend



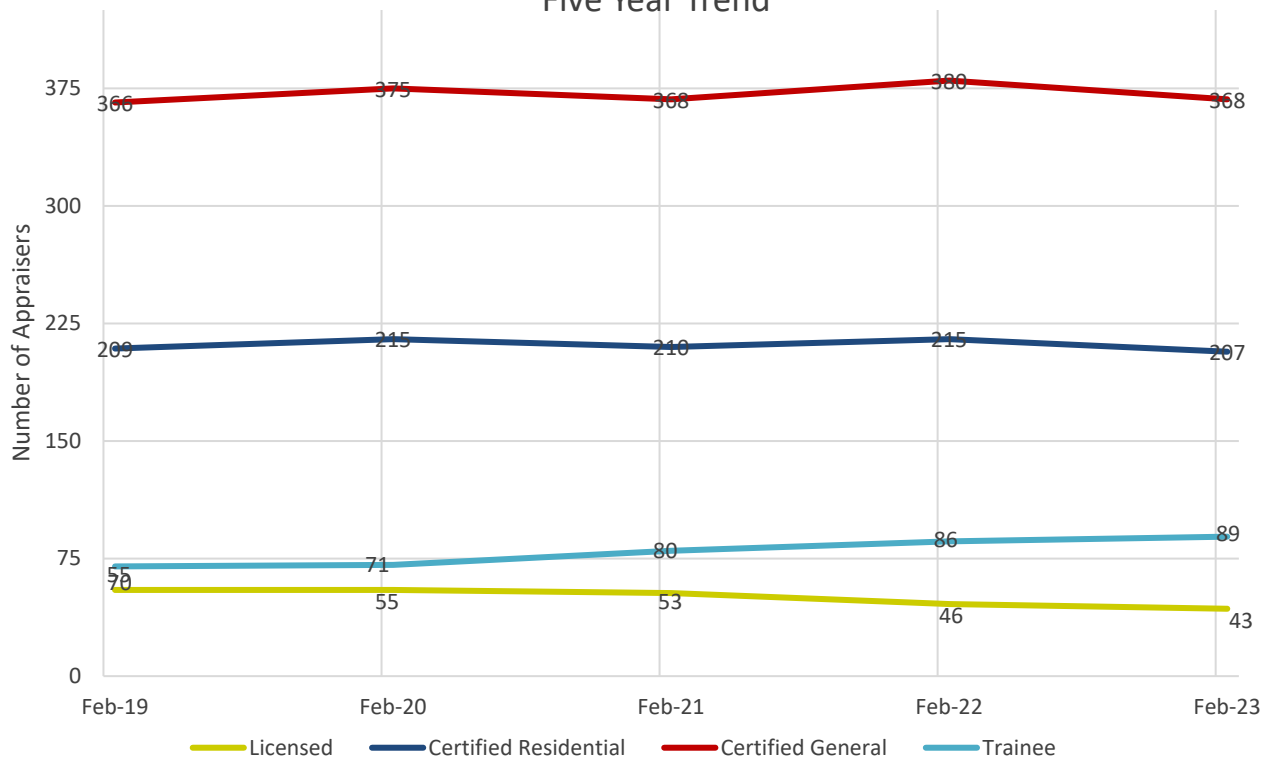
Real Property Appraisers by Classification Credentialed through Reciprocity - Five Year Trend



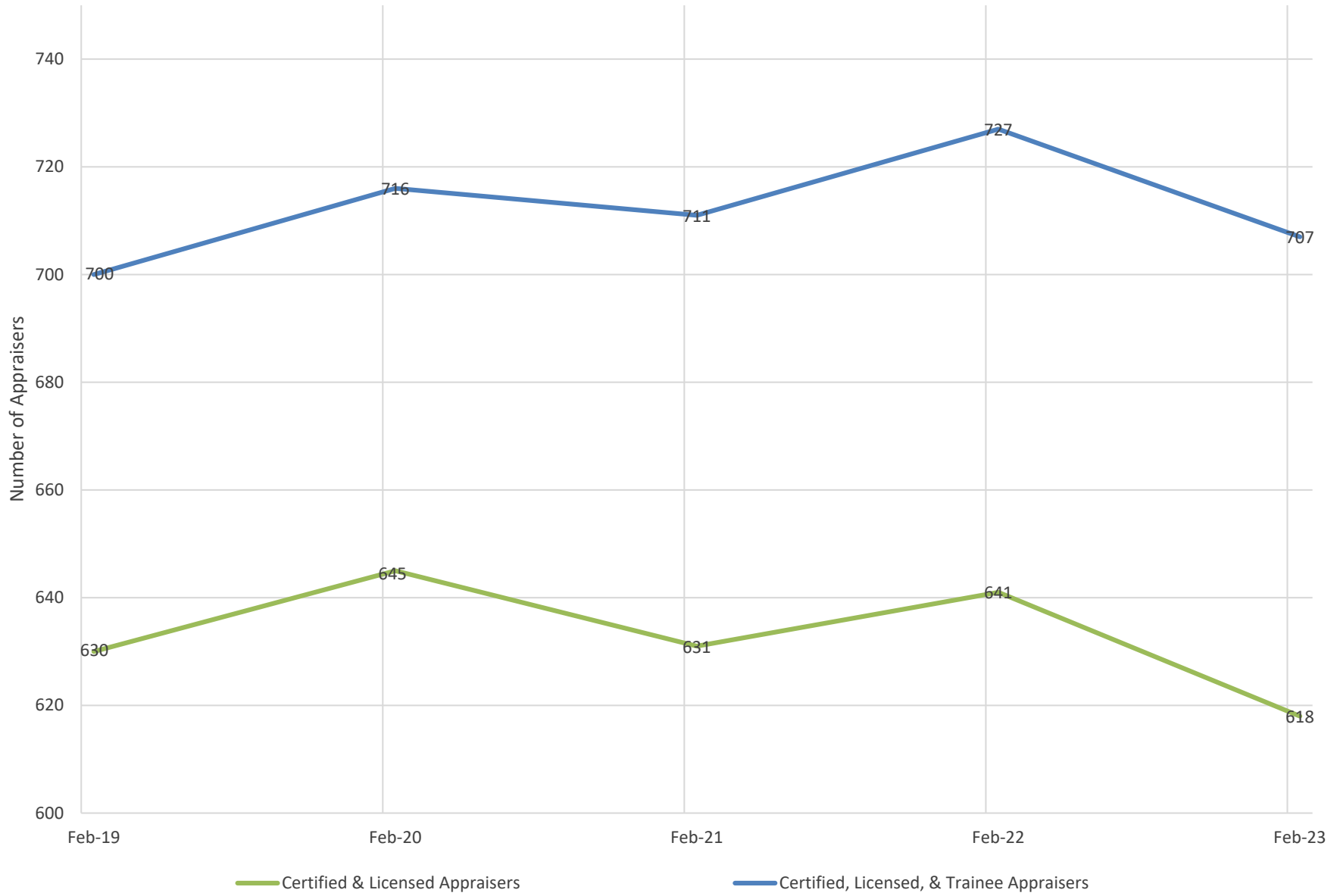
Total Real Property Appraisers (not including Trainee)
- Five Year Trend



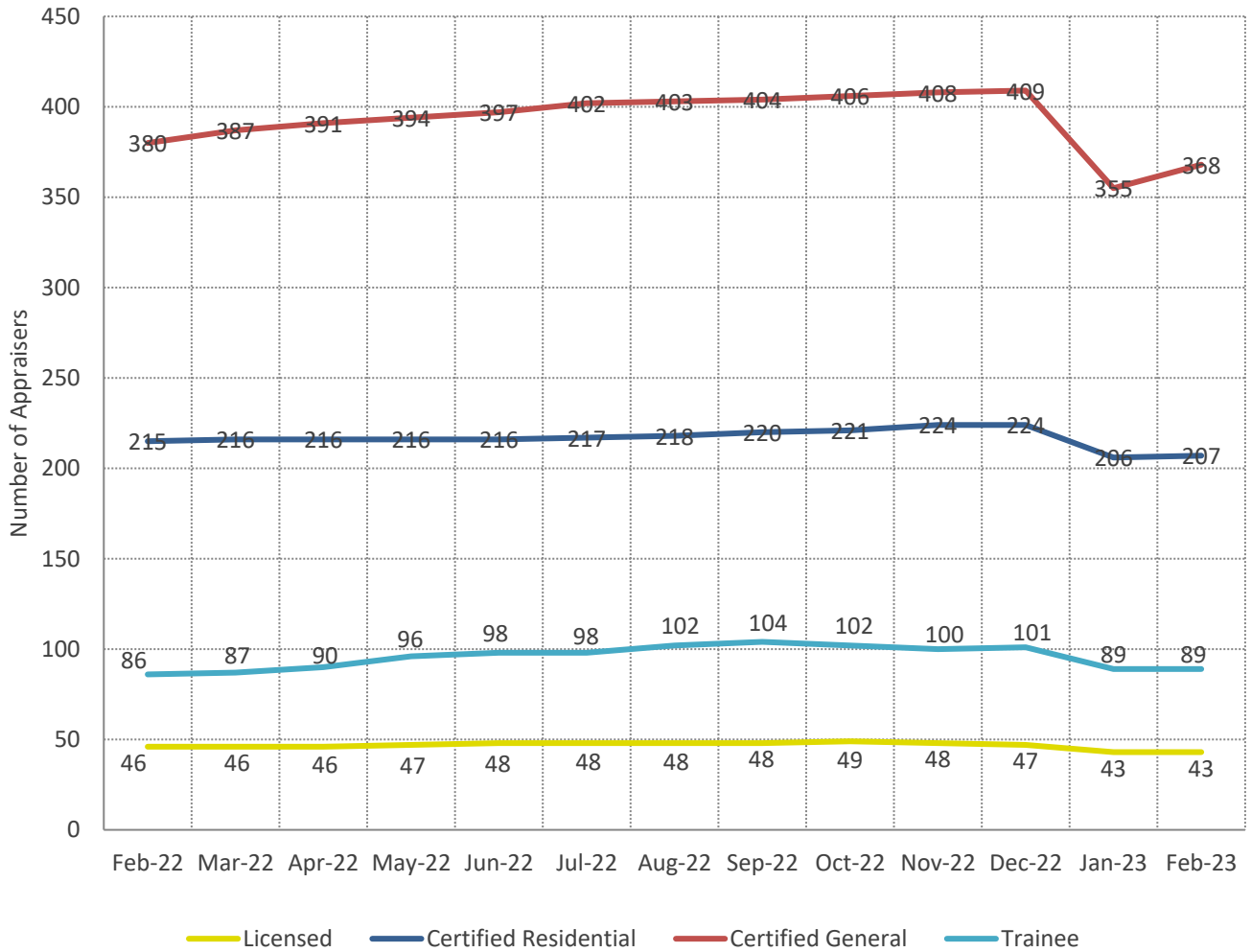
Total Real Property Appraisers by Classification -
Five Year Trend



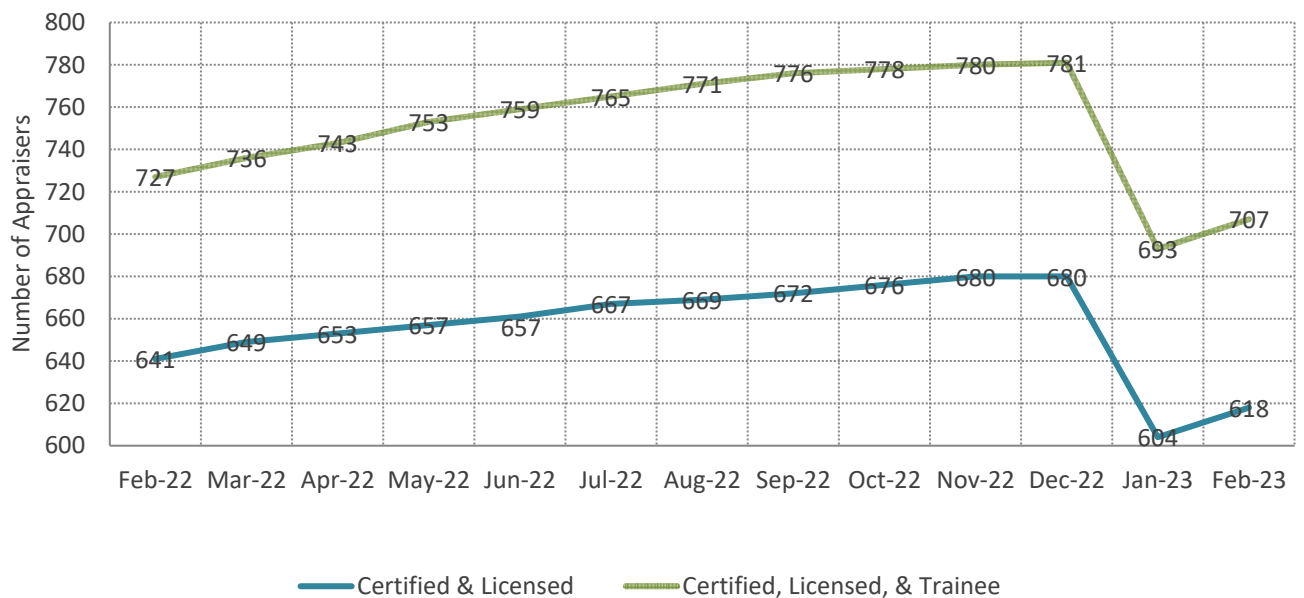
Total Real Property Appraisers - Five Year Trend



Real Property Appraisers by Classification - Thirteen Month Trend

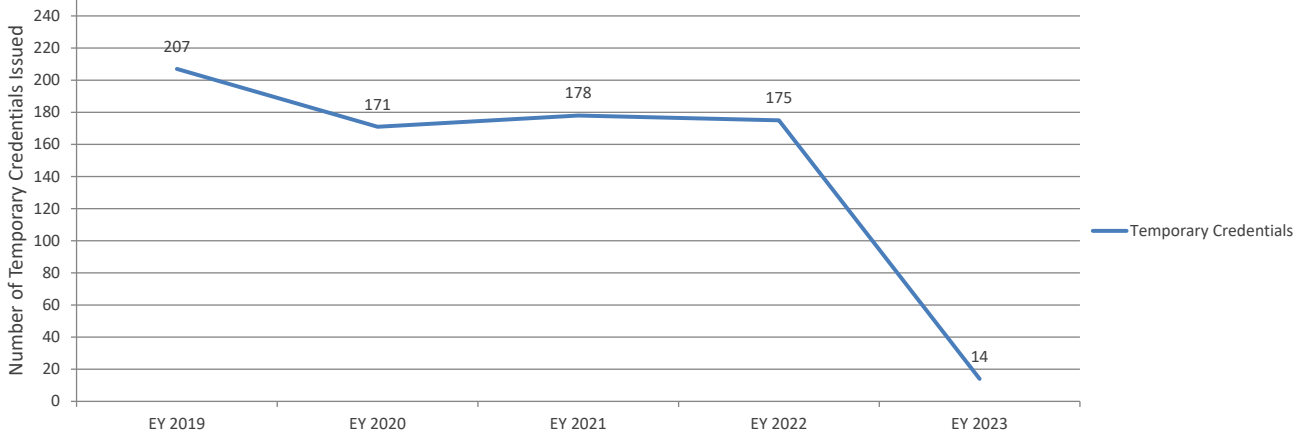


Total Real Property Appraisers - Thirteen Month Trend

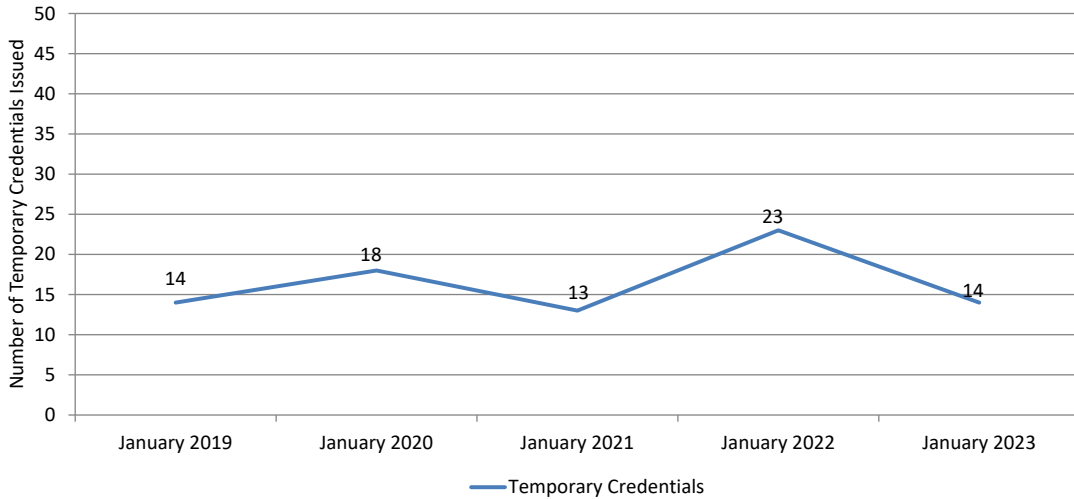


Temporary Real Property Appraiser Report

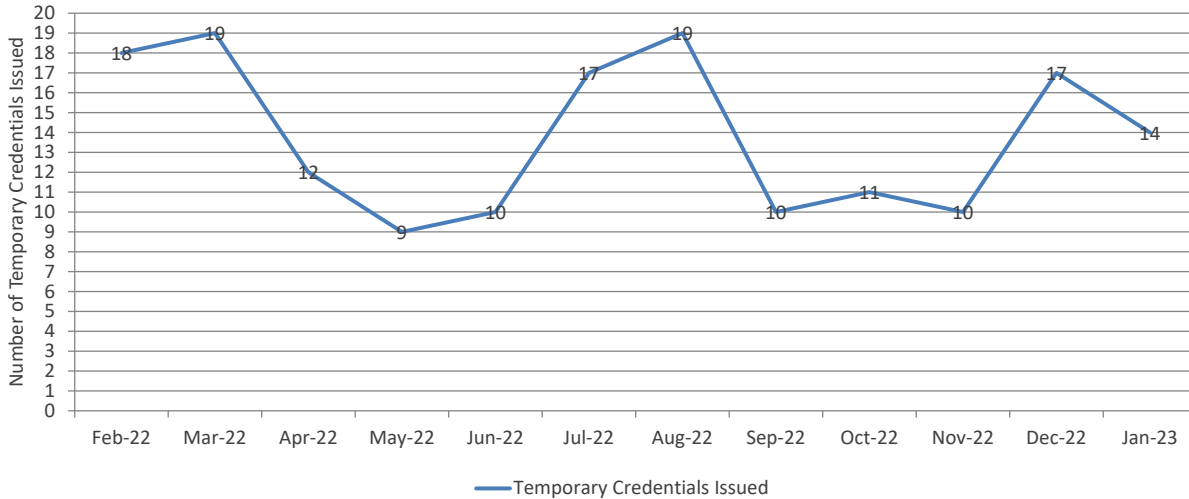
Temporary Real Property Appraiser Credentials Issued by Calendar Year - Five Year Trend



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

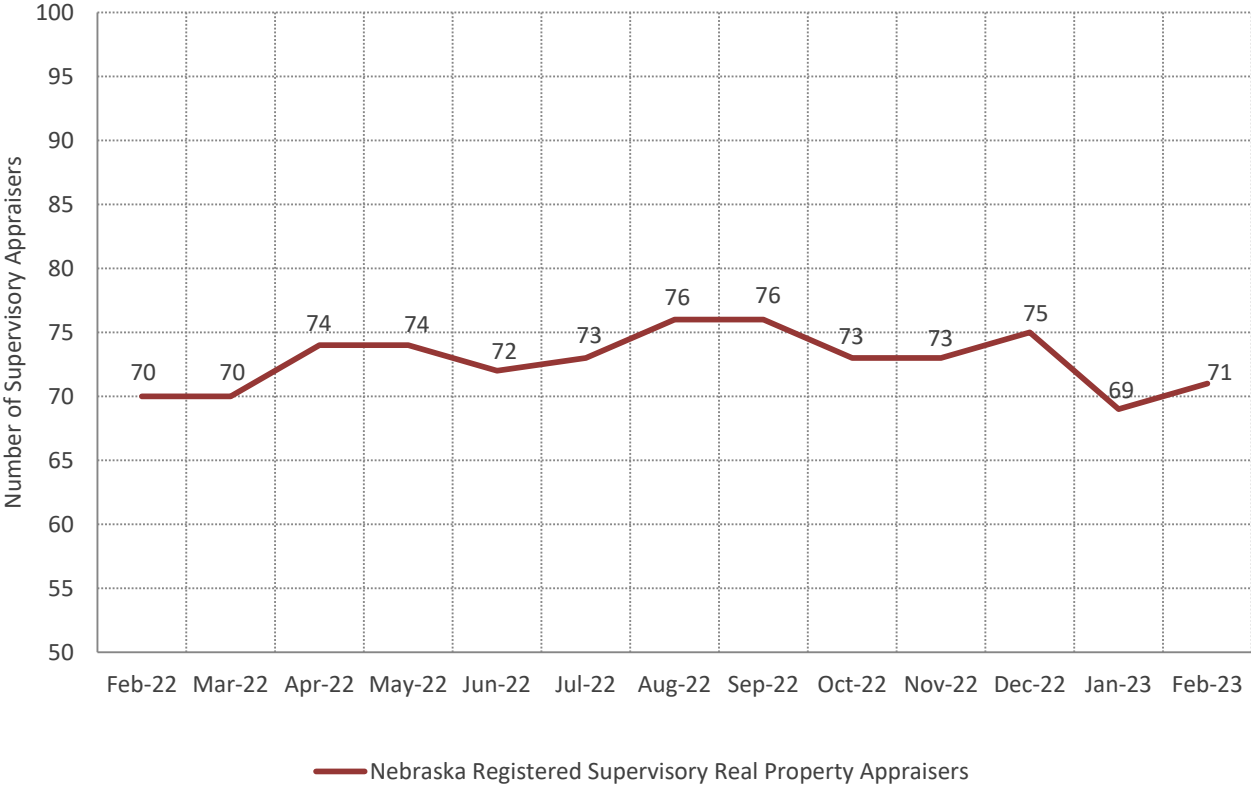


Temporary Real Property Appraiser Credentials Issued by Month - Twelve Month Trend

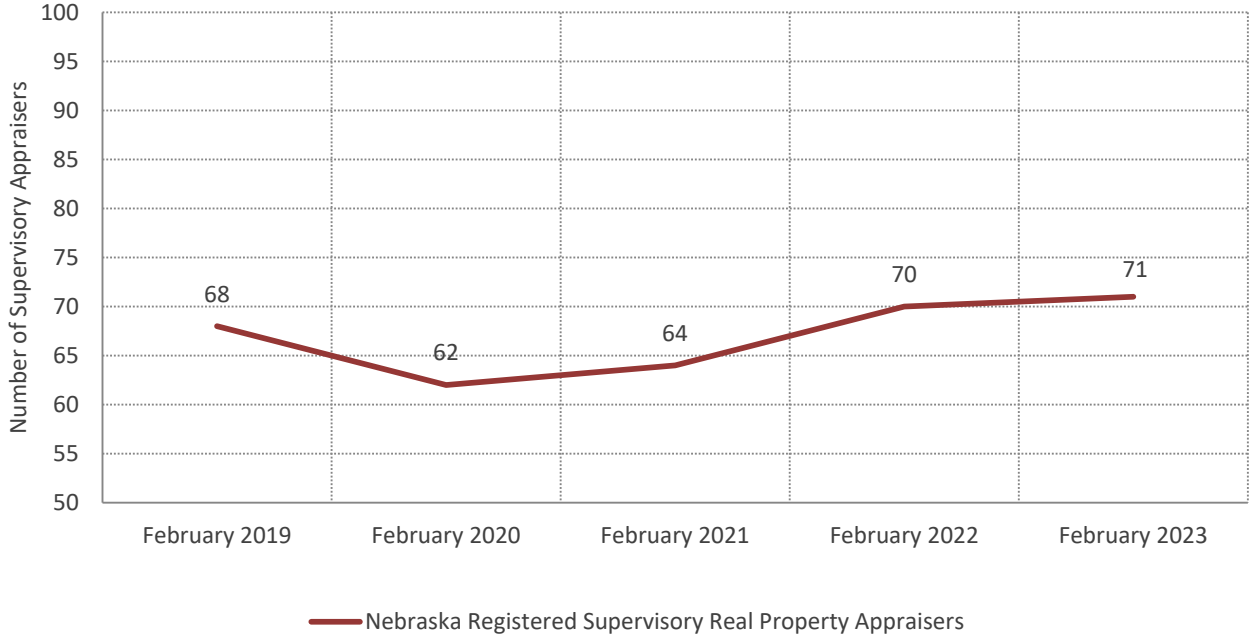


Supervisory Real Property Appraiser Report

Registered Supervisory Real Property Appraisers - Thirteen Month Trend

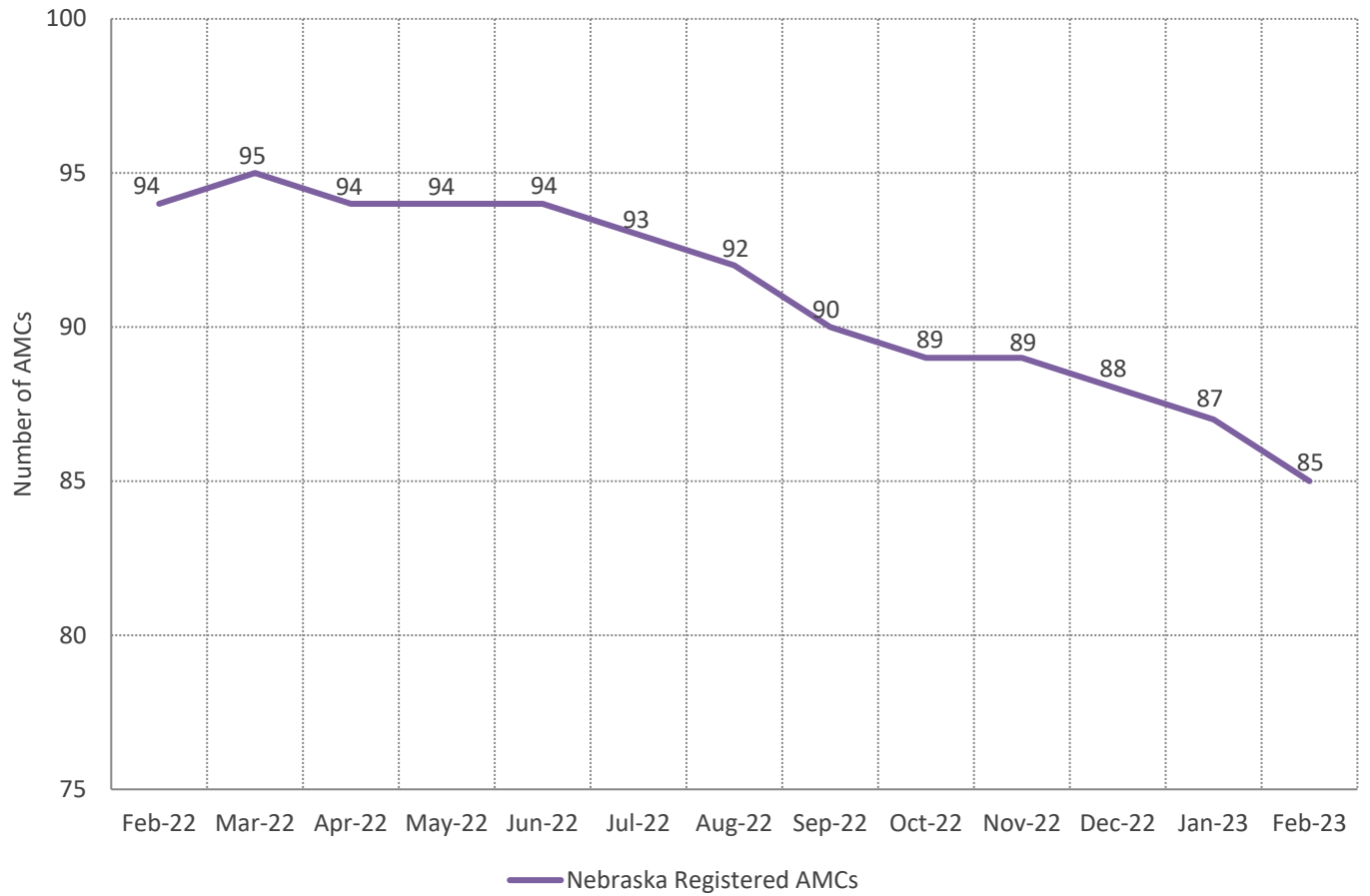


Registered Supervisory Real Property Appraisers - Five Year Trend

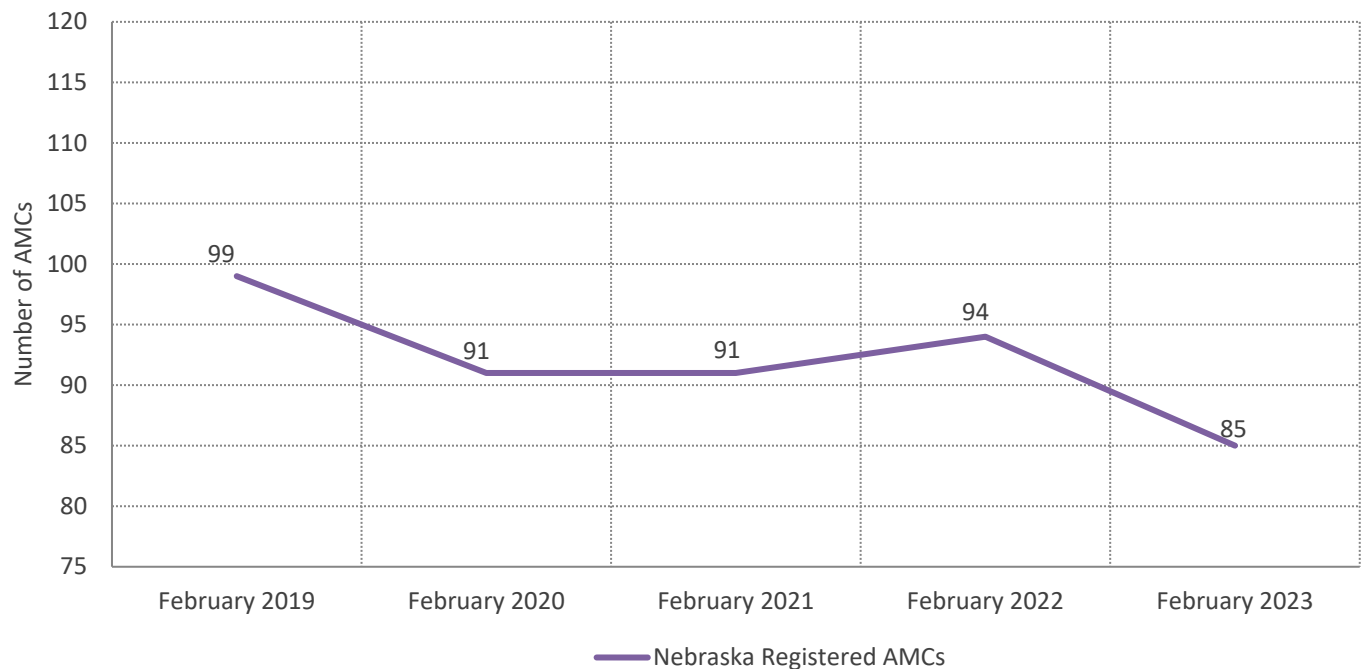


Appraisal Management Company Report

Appraisal Management Companies - Thirteen Month Trend



Appraisal Management Companies - Five Year Trend



NEBRASKA REAL PROPERTY APPRAISER BOARD

DIRECTOR APPROVAL OF REAL PROPERTY APPRAISER APPLICANTS

January 11, 2023 – February 7, 2023

<i>New Certified General Real Property Appraisers through Reciprocity</i>		
CG2023004R	Paul Koonce	Approved January 12, 2023
CG2023005R	Dimitrios Staursky	Approved January 12, 2023
CG2023007R	James Turner	Approved January 17, 2023
CG2023008R	Valentin Flores	Approved January 27, 2023
CG2023009R	John Praytor	Approved February 1, 2023

NEBRASKA REAL PROPERTY APPRAISER BOARD
DIRECTOR APPROVAL OF EDUCATION ACTIVITY AND INSTRUCTOR(S) APPLICANTS

January 11, 2023 – February 7, 2023

Provider	Activity Number	Hours	Title	Instructor(s)	Approval Date
<i>New Continuing Education Activities and Instructors</i>					
ASFMRA	222140L.01	8	Appraising Ag Facilities: Feedlot Seminar	Brian Gatzke Stacey Meneses	January 19, 2023
ASFMRA	222340M.01	8	Appraising Ag Facilities: Feedlot Seminar	Brian Gatzke Stacey Meneses	January 19, 2023
<i>New Qualifying Education Activities and Instructors</i>					
TAIPS	122110P.09	15	2020-2021 15-Hour National USPAP Course	Lynne Heiden	January 12, 2023

2022-23 Nebraska Real Property Appraiser Board Goals and Objectives
June 15, 2022 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 for introduction addressing the changes needed in the Real Property Appraiser Act, which includes but is not limited to the ASC SOA recommendations.	12/31/2022	Completed in October - No Legislative Bill in 2023.	Address changes to USPAP, Real Property Appraiser Qualifications Criteria, ASC Policy Statements, AQB CAP Program Guidelines, and Title XI as required.	Ongoing.	
	Work with the Banking, Commerce and Insurance Legislative Committee's Legal Counsel to draft a bill for introduction addressing the changes needed in the AMC Registration Act, which includes but is not limited to the ASC SOA recommendations and inclusion of criminal and civil immunity language.	12/31/2022	Completed in October - No Legislative Bill in 2023.	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, harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act through LB707 in 2022, and incorporate changes made to the Real Property Appraiser Qualification Criteria and CAP Guidelines effective January 1, 2022	6/30/2023	Proposed rules adopted by Board after November 17, 2022 Hearing. All required documents have been delivered to the Attorney General's Office and the Legislature's Executive Board. Currently under review by AGO.	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			None		
CREDENTIALING AND REGISTRATION	Explore change to real property appraiser credential renewal dates.	6/30/2023		Explore opportunities to increase the number of Nebraska resident real property appraisers.	Ongoing.	
	Explore alternatives for verification of AMC owner AMC Rule background compliance related to AMC registration renewal.	6/30/2023				
EDUCATION	Add language to the Certified General Real Property Appraiser Requirements document located on the Board's website encouraging potential real property appraiser applicants who intend to engage in real property appraisal practice pertaining to agricultural real property complete agricultural-based qualifying education offered by an education provider with an expertise in agricultural appraisal.	6/30/2023		Encourage trainee real property appraisers who intend to engage in real property appraisal practice pertaining to agricultural real property upon credentialing as a certified general real property appraiser complete agricultural-based qualifying education offered by an education provider with an expertise in agricultural appraisal in approval letter sent to trainee real property appraisers.	Ongoing.	
	Send letter to all registered supervisory real property appraisers describing the real property appraisal practice deficiencies observed by the Board concerning the appraisal of agricultural real property and to request that supervisory real property appraisers encourage their trainee real property appraisers who intend to engage in real property appraisal practice pertaining to agricultural real property upon credentialing as a certified general real property appraiser, to complete agricultural-based qualifying education offered by an education provider with an expertise in agricultural appraisal.	6/30/2023		Request that supervisory real property appraisers with trainee real property appraisers who intend to engage in real property appraisal practice pertaining to agricultural real property upon credentialing as a certified general real property appraiser encourage their trainee real property appraisers to complete agricultural-based qualifying education offered by an education provider with an expertise in agricultural appraisal in approval letter sent to supervisory real property appraisers.	Ongoing.	
	Send letter to American Society of Farm Managers and Rural Appraisers describing the real property appraisal practice deficiencies observed by the Board concerning the appraisal of agricultural real property and requesting that the organization consider increasing its frequency and availability of synchronous, asynchronous, and hybrid qualifying and continuing education offerings.	6/30/2023				
	Include language in the 2023-2024 Credential Renewal Reminder and Information article in the fall edition of The Nebraska Appraiser encouraging Nebraska real property appraisers to complete continuing education related to their area of real property appraisal practice focus.	12/31/2022	Completed in November.			
	Include a new Q&A in the 2023-2024 Credential Renewal Questions and Answers encouraging Nebraska real property appraisers to complete continuing education related to their area of real property appraisal practice focus.	12/31/2022				
PERSONNEL	Add additional Administrative Specialist classified employee. Adequate staffing is required to carry out the Board's mission, maintain a high-level operation, remain compliant with Title XI, and to maintain public satisfaction.	6/30/2023	Included as Issue Item in 2023-25 Biennial Budget Request. Request for appropriations not included in Governor Pillemer's Budget Bill. Working with the Board's Legislative Fiscal Analyst to get funding through the Appropriations Committee. The Board's hearing before the Committee is scheduled for February 14, 2023.	Continue updating the policies and procedures documents as needed to ensure compliance with state policy changes, NAPE/ASF-CME contract changes and to address general work environment needs and/or changes.	Ongoing.	
	Utilize SOS temporary employee as available to assist with processing real property appraiser renewal applications for the 2023-24 real property appraiser renewals.	6/30/2023	Completed in October.			
	Add the Juneteenth holiday to the NRPAB Employee Handbook.	12/31/2022	Completed in July.			

2022-23 Nebraska Real Property Appraiser Board Goals and Objectives
June 15, 2022 Strategic Planning Meeting

PUBLIC INFORMATION	Explore adding disciplinary action orders/consent agreements to the Appraiser Listing search as a PDF attachment (Obtain quote form CIO and present to the Board for consideration).	6/30/2023	In progress.	Encourage development of Memos from the Board and Facebook posts that contain facts of interest to the appraiser community.	Ongoing.	
	Remove Education Provider Offerings Calendar from the NRPAB website.	12/31/2022	Completed in February.	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, documents posted to the NRPAB website, meeting information, and other information that affects the industry.	Ongoing.	
	Restructure the Appraiser Listing page on the NRPAB website and remove the distribution map.	6/30/2023	In progress.	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.	
	Complete 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.	12/31/2022	Completed in November.	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	Complete supervisory real property appraiser list derived from Application for Renewal of Nebraska Real Property Appraiser Credential.	6/30/2023	Completed in July.	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.	6/30/2023	CIO has been inactive on this project for quite some time. A new team has been assigned to the Board by CIO since activity stopped. An update was requested on February 3, 2023.	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.	
	Complete online AMC renewal application and upgrade to the AMC Interface in the NRPAB Database.	6/30/2023	Work on this project resumed in Mid-January.	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.	
FINANCIALS	Include request for an increase in funding for CIO and technology maintenance expenditures, additional AARS contractor services, and an additional Administrative Specialist classified employee in the FY2023-25 Biennial Budget Request.	12/31/2023	Completed in August.	None.		

2022-23 NRPAB SWOT Analysis

<p>STRENGTHS:</p> <ul style="list-style-type: none"> - Customer service - Organization - Board member knoweldge - Staff knowledge - Adaptability - Professional Diversity of Board - Modernization of Accessibility 	<p>WEAKNESSES:</p> <ul style="list-style-type: none"> - Inability to grow the industry - Efficiency loss due to database - Size of agency staff - Regulatory and statutory regulations 	<p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> - Growth in appraiser field - Continually evaluate how the Board and Agency operate 	<p>THREATS:</p> <ul style="list-style-type: none"> - Agency turnover - Federal agency oversight - State economic climate - Aging appraiser population - Inadequate supervisory appraiser knowledge
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STATE OF NEBRASKA
Department of Administrative Services
Accounting Division
Budget Status Report
As of 01/31/23

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

Percent of Time Elapsed = 58.90

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	154,777.63	9,908.38	82,278.08	53.16		72,499.55
511300 OVERTIME PAYMENTS	1,633.48	142.65	2,858.99	175.02		1,225.51-
511600 PER DIEM PAYMENTS	9,100.00		2,700.00	29.67		6,400.00
511700 EMPLOYEE BONUSES	1,000.00					1,000.00
511800 COMP TIME PAYMENT	1,633.48		379.28	23.22		1,254.20
512100 VACATION LEAVE EXPENSE	13,100.54	1,903.27	8,450.63	64.51		4,649.91
512200 SICK LEAVE EXPENSE	824.88	66.57	895.63	108.58		70.75-
512300 HOLIDAY LEAVE EXPENSE	8,556.05	1,319.82	5,916.47	69.15		2,639.58
512500 FUNERAL LEAVE EXPENSE			851.55			851.55-
Personal Services Subtotal	190,626.06	13,340.69	104,330.63	54.73	0.00	86,295.43
515100 RETIREMENT PLANS EXPENSE	13,637.41	998.93	7,610.04	55.80		6,027.37
515200 FICA EXPENSE	14,565.37	935.73	7,312.21	50.20		7,253.16
515500 HEALTH INSURANCE EXPENSE	32,903.00	3,332.44	22,146.00	67.31		10,757.00
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	253,296.92	18,607.79	142,963.96	56.44	0.00	110,332.96
520000 OPERATING EXPENSES						
521100 POSTAGE EXPENSE	3,091.70	192.39	1,739.45	56.26		1,352.25
521300 FREIGHT	100.00					100.00
521400 DATA PROCESSING EXPENSE	82,794.28	2,204.36	44,107.43	53.27		38,686.85
521500 PUBLICATION & PRINT EXPENSE	5,531.36		3,474.03	62.81		2,057.33
521900 AWARDS EXPENSE	100.00	28.00	28.00	28.00		72.00
522100 DUES & SUBSCRIPTION EXPENSE	600.00					600.00
522200 CONFERENCE REGISTRATION	1,100.00		550.00	50.00		550.00
524600 RENT EXPENSE-BUILDINGS	11,754.62	974.11	6,853.45	58.30		4,901.17
524900 RENT EXP-DUPR SURCHARGE	3,859.00	321.59	2,251.13	58.33		1,607.87
527100 REP & MAINT-OFFICE EQUIP	500.00					500.00
531100 OFFICE SUPPLIES EXPENSE	2,072.18		310.73	15.00		1,761.45
532100 NON CAPITALIZED EQUIP PU	500.00					500.00
532260 VOICE EQUIP			35.98			35.98-
533100 HOUSEHOLD & INSTIT EXP	235.00		68.00	28.94		167.00

STATE OF NEBRASKA
Department of Administrative Services
Accounting Division
Budget Status Report
As of 01/31/23

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

Percent of Time Elapsed = 58.90

ACCOUNT CODE DESCRIPTION		BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
534900	MISCELLANEOUS SUPPLIES EXPENSE	50.00					50.00
541100	ACCTG & AUDITING SERVICES	1,037.00		1,037.00	100.00		
541200	PURCHASING ASSESSMENT	90.00		83.00	92.22		7.00
541500	LEGAL SERVICES EXPENSE	35,000.00					35,000.00
541700	LEGAL RELATED EXPENSE	7,000.00					7,000.00
542100	SOS TEMP SERV-PERSONNEL	7,830.00	234.78	1,363.23	17.41		6,466.77
547100	EDUCATIONAL SERVICES	1,500.00					1,500.00
554900	OTHER CONTRACTUAL SERVICE	42,629.00	2,355.25	12,643.90	29.66		29,985.10
556100	INSURANCE EXPENSE	47.00		48.34	102.85		1.34-
559100	OTHER OPERATING EXP	82.77	80.00	80.00	96.65		2.77
Major Account 520000 Total		207,503.91	6,390.48	74,673.67	35.99	0.00	132,830.24
570000 TRAVEL EXPENSES							
571100	BOARD & LODGING	4,938.00		2,397.44	48.55		2,540.56
571600	MEALS-NOT TRAVEL STATUS	100.00					100.00
571800	TAXABLE TRAVEL EXPENSES	2,113.26	61.96	777.10	36.77		1,336.16
572100	COMMERCIAL TRANSPORTATION	1,950.00					1,950.00
573100	STATE-OWNED TRANSPORT	200.00					200.00
574500	PERSONAL VEHICLE MILEAGE	9,199.56	303.76	3,868.26	42.05		5,331.30
575100	MISC TRAVEL EXPENSES	1,059.65	13.75	141.30	13.33		918.35
Major Account 570000 Total		19,560.47	379.47	7,184.10	36.73	0.00	12,376.37
BUDGETED EXPENDITURES TOTAL		480,361.30	25,377.74	224,821.73	46.80	0.00	255,539.57

SUMMARY BY FUND TYPE - EXPENDITURES

2	CASH FUNDS	480,361.30	25,377.74	224,821.73	46.80		255,539.57
BUDGETED EXPENDITURES TOTAL		480,361.30	25,377.74	224,821.73	46.80	0.00	255,539.57

BUDGETED FUND TYPES - REVENUES

470000 REVENUE - SALES AND CHARGES

471100	SALE OF SERVICES	400.00-	75.00-	250.00-	62.50		150.00-
471120	QUALIFYING ED COURSE FEES	750.00-	50.00-	1,400.00-	186.67		650.00
471121	CONTINUING ED NEW FEES	1,250.00-	25.00-	1,325.00-	106.00		75.00
471122	CONTINUING ED RENEWAL FEES	150.00-	20.00-	110.00-	73.33		40.00-

STATE OF NEBRASKA
Department of Administrative Services
Accounting Division
Budget Status Report
As of 01/31/23

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

Percent of Time Elapsed = 58.90

	BUDGETED	CURRENT MONTH	YEAR-TO-DATE	PERCENT OF		
ACCOUNT CODE DESCRIPTION	AMOUNT	ACTIVITY	ACTUALS	BUDGET	ENCUMBERANCES	VARIANCE
475150 CERTIFIED GENERAL NEW FEES	9,000.00-	2,100.00-	4,500.00-	50.00		4,500.00-
475151 LICENSED NEW FEES	1,200.00-		300.00-	25.00		900.00-
475152 FINGERPRINT FEES	3,077.00-	316.75-	1,810.00-	58.82		1,267.00-
475153 CERTIFIED RESIDENTIAL NEW	3,000.00-		2,100.00-	70.00		900.00-
475154 CERTIFIED GENERAL RENEWAL	122,375.00-	5,500.00-	114,675.00-	93.71		7,700.00-
475155 LICENSED RENEWAL	15,950.00-		13,475.00-	84.48		2,475.00-
475156 FINGERPRINT AUDIT PROGRAM FEES	3,960.00-	145.00-	3,745.00-	94.57		215.00-
475157 CERTIFIED RESIDENTIAL RENEWAL	64,625.00-	275.00-	62,975.00-	97.45		1,650.00-
475161 TEMPORARY CERTIFIED GENERAL	9,000.00-	600.00-	4,800.00-	53.33		4,200.00-
475163 AMC REGISTERED NEW FEES	12,000.00-					12,000.00-
475164 AMC APPLICATION FEES	2,100.00-	700.00-	700.00-	33.33		1,400.00-
475165 AMC REGISTERED RENEWAL	129,000.00-	15,000.00-	84,000.00-	65.12		45,000.00-
475167 CERTIFIED RESIDENTIAL INACTIVE	300.00-					300.00-
475168 CERTIFIED GENERAL INACTIVE	300.00-					300.00-
475234 APPLICATION FEES	28,200.00-	2,250.00-	15,600.00-	55.32		12,600.00-
476101 LATE PROCESSING FEES	4,500.00-	1,000.00-	2,500.00-	55.56		2,000.00-
Major Account 470000 Total	411,137.00-	28,056.75-	314,265.00-	76.44	0.00	96,872.00-
480000 REVENUE - MISCELLANEOUS						
481100 INVESTMENT INCOME	6,000.00-	1,610.17-	8,380.42-	139.67		2,380.42
481101 AMC INVESTMENT INCOME	5,000.00-					5,000.00-
484500 REIMB NON-GOVT SOURCES	2,500.00-		87.39-	3.50		2,412.61-
Major Account 480000 Total	13,500.00-	1,610.17-	8,467.81-	62.72	0.00	5,032.19-
BUDGETED REVENUE TOTAL	424,637.00-	29,666.92-	322,732.81-	76.00	0.00	101,904.19-
SUMMARY BY FUND TYPE - REVENUE						
2 CASH FUNDS	424,637.00-	29,666.92-	322,732.81-	76.00		101,904.19-
BUDGETED REVENUE TOTAL	424,637.00-	29,666.92-	322,732.81-	76.00	0.00	101,904.19-

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.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		25.00-
25310	079	000	53105018.471100.		483582	01/18/23	RC	RB	NRPAB DEPOSIT 210118	6972316		50.00-
Total for Object			471100 SALE OF SERVICES									75.00-
25310	079	000	53105018.471120.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		50.00-
Total for Object			471120 QUALIFYING ED COURSE FEES									50.00-
25310	079	000	53105018.471121.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		25.00-
Total for Object			471121 CONTINUING ED NEW FEES									25.00-
25310	079	000	53105018.471122.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		20.00-
Total for Object			471122 CONTINUING ED RENEWAL FEES									20.00-
25310	079	000	53105018.475150.		482333	01/10/23	RC	RB	NRPAB DEPOSIT 230110	6963543		600.00-
25310	079	000	53105018.475150.		483582	01/18/23	RC	RB	NRPAB DEPOSIT 210118	6972316		1,200.00-
25310	079	000	53105018.475150.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		300.00-
Total for Object			475150 CERTIFIED GENERAL NEW FEES									2,100.00-
25310	079	000	53105018.475152.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		45.25-
25310	079	000	53105018.475152.		482514	01/11/23	RC	RB	NRPAB DEPOSIT 230111	6965373		45.25-
25310	079	000	53105018.475152.		483582	01/18/23	RC	RB	NRPAB DEPOSIT 210118	6972316		135.75-
25310	079	000	53105018.475152.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		45.25-
25310	079	000	53105018.475152.		484654	01/26/23	RC	RB	NRPAB DEPOSIT 230126	6983098		45.25-
Total for Object			475152 FINGERPRINT FEES									316.75-
25310	079	000	53105018.475154.		481679	01/03/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230103	6956416		550.00-
25310	079	000	53105018.475154.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		550.00-
25310	079	000	53105018.475154.		481882	01/04/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230104	6957529		550.00-
25310	079	000	53105018.475154.		482119	01/05/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230105	6959292		1,925.00-
25310	079	000	53105018.475154.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		275.00-
25310	079	000	53105018.475154.		19885742	01/05/23	JE	G	NRPAB OCT-DEC 2022 ACH RETURNS	6960545		825.00
25310	079	000	53105018.475154.		482335	01/10/23	RC	RB	NRPAB RENEWALS DEPOSIT 230110	6963580		550.00-
25310	079	000	53105018.475154.		482622	01/10/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230110	6964675		275.00-
25310	079	000	53105018.475154.		483581	01/18/23	RC	RB	NRPAB RENEWALS DEPOSIT 230118	6972334		1,100.00-
25310	079	000	53105018.475154.		484682	01/25/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230125	6982290		550.00-
Total for Object			475154 CERTIFIED GENERAL RENEWAL									5,500.00-
25310	079	000	53105018.475156.		481679	01/03/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230103	6956416		30.00-
25310	079	000	53105018.475156.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		0.00-

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.		481882	01/04/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230104	6957529		20.00-
25310	079	000	53105018.475156.		482119	01/05/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230105	6959292		35.00-
25310	079	000	53105018.475156.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		5.00-
25310	079	000	53105018.475156.		19885742	01/05/23	JE	G	NRPAB OCT-DEC 2022 ACH RETURNS	6960545		35.00
25310	079	000	53105018.475156.		482335	01/10/23	RC	RB	NRPAB RENEWALS DEPOSIT 230110	6963580		20.00-
25310	079	000	53105018.475156.		482622	01/10/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230110	6964675		5.00-
25310	079	000	53105018.475156.		482849	01/11/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230111	6966119		10.00-
25310	079	000	53105018.475156.		483581	01/18/23	RC	RB	NRPAB RENEWALS DEPOSIT 230118	6972334		25.00-
25310	079	000	53105018.475156.		484682	01/25/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230125	6982290		10.00-
25310	079	000	53105018.475156.		485289	01/30/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230130	6987728		10.00-
Total for Object			475156	FINGERPRINT AUDIT PROGRAM FEES								145.00-
25310	079	000	53105018.475157.		19885742	01/05/23	JE	G	NRPAB OCT-DEC 2022 ACH RETURNS	6960545		550.00
25310	079	000	53105018.475157.		482335	01/10/23	RC	RB	NRPAB RENEWALS DEPOSIT 230110	6963580		550.00-
25310	079	000	53105018.475157.		483581	01/18/23	RC	RB	NRPAB RENEWALS DEPOSIT 230118	6972334		275.00-
Total for Object			475157	CERTIFIED RESIDENTIAL RENEWAL								275.00-
25310	079	000	53105018.475161.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		100.00-
25310	079	000	53105018.475161.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		50.00-
25310	079	000	53105018.475161.		482333	01/10/23	RC	RB	NRPAB DEPOSIT 230110	6963543		50.00-
25310	079	000	53105018.475161.		482514	01/11/23	RC	RB	NRPAB DEPOSIT 230111	6965373		50.00-
25310	079	000	53105018.475161.		482757	01/12/23	RC	RB	NRPAB DEPOSIT 230112	6967086		50.00-
25310	079	000	53105018.475161.		483582	01/18/23	RC	RB	NRPAB DEPOSIT 210118	6972316		50.00-
25310	079	000	53105018.475161.		483960	01/20/23	RC	RB	NRPAB DEPOSIT 230120	6975201		100.00-
25310	079	000	53105018.475161.		484251	01/24/23	RC	RB	NRPAB DEPOSIT 230124	6979279		50.00-
25310	079	000	53105018.475161.		484983	01/30/23	RC	RB	NRPAB DEPOSIT 230130	6986672		100.00-
Total for Object			475161	TEMPORARY CERTIFIED GENERAL								600.00-
25310	079	000	53105018.475234.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		200.00-
25310	079	000	53105018.475234.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		250.00-
25310	079	000	53105018.475234.		482333	01/10/23	RC	RB	NRPAB DEPOSIT 230110	6963543		100.00-
25310	079	000	53105018.475234.		482514	01/11/23	RC	RB	NRPAB DEPOSIT 230111	6965373		250.00-
25310	079	000	53105018.475234.		482757	01/12/23	RC	RB	NRPAB DEPOSIT 230112	6967086		100.00-
25310	079	000	53105018.475234.		483582	01/18/23	RC	RB	NRPAB DEPOSIT 210118	6972316		550.00-
25310	079	000	53105018.475234.		483960	01/20/23	RC	RB	NRPAB DEPOSIT 230120	6975201		200.00-
25310	079	000	53105018.475234.		484251	01/24/23	RC	RB	NRPAB DEPOSIT 230124	6979279		100.00-
25310	079	000	53105018.475234.		484473	01/25/23	RC	RB	NRPAB DEPOSIT 230125	6981092		150.00-
25310	079	000	53105018.475234.		484654	01/26/23	RC	RB	NRPAB DEPOSIT 230126	6983098		150.00-
25310	079	000	53105018.475234.		484983	01/30/23	RC	RB	NRPAB DEPOSIT 230130	6986672		200.00-

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			475234 APPLICATION FEES									2,250.00-
25310	079	000	53105018.476101.		481679	01/03/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230103	6956416		100.00-
25310	079	000	53105018.476101.		481478	01/04/23	RC	RB	NRPAB DEPOSIT 230104	6956541		25.00-
25310	079	000	53105018.476101.		481882	01/04/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230104	6957529		75.00-
25310	079	000	53105018.476101.		482119	01/05/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230105	6959292		200.00-
25310	079	000	53105018.476101.		482047	01/06/23	RC	RB	NRPAB DEPOSIT 230106	6960025		50.00-
25310	079	000	53105018.476101.		482335	01/10/23	RC	RB	NRPAB RENEWALS DEPOSIT 230110	6963580		50.00-
25310	079	000	53105018.476101.		482622	01/10/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230110	6964675		50.00-
25310	079	000	53105018.476101.		482849	01/11/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230111	6966119		50.00-
25310	079	000	53105018.476101.		483581	01/18/23	RC	RB	NRPAB RENEWALS DEPOSIT 230118	6972334		200.00-
25310	079	000	53105018.476101.		484682	01/25/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230125	6982290		50.00-
25310	079	000	53105018.476101.		485289	01/30/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230130	6987728		50.00-
Total for Object			476101 LATE PROCESSING FEES									900.00-
25310	079	000	53105018.481100.		20041944	01/25/23	JE	G	OIP Dec 22 2.2579%	6983123		931.65-
Total for Object			481100 INVESTMENT INCOME									931.65-
25310	079	000	53105018.511100.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		2,812.41
25310	079	000	53105018.511100.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		3,628.49
Total for Object			511100 PERMANENT SALARIES-WAGES									6,440.90
25310	079	000	53105018.511300.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		92.72
Total for Object			511300 OVERTIME PAYMENTS									92.72
25310	079	000	53105018.512100.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		1,048.00
25310	079	000	53105018.512100.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		188.74
Total for Object			512100 VACATION LEAVE EXPENSE									1,236.74
25310	079	000	53105018.512200.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		43.18
Total for Object			512200 SICK LEAVE EXPENSE									43.18
25310	079	000	53105018.512300.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		428.94
25310	079	000	53105018.512300.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		428.94
Total for Object			512300 HOLIDAY LEAVE EXPENSE									857.88
25310	079	000	53105018.515100.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		328.11
25310	079	000	53105018.515100.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		321.22
Total for Object			515100 RETIREMENT PLANS EXPENSE									649.33

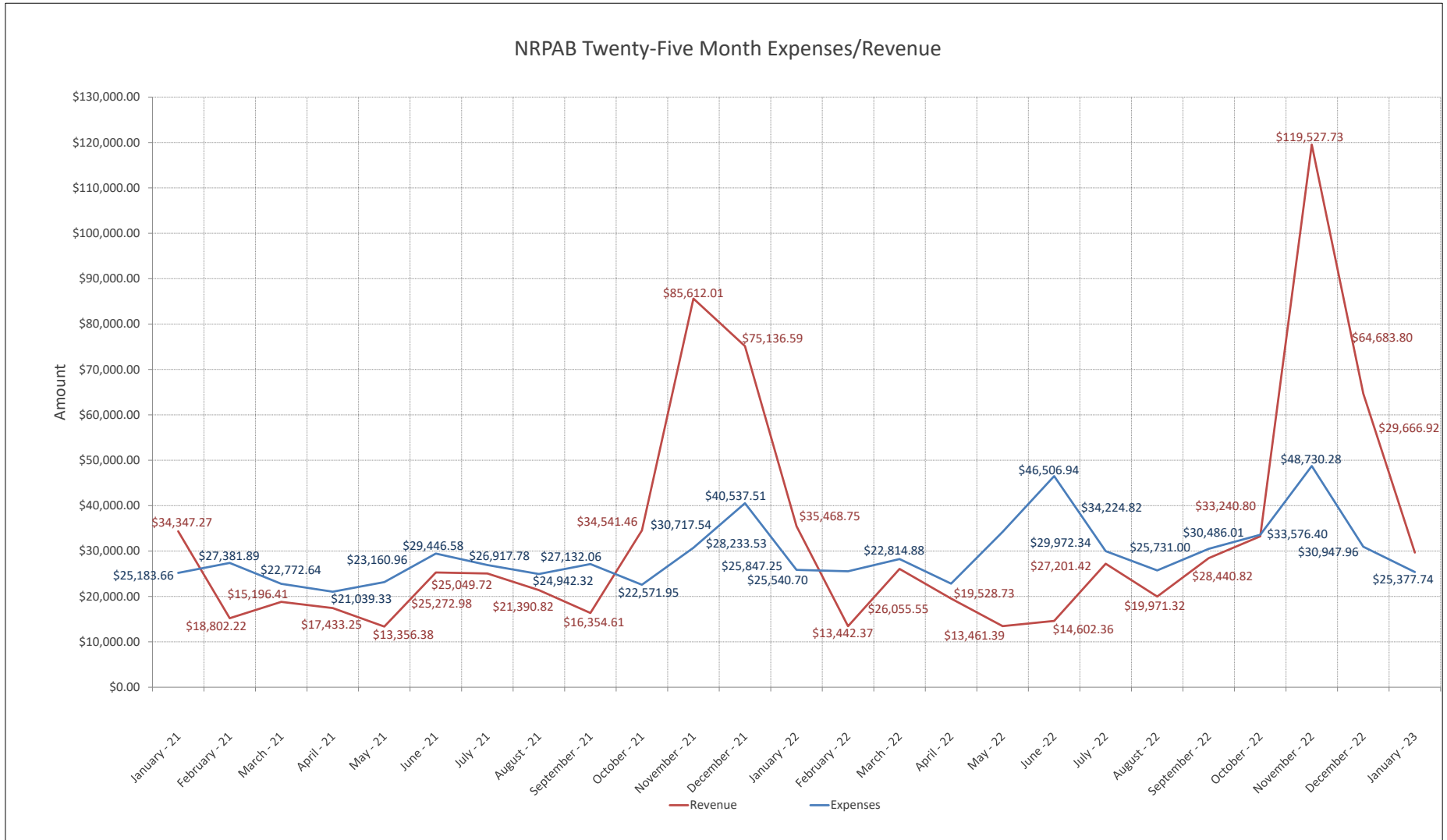
Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25310	079	000	53105018.515200.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		313.25
25310	079	000	53105018.515200.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		294.96
Total for Object			515200 FICA EXPENSE									608.21
25310	079	000	53105018.515500.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		1,083.04
25310	079	000	53105018.515500.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		1,083.03
Total for Object			515500 HEALTH INSURANCE EXPENSE									2,166.07
25310	079	000	53105018.521100.		19753050	01/01/23	JE	G	NRPAB POSTAGE NOVEMBER 2022	6947636		56.91-
25310	079	000	53105018.521100.		19972206	01/18/23	JE	G	POSTAGE DUE DEC 2022	6973786		192.39
25310	079	000	53105018.521100.		19996762	01/19/23	JE	G	NRPAB POSTAGE DECEMBER 2022	6975707		67.34-
Total for Object			521100 POSTAGE EXPENSE									68.14
25310	079	000	53105018.521400.		51014953	01/01/23	PV	V	AS - OCIO - COMMUNICATIONS	6951720		131.00
25310	079	000	53105018.521400.		51078283	01/12/23	PV	V	AS - OCIO - IMSERVICES	6969002		1,358.88
Total for Object			521400 CIO CHARGES									1,489.88
25310	079	000	53105018.521900.		51043028	01/04/23	PV	V	CORRECTIONAL SERVICES, DEPARTM	6958297		18.20
Total for Object			521900 AWARDS EXPENSE									18.20
25310	079	000	53105018.524600.		19811356	01/09/23	JE	G	RENT & LB530 JAN 2023 - OTHER	6952057		939.94
25310	079	000	53105018.524600.		19921627	01/10/23	JE	G	NRPAB RENT JANUARY 2023	6965824		328.98-
25310	079	000	53105018.524600.		51078288	01/12/23	PV	V	SECRETARY OF STATE	6969019		22.21
Total for Object			524600 RENT EXPENSE-BUILDINGS									633.17
25310	079	000	53105018.524900.		19811356	01/09/23	JE	G	RENT & LB530 JAN 2023 - OTHER	6952057		321.59
25310	079	000	53105018.524900.		19921627	01/10/23	JE	G	NRPAB RENT JANUARY 2023	6965824		112.56-
Total for Object			524900 RENT EXP-DEPR SURCHARGE									209.03
25310	079	000	53105018.542100.		51043020	01/04/23	PV	V	AS - PERSONNEL DIVISION	6958275		152.61
Total for Object			542100 SOS TEMP SERV - PERSONNEL									152.61
25310	079	000	53105018.554900.		51057184	01/09/23	PV	V	PATROL, NEBRASKA STATE	6964342		1,312.25
25310	079	000	53105018.554900.		51125996	01/24/23	PV	V	REALCORP	6980563		500.00
Total for Object			554900 OTHER CONTRACTUAL SERVICES									1,812.25
25310	079	000	53105018.559100.		51048298	01/05/23	PV	V	TREASURER, STATE	6960539		80.00
Total for Object			559100 OTHER OPERATING EXP									80.00

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	53105018.571800.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		40.27
Total for Object			571800 MEALS - TRAVEL STATUS									40.27
25310	079	000	53105018.574500.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		190.94
25310	079	000	53105018.574500.		51043435	01/04/23	PV	V	WALKENHORST, WADE	6958791		6.50
Total for Object			574500 PERSONAL VEHICLE MILEAGE									197.44
25310	079	000	53105018.575100.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		7.31
25310	079	000	53105018.575100.		51043435	01/04/23	PV	V	WALKENHORST, WADE	6958791		1.63
Total for Object			575100 MISC TRAVEL EXPENSE									8.94
Total for Business Unit		53105018	NE REAL PROPERTY APPRAISER									3,616.56
25320	079	000	53105200.475164.		482756	01/12/23	RC	RB	NRPAB AMC DEPOSIT 230112	6967050		350.00-
25320	079	000	53105200.475164.		485143	01/31/23	RC	RB	NRPAB AMC DEPOSIT 230131	6988219		350.00-
Total for Object			475164 AMC APPLICATION FEES									700.00-
25320	079	000	53105200.475165.		481479	01/04/23	RC	RB	NRPAB AMC DEPOSIT 230104	6956531		1,500.00-
25320	079	000	53105200.475165.		482336	01/10/23	RC	RB	NRPAB AMC DEPOSIT 230110	6963512		4,500.00-
25320	079	000	53105200.475165.		482933	01/13/23	RC	RB	NRPAB AMC DEPOSIT 230113	6968473		1,500.00-
25320	079	000	53105200.475165.		483580	01/18/23	RC	RB	NRPAB AMC DEPOSIT 230118	6972309		1,500.00-
25320	079	000	53105200.475165.		483961	01/20/23	RC	RB	NRPAB AMC DEPOSIT 230120	6975213		1,500.00-
25320	079	000	53105200.475165.		484252	01/24/23	RC	RB	NRPAB AMC DEPOSIT 230124	6979285		3,000.00-
25320	079	000	53105200.475165.		485143	01/31/23	RC	RB	NRPAB AMC DEPOSIT 230131	6988219		1,500.00-
Total for Object			475165 AMC REGISTERED RENEWAL									15,000.00-
25320	079	000	53105200.476101.		482336	01/10/23	RC	RB	NRPAB AMC DEPOSIT 230110	6963512		50.00-
25320	079	000	53105200.476101.		483961	01/20/23	RC	RB	NRPAB AMC DEPOSIT 230120	6975213		25.00-
25320	079	000	53105200.476101.		484252	01/24/23	RC	RB	NRPAB AMC DEPOSIT 230124	6979285		25.00-
Total for Object			476101 LATE PROCESSING FEES									100.00-
25320	079	000	53105200.481100.		20041944	01/25/23	JE	G	OIP Dec 22 2.2579%	6983123		678.52-
Total for Object			481100 INVESTMENT INCOME									678.52-
25320	079	000	53105200.511100.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		1,513.97
25320	079	000	53105200.511100.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		1,953.51
Total for Object			511100 PERMANENT SALARIES-WAGES									3,467.48

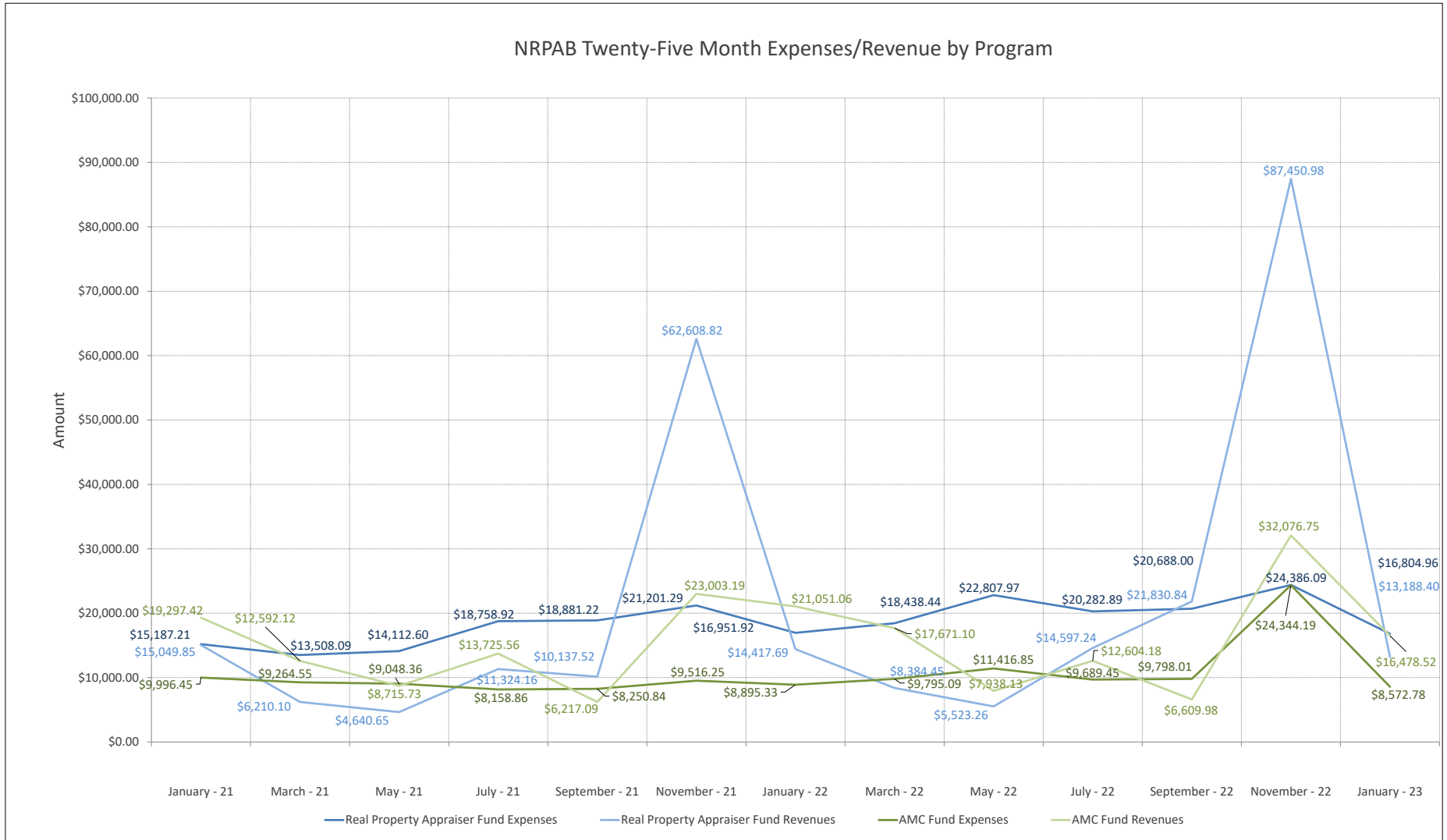
Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
25320	079	000	53105200.511300.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		49.93
Total for Object			511300 OVERTIME PAYMENTS									49.93
25320	079	000	53105200.512100.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		564.73
25320	079	000	53105200.512100.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		101.80
Total for Object			512100 VACATION LEAVE EXPENSE									666.53
25320	079	000	53105200.512200.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		23.39
Total for Object			512200 SICK LEAVE EXPENSE									23.39
25320	079	000	53105200.512300.		3170280	01/11/23	T2	7	PAYROLL LABOR DISTRIBUTION	6958443		230.97
25320	079	000	53105200.512300.		3170482	01/25/23	T2	7	PAYROLL LABOR DISTRIBUTION	6971788		230.97
Total for Object			512300 HOLIDAY LEAVE EXPENSE									461.94
25320	079	000	53105200.515100.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		176.69
25320	079	000	53105200.515100.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		172.91
Total for Object			515100 RETIREMENT PLANS EXPENSE									349.60
25320	079	000	53105200.515200.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		168.68
25320	079	000	53105200.515200.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		158.84
Total for Object			515200 FICA EXPENSE									327.52
25320	079	000	53105200.515500.		3170281	01/11/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6958443		583.18
25320	079	000	53105200.515500.		3170483	01/25/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	6971788		583.19
Total for Object			515500 HEALTH INSURANCE EXPENSE									1,166.37
25320	079	000	53105200.521100.		19753050	01/01/23	JE	G	NRPAB POSTAGE NOVEMBER 2022	6947636		56.91
25320	079	000	53105200.521100.		19996762	01/19/23	JE	G	NRPAB POSTAGE DECEMBER 2022	6975707		67.34
Total for Object			521100 POSTAGE EXPENSE									124.25
25320	079	000	53105200.521400.		51014953	01/01/23	PV	V	AS - OCIO - COMMUNICATIONS	6951720		70.54
25320	079	000	53105200.521400.		51078283	01/12/23	PV	V	AS - OCIO - IMSERVICES	6969002		643.94
Total for Object			521400 CIO CHARGES									714.48
25320	079	000	53105200.521900.		51043028	01/04/23	PV	V	CORRECTIONAL SERVICES, DEPARTM	6958297		9.80
Total for Object			521900 AWARDS EXPENSE									9.80
25320	079	000	53105200.524600.		19921627	01/10/23	JE	G	NRPAB RENT JANUARY 2023	6965824		328.98
25320	079	000	53105200.524600.		51078288	01/12/23	PV	V	SECRETARY OF STATE	6969019		11.96

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			524600	RENT EXPENSE-BUILDINGS								340.94
25320	079	000	53105200.524900.		19921627	01/10/23	JE	G	NRPAB RENT JANUARY 2023	6965824		112.56
Total for Object			524900	RENT EXP-DEPR SURCHARGE								112.56
25320	079	000	53105200.542100.		51043020	01/04/23	PV	V	AS - PERSONNEL DIVISION	6958275		82.17
Total for Object			542100	SOS TEMP SERV - PERSONNEL								82.17
25320	079	000	53105200.554900.		51057184	01/09/23	PV	V	PATROL, NEBRASKA STATE	6964342		543.00
Total for Object			554900	OTHER CONTRACTUAL SERVICES								543.00
25320	079	000	53105200.571800.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		21.69
Total for Object			571800	MEALS - TRAVEL STATUS								21.69
25320	079	000	53105200.574500.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		102.82
25320	079	000	53105200.574500.		51043435	01/04/23	PV	V	WALKENHORST, WADE	6958791		3.50
Total for Object			574500	PERSONAL VEHICLE MILEAGE								106.32
25320	079	000	53105200.575100.		50974226	01/01/23	PV	V	DOWNING, BONNIE M	6947623		3.94
25320	079	000	53105200.575100.		51043435	01/04/23	PV	V	WALKENHORST, WADE	6958791		.87
Total for Object			575100	MISC TRAVEL EXPENSE								4.81
Total for Business Unit		53105200	AMC LICENSING									7,905.74-
Total for Division		000										4,289.18-
Total for Agency		053	REAL PROPERTY APPRAISER BD									4,289.18-

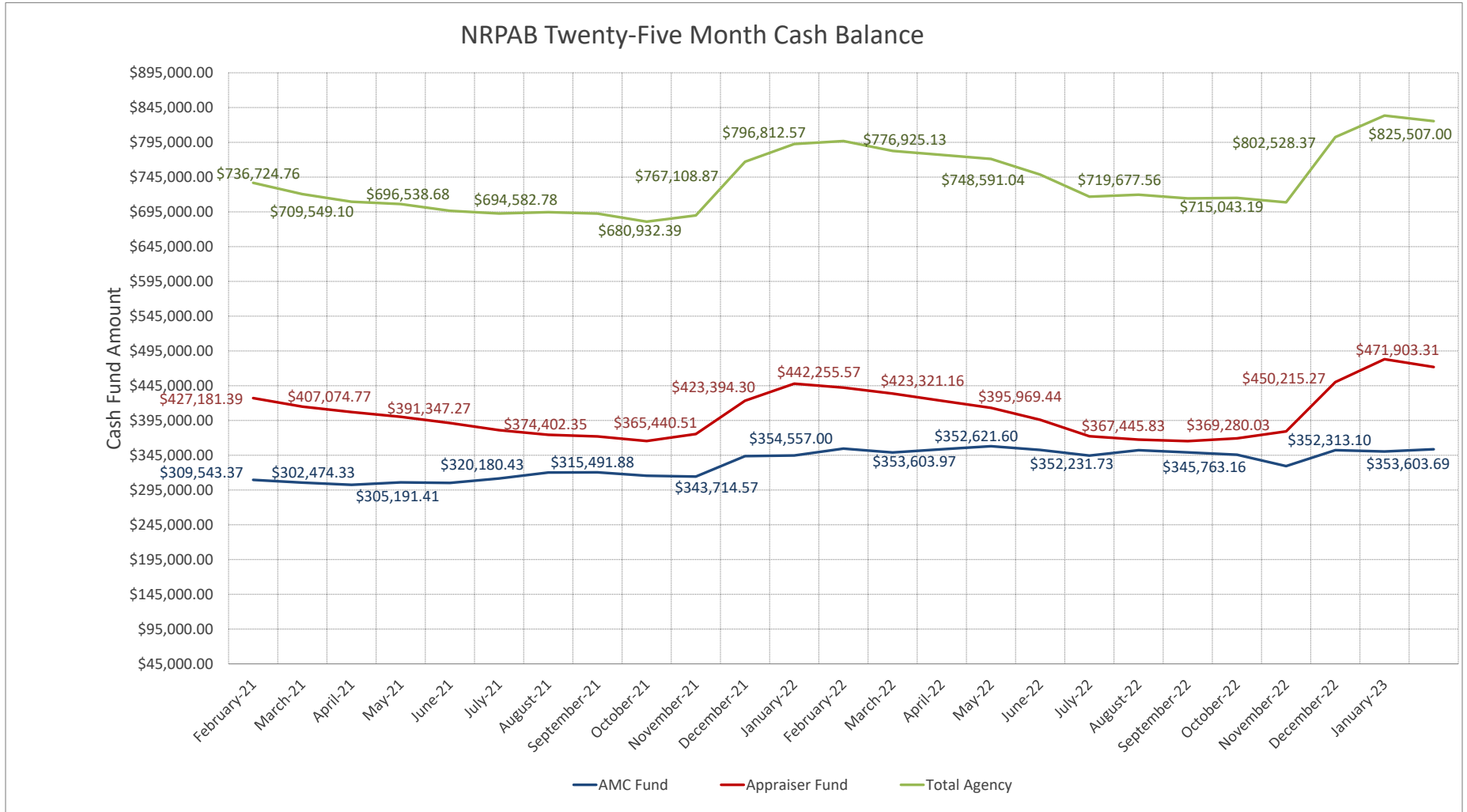
Financial Report and Considerations - Financial Charts



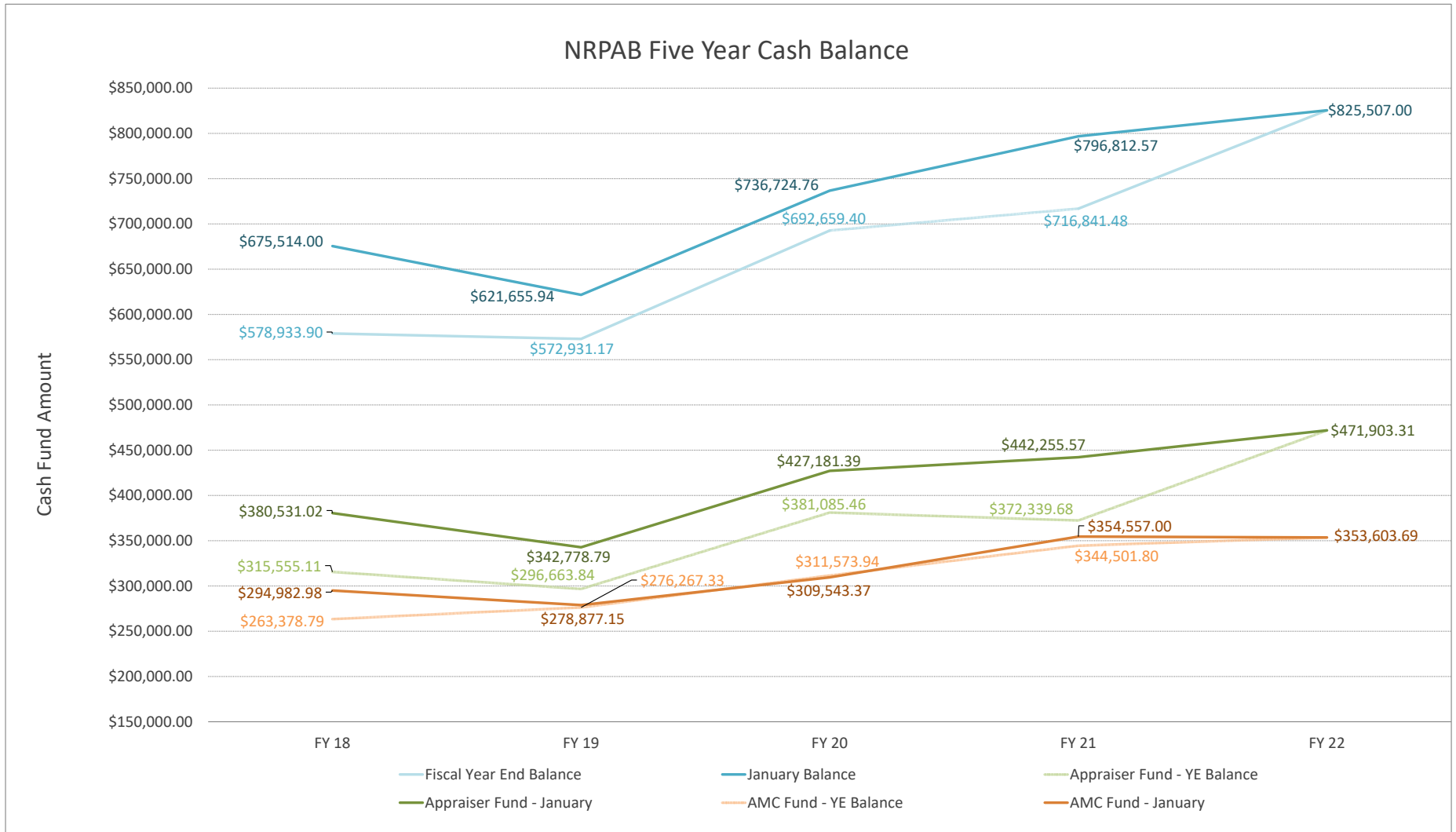
Financial Report and Considerations - Financial Charts



Financial Report and Considerations - Financial Charts



Financial Report and Considerations - Financial Charts



Agency 053 - REAL PROPERTY APPRAISER BOARD

STATUTORY AUTHORITY:

The Real Property Appraiser Board is charged with administering the Real Property Appraiser Act, Nebraska Revised Statutes §§ 76-2201 to 76-2250, and the Appraisal Management Company Registration Act, Nebraska Revised Statutes §§ 76-3201 to 76-3222.

VISION:

The Nebraska Real Property Appraiser Board's vision is to be the leading advocate for the appraisal industry in the State of Nebraska. The Board will generate interest by promoting the appraiser profession in schools and colleges, build positive public awareness of the industry throughout the state, and identify and resolve issues faced by the public and appraisal business community. The Nebraska Real Property Appraiser Board will also establish and maintain standards for appraisers and appraisal management companies that lays the foundation for a highly qualified, motivated, dependable, and ethical appraisal business community in Nebraska.

MISSION AND PRINCIPLES:

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.

GOALS:

The NRPAB's ongoing goals:

- Ensure continued compliance with federal requirements set forth in Title XI and Dodd-Frank.
- Administer and enforce the Real Property Appraiser Act and the Appraisal Management Company Registration Act with efficiency, equity, and integrity.
- Uphold the mission and vision of the Board.
- Continue to improve the agency's operations efficiency through evaluation of policies and procedures and measuring the effectiveness of the agency's functions.
- Continue to develop and improve the agency's technology that increases the efficiency and effectiveness of the agency.

EXECUTIVE SUMMARY, MGMT PROCESSES, AND SERVICE DELIVERY METHODS:

Executive Summary

The Nebraska Real Property Appraiser Board administers and enforces the Nebraska Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act. In order to carry out its duties in an efficient and equitable manner, and to maintain compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, appropriate funding is needed for general operation and issues faced by the Board. 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 rulemaking; 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. The Board's funding request priorities address the Board's primary functions. In addition, the Board is also requesting funding adjustments to address the following specific issues that affect the base appropriation:

- It is essential that the agency operates with the highest efficiency and effectiveness. Since 2017 there has been

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Agency 053 - REAL PROPERTY APPRAISER BOARD

significant task creep that has begun to impede the agency's effectiveness and efficiency. Although many steps have been taken during the past two years to increase efficiency (e.g., database enhancements to better automate processes; staff duty evaluation and reassignment; streamlined processes and procedures), the pace at which agency staff must operate to complete tasks to keep up with the current workload is exceeding its capabilities. Any negative change in staffing would also have a detrimental effect on Board functions. As a result, credential holders, the mortgage loan industry, and the public would be negatively impacted. Adequate staffing is required to carry out the Board's mission, maintain a high-level operation, remain compliant with Title XI, and to keep public satisfaction. The Board is requesting funding for one additional FTE Administrative Specialist classified position. The Board intends to redirect base funds for temporary services utilized for real property appraiser renewals to this position as the temporary duties would be included in the new position's duties. The Board also intends to redirect partial overtime and comp time base funds to this position as the need for overtime would be reduced significantly.

- As the NRPAB Database, Appraiser Login, and the NRPAB website become more detailed with increased functionality, the maintenance costs are also increasing. The Board is requesting additional funding for CIO and technology maintenance for bug repairs, security functions, and for modifications to the Board's technology systems to address changes to the Real Property Appraiser Qualifications Criteria, ASC Policy Statements, AMC Rule, AQB CAP Program Guidelines, and Title XI.
- The number education, experience, and education applicants has increased significantly during the past two fiscal years; this trend is expected to continue. The implementation of Practical Applications of Real Estate Appraisal Programs ("PAREA"), and the Appraiser Qualifications Board's consideration of removing barriers to entry into the real property appraiser profession as recommended in the PAVE Action Plan, will likely increase the trajectory of this upward trend further. The Board is requesting additional funding for Appraisal Applicant Review Contractors that conduct USPAP compliance reviews of applicants' appraisal reports to assist with the Board's determination as to if the real property appraisal practice experience meets the Real Property Appraiser Qualifications Criteria as promulgated by the Appraiser Qualifications Board of The Appraisal Foundation and the Uniform Standards of Professional Appraisal Practice ("USPAP") as promulgated by the Appraisal Standards Board of The Appraisal Foundation.
- As requested, "2023-2025 Teammate Salary Increase" is included as an issue to estimate the cost of employee salary increases equivalent to 5% for FY24 and FY25 each.
- It is anticipated that health care costs will change in the next biennium. As requested, "2023-2025 Teammate Health Insurance" is included as an issue to estimate the cost to the agency for employee health insurance with an increase equivalent to 4% for FY24 and FY25 each.
- The Department of Administrative Services charges an assessment based on usage. The Board's request includes the necessary adjustments based on the changes to assessments for the 2023-25 biennial budget cycle.

Management Processes

The Nebraska Real Property Board was established on January 1, 1991 upon the adoption of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. The Board is responsible ensuring that Nebraska's appraiser and appraisal management company regulation programs are compliant with the Federal Financial Institutions Examination Council Appraisal Subcommittee requirements. In addition, The Appraisal Foundation is authorized by U.S. Congress as the source of appraisal standards and qualifications. The Board incorporates the Uniform Standards of Professional Appraisal Practice ("USPAP") developed by The Appraisal Foundation's Appraisal Standards Board and establishes appraiser education and experience requirements in accordance with the standards promulgated by The Appraisal Foundation's Appraiser Qualifications Board.

The Nebraska Real Property Appraiser Board consists of five members; three members are certified real property appraisers representing each of the three congressional districts, and two members are at-large, which includes one representative of financial institutions, and one licensed real estate broker. The term for each member is five years, and no person shall serve as a member of the Board for consecutive terms.

The Board employs a Director, who is responsible for carrying out the will of the Board, and administering the compliance, education, public information, accounting and budgeting, and credentialing programs. Two staff members provide administrative, accounting, licensing, education, enforcement, public information, and daily operations support to the Director.

The primary functions of the Nebraska Real Property Appraiser Board are to:

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- Issue and renew resident and reciprocal licensed, certified residential, and certified general appraiser credentials, which includes reviewing applications to ensuring that each applicant meets the necessary education and experience requirements for issuance or renewal. The requirements for credentialing can be found in the Real Property Appraiser Act, along with Title 298 of the Rules and Regulations, and are developed in accordance with the standards promulgated by the Appraisal Foundation's Appraiser Qualifications Board. In order for a credential holder to renew his or her credential, the individual must complete 28 hours of continuing education in a two-year period, and must have successfully completed the 7-Hour USPAP Update Course during that period.
- Register and renew registration for appraisal management companies. This includes reviewing each application to ensure that the organization meets the requirements to practice as an appraisal management company in Nebraska. The requirements can be found in the Appraisal Management Company Registration Act, along with Title 298 of the Rules and Regulations. The Appraisal Management Company Fund was created for use to implement, administer, and enforce the Appraisal Management Company Registration Act.
- Approve appraiser qualifying courses, appraiser continuing education activities, and instructors for these offerings. This requires review of applications to ensure that core curriculum qualifying courses are approved by The Appraisal Foundation's Course Approval Program, and that qualifying courses and continuing education activities meet the requirements set forth in the Board's Rules and Regulations. Instructors must be qualified through education, experience, or by being highly qualified to teach the subject matter.
- Enforce the Real Property Appraiser Act and Appraisal Management Company Registration Act and ensure that credential holders and appraisal management companies are in compliance with the laws governing appraisal practice in Nebraska. The Board investigates and adjudicates alleged violations of the Real Property Appraiser Act and Appraisal Management Company Registration Act. This includes protecting a respondent's due process, interviewing the complainant and respondent if needed, gathering and documenting evidence, and contracting to have a USPAP compliance review completed if a complaint alleges a violation of USPAP. The intent of the Board's regulatory program is to be educational in practice when possible.
- Communicate with general public, stakeholders, credentialed appraisers, and appraisal management companies to not only make known the laws and rules that govern appraisal practice in Nebraska, but to also identify and resolve issues faced by the appraisal community through efficient and effective legislation and rulemaking. The Board places priority on the service to, and protection of, the citizens of Nebraska, and that the appraisal business community is highly qualified through education, experience, and examination.
- Disseminate information relevant to appraisal practice in Nebraska to general public, stakeholders, credentialed appraisers and appraisal management companies. This information includes changes or updates to federal requirements, changes or updates to practice or qualifications for appraisers or appraisal management companies, information pertaining to issues faced by the appraisal industry, changes or updates related to the Board's policies and procedures, and information meant to be educational in nature.

Service Delivery Methods

Services are delivered to the public, credential holders, and appraisal management companies through Board staff by phone, mail, internet, and in person. Specific personal and confidential information concerning credentialing, registration, or compliance is typically delivered by mail or through the Board's secure portal called Appraiser Login, but may occasionally be delivered through the state email system or in person. General information is typically delivered through the internet, and may be emailed, found in Appraiser Login, or posted on the Board's website or Facebook page. Board Members or staff may meet with an individual or a group of people to conduct Board business. Notice of board meetings are posted on the Board's website and on the State of Nebraska Public Calendar found at www.nebraska.gov.

Agency 053 - REAL PROPERTY APPRAISER BOARD

Program 079 - APPRAISER LICENSING

PROGRAM DESCRIPTION:

The Real Property Appraiser Board is statutorily charged with administering and enforcing the Real Property Appraiser Act and the Appraisal Management Company Registration Act. 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 rulemaking, and disseminate relevant information to general public, stakeholders, credentialed appraisers and appraisal management companies.

PROGRAM OBJECTIVES:

The Nebraska Real Property Appraiser Board has evolved in to a strategic results-based agency. The Board's goals and objectives are set each year at its annual strategic planning meeting held in June and evaluated throughout the fiscal year at each board meeting. The Board has established both new and ongoing objectives for the 2023-2025 biennial budget period.

PERFORMANCE MEASURES:

The Board measures performance related to credentialing appraisers, registering appraisal management companies, approving qualifying and continuing education offerings, and appraiser and appraisal management company compliance. The Board reviews performance in these areas at each regular meeting and discusses issues and sets objectives once a year during its strategic planning meeting. The Board also measures performance through program feedback from the Federal Appraisal Subcommittee, which audits the Board's appraiser credentialing and AMC registration programs on a biennial basis. Finally, the Board's performance is measured through public accountability. Although public accountability is not quantitative, it is the very reason for the existence of the Board.

REAL PROPERTY APPRAISER BOARD (53)

Health Insurance Cost Change – The recommendation does not include the agency requested cash fund appropriation increase in FY 2022-23 for teammate health insurance cost projections. Existing appropriations are sufficient to address the agency request without the need for additional resources.

Administrative Rates – The recommendation includes cash fund appropriation increase of \$2,932 in FY 2023-24 and \$3,397 FY 2024-25 for administrative rate changes.

Appraisal Applicant Review Contractor Fees – The recommendation does not include the agency requested cash fund appropriation increase for contractor fees. Existing appropriations are sufficient to address the agency request without the need for additional resources.

Additional Teammate – The recommendation does not include the agency requested cash fund appropriation increase and corresponding Personal Service Limitation (PSL) increase to fund additional administrative staffing. Existing appropriations and PSL are sufficient to address the agency request without the need for additional resources.

SECRETARY OF STATE (09)

Appropriations Correction – The recommendation includes the agency requested General Fund appropriation reduction of \$3,361 in FY 2023-24 and FY 2024-25 with a corresponding \$3,361 cash fund appropriation increase in FY 2023-24 and FY 2024-25 to reverse a clerical error made when implementing a new umbrella program within the Services and Administration program.

Elections Personnel – The recommendation includes a Personal Service Limitation (PSL) increase of \$93,750 in FY 2023-24 and \$98,438 in FY 2024-25 but does not include the requested appropriation increase for 1.75 new elections administration positions needed to adequately manage the increase in public records requests related to elections. The recommendation also does not include the agency requested General Fund appropriation increase and corresponding PSL increase in FY 2022-23. Existing appropriations are sufficient to address the agency request without the need for additional resources.

Elections Software Maintenance – The recommendation does not include the agency requested General Fund appropriation increase for higher vendor contract pricing and increased maintenance and support fees for elections software. Existing appropriations are sufficient to address the agency request without the need for additional resources.

Business Services Filing System – The recommendation includes a \$2 million cash fund appropriation increase in FY 2024-25 for a new business services filing system that provides increased reliability and improved scaling capabilities. Existing appropriations are sufficient to fund the remaining \$500,000 requested.

TOURISM COMMISSION, NEBRASKA (91)

General Fund Request – The recommendation does not include the agency requested \$5 million General Fund appropriation in FY 2023-24 and FY 2024-25 for expanded marketing outreach.

Cash Fund Spending Authority – The recommendation does not include the agency requested cash fund appropriation increase for additional spending authority. Existing appropriations are sufficient to address the agency request without the need for additional resources.

Agency 053 - REAL PROPERTY APPRAISER BOARD

Financial Data

	FY22 Actual	FY23 Approp	FY24 Request	FY24 Recomm	FY25 Request	FY25 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	355,987	415,564	480,679	431,666	496,511	444,806
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	355,987	415,564	480,679	431,666	496,511	444,806
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	355,987	415,564	480,679	431,666	496,511	444,806
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	355,987	415,564	480,679	431,666	496,511	444,806

Program 79 - Appraiser Licensing

	Current Year FY2022-23	Governor FY2023-24	Governor FY2024-25	Committee Preliminary FY2023-24	Committee Preliminary FY2024-25	Changes over Prior Yr(Committee Prelim)			
						FY2023-24 Dollar	Pct	FY2024-25 Dollar	Pct
Oper									
General	0	0	0	0	0	0	0.0	0	0.0
Cash	415,564	0	0	433,431	445,153	17,867	4.3	11,722	2.7
Federal	0	0	0	0	0	0	0.0	0	0.0
Revolving	0	0	0	0	0	0	0.0	0	0.0
Total	415,564	0	0	433,431	445,153	17,867	4.3	11,722	2.7
Total									
General	0	0	0	0	0	0	0.0	0	0.0
Cash	415,564	0	0	433,431	445,153	17,867	4.3	11,722	2.7
Federal	0	0	0	0	0	0	0	0	0.0
Revolving	0	0	0	0	0	0	0.0	0	0.0
Total	415,564	0	0	433,431	445,153	17,867	4.3	11,722	2.7

Items Not Included in Committee Preliminary Budget

Operations	FY2023-24	FY2024-25
AARS Contractor Fees		
General	0	0
Cash	6,000	7,500
Federal	0	0
Revolving	0	0
PSL	0	0

Applicant Appraisal Review Systems (AARS) Contractor Fees

Due to a jump in the number of applicants (from 8 prior to Covid, to currently 20 plus and rising) the agency is requesting additional funding for AARS Contractors. There has been new classroom training introduced, which can shorten the length of time required training under a supervisor appraiser. This has made entry into the profession more appealing. Thus, the current upward trend of applicants is expected to continue. Each new applicant's prior real property appraisal reports need to be reviewed by AARS Contractors, whom perform compliance reviews to assist the Board with its evaluation of the applicant's work experience. There is a need for more funding for these qualified real property appraisers to ensure that the compliance reviews are thorough and fair, and that an applicant's experience is acceptable for credentialing. This is not a request to pay the contractors an increase in fee amount, but rather an increase in the overall appropriation level as there is a larger number of applications that need contractors to review appraisals.

Without this funding, the contract fees would not remain competitive, and the resulting compliance reviews could affect the Board's ability to maintain compliance with the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council Policy Statements and Title XI.

Additional FTE Teammate		
General	0	0
Cash	45,201	47,790
Federal	0	0
Revolving	0	0
PSL	36,092	38,010

Additional Appraisal Management Company (AMC) FTE Teammate

Federal AMC registry reporting requirement changes has made the renewal of AMC applications much more time consuming than before. Now, extra appraiser data has to be collected from the Appraisal Subcommittee and entered into the Appraisal Subcommittee (ASC) Extranet federal database. In addition, fees must be collected on behalf of the Feds. Plus, the length of time between renewal periods has shortened from once every two years, to once a year.

It was anticipated that when these new more stringent AMC standards took effect, there would be a decline in AMC applications. However, this has not occurred. Hence, the with the additional duties, and shorter frequency between applications, the workload has become unmanageable, putting a significant strain on the small staff of only 3 FTE.

They'd also like to use this new employee to help with grant writing, management, and oversight, and begin applying for federal grants through the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

The Board is requesting funding for one additional FTE administrative specialist with salary increases equal to DAS Budget instructions of 5% each year of the biennium. The Board intends to redirect base funds for temporary services utilized for real property appraiser renewals to this position as the temporary duties would be included in this new position's duties. The Board will also use a portion of their budgeted authority for partial overtime, compensatory time, and SOS temporary services base funding to cover a portion of the costs for adding this new position. The offset amounts in each year of the biennium would be: (1,134) from Overtime Payments, (1,133) from Compensatory Time Paid, and (7,830) from SOS Temp Serv – Personnel. These offsets add up to (10,097) in the FY2023-24, and (10,097) in FY2024-25. The net amount is being requested.

This issue includes a PSL increase of: \$36,092 for FY2023-24 and \$38,010 for FY2024-25.

Items Included in Committee Preliminary Budget Operations

		FY2023-24	FY2024-25
2023-2025 DAS Assessment Changes	General	0	0
	Cash	1,113	1,113
DAS Charges and Assessments (for EAP, Worker’s Comp, rent expense, rent depreciation, accounting and auditing, purchasing, contents and inland marine insurance, and state blanket bond insurance coverage)	Federal	0	0
	Revolving	0	0
	PSL	0	0
2023-2025 Salary Increase	General	0	0
	Cash	13,830	24,183
	Federal	0	0
	Revolving	0	0
	PSL	12,010	21,001
2023-2025 Health Insurance	General	0	0
	Cash	1,316	2,685
	Federal	0	0
	Revolving	0	0
	PSL	0	0
CIO and Technology Maintenance	General	0	0
	Cash	1,608	1,608
CIO and Technology Maintenance fees (for the Nebraska Real Property Appraiser Board Database, NRPAB website, and the Appraiser Login)	Federal	0	0
	Revolving	0	0
	PSL	0	0

			Request	Governor	Committee
2-Emergency Alert System Refresh Project	919	General	170,000	0	0
		Cash	0	170,000	170,000
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0
3-Max & Culbertson Translator Sites	920	General	210,000	0	0
		Cash	0	210,000	210,000
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0

Agency 50 - State Colleges/Board

1-Adjunct Pay Funding	48	General	423,515	254,109	423,515
		Cash	0	0	0
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0
2-Insurance Funding	48	General	293,463	176,078	0
		Cash	0	0	0
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0
3-Operating Expense Inflation	48	General	1,226,007	735,604	735,604
		Cash	0	0	0
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0

Agency 53 - Real Estate Appraisers

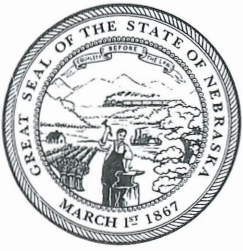
1-Agency Health Insurance Cost Change	79	General	0	0	0
		Cash	5,905	0	5,905
		Federal	0	0	0
		Revolving	0	0	0
		PSL	0	0	0

Agency 63 - Public Accountancy

1-PSL	84	General	0	0	0
		Cash	0	0	0
		Federal	0	0	0
		Revolving	0	0	0
		PSL	2,500	0	2,500

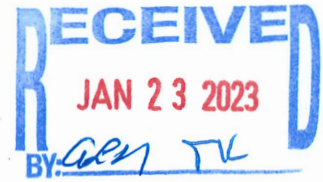
Agency 65 - Admin Services

1-Increase Approp - Microsoft Lic Cost Increase	173	General	0	0	0
		Cash	0	0	0
		Federal	0	0	0
		Revolving	2,677,900	2,677,900	2,677,900



STATE OF NEBRASKA
Office of the Attorney General

2115 STATE CAPITOL BUILDING
LINCOLN, NE 68509-8920
(402) 471-2682
TDD (402) 471-2682
FAX (402) 471-3297 or (402) 471-4725



DAVID BYDALEK
CHIEF DEPUTY ATTORNEY GENERAL

MIKE HILGERS
ATTORNEY GENERAL

January 18, 2023

William Blake
William Blake Law
P.O. Box 6782
Lincoln, NE 68506

RE: Appointment as Special Assistant Attorney General

Dear Mr. Blake:

Pursuant to the constitutional and statutory authority of the Office of the Attorney General and at the request of the Nebraska Real Property Appraiser Board [the "Board"], you are hereby appointed Special Assistant Attorney General for the purpose of representing the Board. This appointment expires December 31, 2023.

Your fees will be paid by the Real Property Appraiser Board in accordance with your agreement. Tyler Kohtz is the contact person from that office and should be kept fully apprised.

All Special Assistant Attorneys General are subject to the supervision and direction of the Attorney General. No settlement shall be valid unless approved in writing by the Attorney General. Darrin Schultz, Assistant Attorney General, is the contact person from our office in connection with these matters and should also be kept fully apprised of all legal issues and filings.

Sincerely,

MICHAEL T. HILGERS
Attorney General

David Bydalek
Chief Deputy Attorney General

pc: Tyler Kohtz, Nebraska Real Property Appraiser Board
Darrin Schultz, Assistant Attorney General
Katie Beiermann, Records Manager



Bill Color Key	
■	NRPAB High Priority Bills
■	Nebraska State Government Bills
■	General Interest Bills

Legislative Report as of January 12, 2023	
Bill:	LB16
Title:	Require occupational boards to issue certain credentials based on credentials or work experience in another jurisdiction and make a determination regarding an applicant with a criminal conviction, provide for jurisprudential examinations and appeals from denial of a license, and change requirements for membership of the State Electrical Board
Status:	February 09, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB16 allows for recognition in Nebraska for most types of occupational licenses issued in other states and change provisions relating to preliminary applications by individuals with a criminal conviction. Specifically, this bill requires that certain information is required to be reported by the applicant for mitigating factors, only allows for certain felony convictions to be disqualifying, requires issuance of a preliminary adverse determination by the director of the occupational board or the board’s designated employee, provides for an opportunity for an informal meeting to be held within sixty days of application, and provides for a waiver of fees based on the applicants income being more than 300% below the federal poverty level. To the extent that an occupational board or lawful occupation is also governed by federal law, federal law shall take precedence over the Occupational Board Reform Act. The act shall not be construed to preempt federal law governing lawful occupations in this state.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49705
Notes:	AM180 to LB16, inserts “the Real Property Appraiser Board” after the second comma on page 6, line 16. This amendment exempts the Board from Subsections (8) and (9) of this bill and Neb. Rev. Stat. § 84-947 pertaining to preliminary background reviews for applicants of occupational licensing. The hearing before the Government, Military and Veterans Affairs Committee took place on February 9, 2023. AM180 was officially introduced to the record by Senator Briese.

Bill:	LB41
Title:	Prohibit state agencies from imposing annual filing and reporting requirements on charitable organizations
Status:	February 09, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB41 prohibits state agencies from imposing annual filing and reporting requirements on charitable organizations greater than those defined in state or federal law.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49960
Notes:	
Bill:	LB43
Title:	Require hearing officers and judges to interpret statutes and regulations to limit agency power and maximize individual liberty
Status:	February 09, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB43 requires that a hearing officer or judge hearing a contested case under the Administrative Procedure Act, interpreting a state statute or agency regulation, shall not defer to the state agency's interpretation of such statute or regulation and shall interpret the statute or regulation de novo on the record. In actions brought by or against state agencies, after applying all customary tools of interpretation of a statute or regulation, the court or hearing officer shall resolve any remaining doubt in favor of a reasonable interpretation which limits agency power and maximizes individual liberty.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50402
Notes:	
Bill:	LB104
Title:	Change provisions of the County Employees Retirement Act, the Judges Retirement Act, the School Employees Retirement Act, the Nebraska State Patrol Retirement Act, and the State Employees Retirement Act
Status:	February 07, 2023 – Hearing before the Nebraska Retirement Systems Committee
Summary:	LB104 changes the requirements for distribution of funds and updates definitions.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50392
Notes:	

Bill:	LB164
Title:	Adopt updates to building and energy codes
Status:	January 24, 2023 – Hearing before the Urban Affairs Committee
Summary:	LB614 updates the state building and energy codes to include the 2021 edition of the International Building Code and to include the 2021 edition of the International Residential Code.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49745
Notes:	
Bill:	LB205
Title:	Adopt the Government Neutrality in Contracting Act
Status:	February 10, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	The purposes of LB205 are to provide for the efficient procurement of goods and services by governmental units and to promote the economical, nondiscriminatory, and efficient administration and completion of construction projects funded, assisted, or awarded by a governmental unit. LB205 limits or prohibits certain language or provisions from state contracts.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50181
Notes:	
Bill:	LB214
Title:	Adopt changes to federal law regarding banking and finance and change provisions relating to digital asset depositories, loan brokers, mortgage loan originators, and installment loans
Status:	January 23, 2023 – Hearing before the Banking, Commerce, and Insurance Committee
Summary:	LB214 includes provisions relating to banks, financial institutions, bank subsidiaries, and residential mortgage loans; and adopts updates to federal law relating to banks and financial institutions.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49955
Notes:	

Bill:	LB279
Title:	Change and eliminate provisions relating to executive officers of banks
Status:	Jan 26, 2023 - Placed on General File with AM86
Summary:	<p>LB279 eliminates the requirement that executive officers of banks submit a written report to the Department of Banking stating the amount of loans or indebtedness in which the officer is a borrower, co-signer, or guarantor, and how those proceeds have been or are to be used.</p> <p>AM86 filed to add a new subsection allowing the board of directors of a bank to obtain a credit report from a recognized credit agency, on an annual basis, for any or all of its executive officers, but this does not apply to any executive officer if such officer is excluded by a resolution of the board of directors or bylaws of the bank from participating in the major policymaking functions of the bank.</p>
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50126
Notes:	Placed on General File with AM86.
Bill:	LB293
Title:	Provide formal protest procedures for certain state contracts for services
Status:	February 10, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	The purpose of LB293 is to require that the Department of Administrative Services immediately adopt and promulgate rules and regulations establishing formal protest procedures, including procedures for a contested case hearing, for any state agency contract for services awarded in excess of ten million dollars. Any protest shall be filed with the department.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49738
Notes:	
Bill:	LB302
Title:	Change provisions relating to conflicts of interest by certain officeholders and public employees
Status:	February 15, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB302 replaces “city, village, or school district” with “political subdivision,” and require that any public employee except as otherwise governed under section 49-1499.02 who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict and deliver it to the responsible public body, which shall enter it as a public record. The public employee must abstain from participating in the matter unless legally required to.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50291
Notes:	

Bill:	LB360
Title:	Adopt the Office of Inspector General of Nebraska Procurement Act
Status:	February 10, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB360 adopts the Office of Inspector General of Nebraska Procurement Act and establishes the purpose and duties of the Office of Inspector General of Nebraska Procurement.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50518
Bill:	LB366
Title:	Change provisions relating to public records and include body-worn camera recordings in certain circumstances
Status:	January 17, 2023 - Referred to Government, Military and Veterans Affairs Committee
Summary:	LB366 defines recordings created by body-worn cameras which depict or record circumstances in which a person died while being apprehended by, or while in the custody of, a law enforcement officer or detention personnel, including duplicates of such recordings, are public records under Neb. Rev. Stat. § 84-712.01. In addition, the requirements for fees charged for providing copies of public records is also changed to require allow for eight hours of service (currently four) to Nebraska residents prior to charging, and the custodian of record may waive or reduce any fee for such service if the waiver or reduction of the fee would be in the publics best interest.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50179
Notes:	
Bill:	LB408
Title:	Change provisions relating to conflicts of interest under the Nebraska Political Accountability and Disclosure Act
Status:	February 15, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB408 require that any member of a nonelective government body not designated in 49-1493 who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict and deliver it to the responsible public body, which shall enter it as a public record. The public employee must abstain from participating in the matter unless legally required to.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49781
Notes:	

Bill:	LB461
Title:	Change, transfer, and eliminate provisions relating to the materiel division of the Department of Administrative Services and procurement of services and personal property
Status:	February 10, 2023 – Hearing before the Government, Military and Veterans Affairs Committee
Summary:	LB461 implements the statutory changes recommended by the report filed with the legislature on November 15, 2023 by the independent procurement consultant that reviewed the State’s procurement practices and procedures as authorized by LB1037(2022). LB461 consolidates and harmonizes the procurement statutes between goods and services into Chapter 73; allows bids to be evaluated for realism and reasonableness; revises the residential preference and proof of need process.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50431
Notes:	
Bill:	LB485
Title:	Provide for applicability of provisions regarding state contracts for services to certain state entities
Status:	January 19, 2023 – Referred to the Government, Military and Veterans Affairs Committee
Summary:	LB485 defines state agency director (a) for contracts entered into by a state agency other than an officer or agency established by the Constitution of Nebraska, the director or executive head of the agency, (b) for contracts entered into by a board, commission, or department established by the Constitution of Nebraska, the designee of the board, commission, or department, and (c) for contracts entered into by any other state constitutional officer, the state constitutional officer or the designee of the state constitutional officer.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50440
Notes:	
Bill:	LB538
Title:	Change provisions relating to the board of directors of a bank
Status:	January 23, 2023 - Notice of hearing for March 21, 2023
Summary:	LB538 requires that the Department of Banking is notified of a vacancy on the board of directors of a bank.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50778
Notes:	

Bill:	LB628
Title:	Change provisions relating to professional service by limited liability companies and professional corporations
Status:	February 02, 2023 – Placed on General File with AM175
Summary:	<p>LB628 modifies the definition of professional services in the Limited Liability statutes to mirror the definition of the professional corporation statutes. There is a grandfather clause so the Limited Liability Corporations that don't want to make a change are not required to do so. There are a few other changes to the statutes related to professional services.</p> <ol style="list-style-type: none"> 1. Clean-up of the use of ancillary services in the Limited Liability Corporation professional entity statutes. 2. Recognize outside certifying organizations or compacts recognized by the regulatory body. (This is applicable to some health professionals) 3. Requires regulatory bodies that use the electronic access process for verifying licensure to work with the Nebraska Secretary of State's office to create an automated process for us to electronically access and verify licensing records. 4. Strikes the requirement for the professional to list their residence address in a filing with the Nebraska Secretary of State's Office. <p>AM175 was filed to provide better clarification throughout LB628.</p>
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50428
Notes:	
Bill:	LB637
Title:	Require members of the public to be allowed to speak at each meeting subject to the Open Meetings Act
Status:	January 20, 2023 - Referred to Government, Military and Veterans Affairs Committee
Summary:	LB637 requires that a public body shall allow members of the public an opportunity to speak at each meeting. Closed sessions are excluded.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50594
Notes:	

Bill:	LB669
Title:	Provide powers for the Director of Banking and Finance regarding conditions on financial institutions
Status:	January 30, 2023 - Hearing before the Banking Commerce and Insurance Committee.
Summary:	LB669 allows the Department of Banking and Financing to prescribe conditions on certain financial Institutions as a part of any order, decision, or determination required under the statutes governing those institutions.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49957
Notes:	
Bill:	LB684
Title:	Provide for a review of services provided by state agencies
Status:	January 20, 2023 - Referred to Government, Military and Veterans Affairs Committee
Summary:	LB684 requires that the Department of Administrative Services, in compliance with all statutes on contracts, contract with an entity to assist the state with significantly improving government services of state agencies for a period of two years starting on July 1, 2023, and ending on June 30, 2025. The contract shall include the option to renew for two additional one-year periods upon mutual agreement of the parties. The state shall reserve the right to extend the period of this contract beyond the termination date if mutually agreeable to the parties. The entity shall recommend and support strategies that reduce costs while improving quality, with a target of twenty-five percent improvement overall across all programs during the contract period.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50308
Notes:	
Bill:	LB814
Title:	Appropriate funds for the expenses of Nebraska State Government for the biennium ending June 30, 2025, and appropriate Federal Funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021
Status:	February 14, 2023 – Hearing before the Appropriations Committee
Summary:	LB814 is the mainline appropriations bill for the biennium that begins July 1, 2023 and ends on June 30, 2025. This measure includes budget recommendations for all State operations and aid programs. The bill includes the appropriate General Fund transfers as well as transfers between specified cash funds. Finally, it provides the necessary definitions for the proper administration of appropriations and personal service limitations.
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50097
Notes:	

Bill:	LB820
Title:	Adopt the Agricultural Valuation Fairness Act
Status:	February 03, 2023 – Hearing before the Revenue Committee
Summary:	<p>LB820 enacts the Agricultural Valuation Fairness Act to provide for uniform assessment of agricultural and horticultural land in Nebraska. It declares that sales of agricultural and horticultural land are influenced by uses other than agricultural or horticultural purposes and cause the price paid for agricultural land and horticultural land to exceed the value such land has for agricultural or horticultural purposes. To achieve fairness, all agricultural and horticultural land will be assessed based on its capacity to produce income, called agricultural use value. Procedurally, LB820 establishes an Agricultural Land Valuation Committee to establish agricultural land values by Land Capability Groups (LCG) for agricultural land throughout the state. Land values are established utilizing a production approach to value. Gross income will be computed using an eight-year average yield data, with the highest and lowest values removed. Gross income is reduced to net income by utilizing expense ratios. The net income is then capitalized to determine assessed value. The capitalization rate is also determined by the committee and is calculated to arrive at valuations within 69-75% of market value ensuring assessed values are uniformly and proportionately assessed within the class of Agricultural Land. LB820 retains elements of local control by keeping the county assessor responsible for classifying land. County assessors currently inventory agricultural land on a productivity index making the implementation of this bill simple at the county level. County Assessors have representation on the Agricultural Land Valuation Committee created in this bill and have the option to petition the Tax Commissioner for alternative values they determine are not uniform and proportionate. LB820 also contains limitations to assure the resulting values for all agricultural and horticultural land statewide cannot be above the current market-based standard of 75% of value and cannot increase more than 3.5% over the prior year.</p> <p>MO23 filed to indefinitely postpone LB820. AM112 was filed to strike section 1 (the creation of the Agricultural Valuation Fairness Act). FA16 filed on the floor to strike section 1.</p>
Legislature Information and Status:	https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=50097
Notes:	<p>After discussion with Board Members Downing and Luhrs, it was recommended that Director Kohtz request that consideration be given for the American Society of Farm Managers and Rural Appraisers ARA designation for the appraiser member on the Agricultural Land Valuation Committee. Prior to contacting Senator Albrecht’s office, Director Kohtz discovered that the committee members are not exempt from the Real Property Appraiser Act, as Neb. Rev. Stat. § 76-2221(9) says, “Any person, including an independent contractor, retained by a county to assist in the appraisal of real property as performed by the county assessor of such county subject to the standards established by the Tax Commissioner pursuant to section 77-1301.01. A person so retained shall be under the direction and responsibility of the county assessor.” The Agricultural Land Valuation Committee members are not state employees, nor are they contractors to or employees of counties. Board Member Downing agreed that this must be brought to Senator Albrecht’s attention. Director Kohtz discussed this matter with Senator Albrecht’s office, who requested that proposed language be drafted for a potential amendment to LB820 that exempts the individuals serving on the Agricultural Land Valuation Committee from the Real Property Appraiser Act. The recommended language to add to</p>

the list of exemptions found in N.R.S. § 76-2221 for Senator Albrecht to consider for an amendment to LB820 is below:

Any person who is appointed to serve as an appraiser pursuant to Section 6 of the Agricultural Valuation Fairness Act, except that if such person is a credential holder, he or she shall (a) be subject to the scope of practice applicable to his or her classification of credential and (b) comply with the Uniform Standards of Professional Appraisal Practice, excluding standards 1 through 10.

Director Kohtz also brought attention to the initial matter, and it recommended that the professional designation be stricken from (1)(c) to say, "Such appraiser must hold a valid credential as a certified general real property appraiser." The director also indicated that if it is important that a professional designation be considered, then the ARA designation should be added to the MAI designation or replace the MAI designation as those that hold ARA designation likely have more agricultural focused training and background.



State of Nebraska Appraisal Management Company Registration

AMC Registration Number:

AMC Legal Name:

AMC Trade Name(s):

Current Registration

Effective Date:

Expiration Date:

Registration Fee Paid:

ASC AMC Registry Fee Paid:

Payment ID Number:

Next Registration

Renewal Due Date:

Last Date for Renewal:

Next Annual AMC Registry Fee Period

Beginning Date:

End Date:

AMC Identification Information

Street Address:

City:

State:

Zip Code:

Phone:

Email:

IN WITNESS WHEREOF, the Director of the Nebraska Real Property Appraiser Board has caused these presents to be signed. This registration is valid for a period of twelve months beginning on the date on which the registration was issued or renewed, unless canceled, revoked, or surrendered. This information is true and accurate as of (date).


Tyler N. Kohtz

State of Nebraska Real Property Appraiser Board
301 Centennial Mall South, First Floor
PO Box 94963
Lincoln, NE 68509-4963
<https://appraiser.ne.gov/>
nrpab.amc@nebraska.gov
402-471-9015



State of Nebraska Real Property Appraiser

Name:

Classification:

Credential Number:

Current Credential

Effective Date:

Expiration Date:

Continuing Education Period:

Payment ID Number:

Registration Fee Paid:

ASC Appraiser Registry Fee Paid:

CHRC Program Fee Paid:

Next Credential

Renewal Due Date:

Last Date for Renewal:

Real Property Appraiser Principal Place of Business Contact Information

Street Address:

City:

State:

Zip Code:

Phone:

Email:

IN WITNESS WHEREOF, the Director of the Nebraska Real Property Appraiser Board has caused these presents to be signed. This real property appraiser credential is valid beginning on the date on which the credential was issued or renewed, unless canceled, surrendered, suspended, or revoked. This information is true and accurate as of (date).


Tyler N. Kohtz

State of Nebraska Real Property Appraiser Board
301 Centennial Mall South, First Floor
PO Box 94963
Lincoln, NE 68509-4963
<https://appraiser.ne.gov/>
nrpab.credentialing@nebraska.gov
402-471-9015

From: [Claire M. Brooks](#)
Subject: New ASC Educational Programs for State Appraiser/AMC Regulators
Date: Friday, January 27, 2023 9:24:17 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

State Appraiser/AMC Regulators:

The Appraisal Subcommittee is working with the Council on Licensure, Enforcement & Regulation (CLEAR) to deploy a series of educational programs. We are very pleased to share with you that two courses and an educational video are now available through Tovuti, the Learning Management System that CLEAR has established to deliver this educational content.

All registrants to this new educational resource will receive automatic access to **“Are You Ready for Your Compliance Review -- A Conversation with Your Policy Managers.”** This well-received panel discussion has been updated with a new version moderated by CLEAR’s David Byerman. This video features ASC Policy Managers Jenny Tidwell, Maria Brown, Kristi Klamet, and Tom Lewis in a panel discussion about the ASC Policy Statements. This is recommended viewing for anyone preparing for an upcoming Compliance Review, or anyone who just wants to know more about ASC’s policy statements and how appraisal regulation works.

We are also releasing two courses as part of this rollout:

1. The “Appraiser & AMC Investigations: Basic” (or **“AAI: Basic”**) course is a ten-lesson asynchronous course designed for appraiser & AMC regulatory investigators. This program is also useful for board executives responsible for analyzing complaints and board staff who wish to gain a greater appreciation of the skill level and work involved in investigations and inspections. This program consists of self-study content in an online environment. The ten modules that comprise the course are on the following topics: Professional Conduct; Principles of Administrative Law; Investigative Process; Principles of Evidence; Evidence Collection, Tagging, and Storage; Interviewing Techniques; Investigator Safety; Inspection Procedures; Report Writing; and Testifying in Administrative Proceedings.
2. The “Introduction To Appraiser & AMC Regulation” (or **“Intro to AAR”**) course is a six-lesson asynchronous course designed for new appraiser regulatory board members, or anyone wanting to learn more about the appraiser regulatory process and the duties of regulatory board members. The six modules that comprise this course are on the following topics: Regulation; The Role of a Board Member; The Role of Staff; Responsibilities of a Board Member; Ethics; and an Overview of the Appraiser Regulatory Structure.

For more information and to request access to the video and course(s), please visit <https://www.clearhq.org/asc-education>

We hope you find these new educational content useful. We look forward to delivering more educational content, working with CLEAR, in the future.

Regards,
Claire Brooks on behalf of Jim Park, ASC Executive Director

Claire Brooks

Policy Manager

c 202.604.3387



Confidentiality Notice: The information contained in this transmittal, including attachments if any, may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any review, use, distribution, or copying of the contents of this e-mail or its attachments by any person other than the intended recipient for any purpose other than its intended use, is strictly prohibited and may be unlawful. This communication is not intended as a waiver of the confidential, privileged or exempted status of the information transmitted. If you have received this e-mail in error, you should permanently delete the e-mail and any attachments. Do not save, copy, disclose, or rely on any part of the information contained in this e-mail or its attachments. Also immediately notify the sender of the misdirection of this transmittal. Your cooperation is appreciated.

Claire Brooks

Policy Manager

c 202.604.3387



Confidentiality Notice: The information contained in this transmittal, including attachments if any, may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any review, use, distribution, or copying of the contents of this e-mail or its attachments by any person other than the intended recipient for any purpose other than its intended use, is strictly prohibited and may be unlawful. This communication is not intended as a waiver of the confidential, privileged or exempted status of the information transmitted. If you have received this e-mail in error, you should permanently delete the e-mail and any attachments. Do not save, copy, disclose, or rely on any part of the information contained in this e-mail or its attachments. Also immediately notify the sender of the misdirection of this transmittal. Your cooperation is appreciated.

TO: State Appraiser Regulatory Agencies

FROM: James R. Park, ASC Executive Director

DATE: January 24, 2023

RE: Notice of Data Breach Incident

The Appraisal Subcommittee (ASC) is contacting all State Appraiser Regulatory Agencies concerning a data breach that occurred on the ASC.gov website. **Please note: This was not a data theft or hacking incident.**

What Happened?

After the release of the new ASC.gov website on September 18, 2022, potential access to Personally Identifiable Information (PII) was reported to the ASC. The breach was discovered on October 13, 2022, when an individual reported it to the ASC after viewing their own PII via a web browser search. While there was potential for broader exposure, to date we are not aware of any other individuals accessing the breached PII.

What Information Was Involved?

This incident involved Social Security Numbers (SSNs).

What We Are Doing

Immediately upon discovery of the breach, the website was taken down and corrective actions were taken to resolve the error. We are notifying all individuals whose PII had potential for exposure and offering Identity Protection, Credit Monitoring, and Identity Monitoring Services. We are also notifying all State Appraiser Regulatory Agencies.

In 2016, the ASC rolled out the Unique Identifier (UID) for States to utilize in entering appraisers on the National Registry. The UID eliminates collection/retention of SSNs. States are strongly encouraged to help ensure protection of PII by utilizing the UID.

For More Information

Contact the ASC toll-free at 888-815-1517 (Monday – Friday, 8am – 6 pm EST).

TO: State Appraiser Regulatory Officials

FROM: Jim Park, Executive Director

DATE: January 23, 2023

RE: PAVE Initiative to Decrease Barriers to Entry into the Appraisal Profession

On June 1, 2021, President Biden launched the [Property Appraisal and Valuation Equity \(PAVE\) Task Force](#), made up of 13 Federal agencies and offices, and charged with developing actions and recommendations to foster a more equitable home appraisal industry. In the [PAVE Action Plan](#), released last year, the PAVE Task Force recognizes the barriers presented to women and communities of color in gaining access to the appraisal profession. These barriers contribute to the significant shortages of certified and licensed appraisers, especially in certain parts of the country, adding time and cost to certain transactions. According to the Appraisal Institute, more than 10,000 appraisers have left the industry since 2013, representing a decline of 13 percent in less than a decade. Further, the Department of Labor’s Bureau of Labor Statistics reports that the appraisal profession is more than 97 percent white, and nearly 70 percent male, making appraisers one of the least diverse professions in the country. These data suggest that appraiser qualification criteria may be inadvertently hindering the development of a dynamic, efficient, and diverse appraiser workforce. The PAVE Action Plan calls for the Appraisal Subcommittee (ASC) to directly engage with State appraisal regulatory agencies to raise awareness of unnecessary barriers and collaborate, where possible, to address them.

States perform an important role in the establishment of education and experience criteria for becoming an appraiser. While the Appraiser Qualifications Board (AQB) sets minimum requirements to become a certified or licensed appraiser in *The Real Property Appraiser Qualification Criteria* (AQB Criteria), States may adopt additional requirements for credentialing appraisers that exceed the AQB Criteria under Title XI of Federal Institutions Reform, Recovery, and Enforcement Act. However, these additional requirements may create unnecessary barriers to entry into the appraisal profession. Moreover, States may find that some of their additional requirements are no longer necessary or appropriate. Examples include:

- limiting or not allowing certain types of experience such as mass appraisal or review work
- capping experience on certain property types
- accepting qualifying experience only if the interior and exterior of the property is inspected
- requiring experience be on property located within the State
- requiring education and/or experience within a timeframe that exceeds AQB Criteria
- requiring education that exceeds the AQB Criteria
- prohibiting or limiting amount of distance education

Since the release of the PAVE Action Plan, many industry participants are finding ways to innovate and improve the appraisal profession. In kind, the ASC urges States to commit to proactively

identify and evaluate statutory and regulatory requirements, policies, and procedures that pose additional or unnecessary barriers to entry and may be contributing to appraiser shortages. Each State's ASC Policy Manager is available to assist your agency to support this important PAVE initiative. To further enhance transparency and public awareness, this spring the PAVE Task Force will publish a dashboard on its website that identifies areas where each State's qualification requirements exceed those laid out in the AQB Criteria.

States play an important role in the transformation of the appraisal profession, we thank you for your prompt attention to this matter. We look forward to working with you.



FOR IMMEDIATE RELEASE

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Public Hearing on Appraisal Bias Brings Together Key Stakeholders

Public comments on appraisal bias accepted until February 8

Washington, DC – The Appraisal Subcommittee (ASC) hosted its first ever public Hearing on Appraisal Bias this week, bringing together Federal agencies, experts from across the mortgage lending and appraisal industries, researchers, and consumers to work toward the fair and accurate valuation of homes for all Americans.

“As the Federal agency charged with oversight of the appraisal regulatory system, we have grown increasingly concerned about the stories of bias that have circulated in the national media in the past several years, as well as recent studies on the topic. The ASC is also very concerned about the lack of diversity among appraisers and the excessive barriers to entry that likely deter entry into the profession, particularly for people of color.” ASC’s Executive Director Jim Park said at the Hearing.

“The ASC has made these issues a cornerstone of its work. We are using the authority we have at our disposal to highlight appraisal bias and address the lack of diversity in the profession.”

U.S. Department of Housing and Urban Development (HUD) Secretary Marcia L. Fudge delivered opening remarks. Secretary Fudge noted that the overarching goal of the continued work on appraisal bias remains establishing the kind of change that can help “all families, in all neighborhoods, have a better chance at building generational wealth.”

The Hearing featured witness testimony from Dr. Junia Howell of the University of Illinois Chicago, homeowners Tenisha Tate-Austin and Paul Austin, Michael Fratantoni, Chief Economist, Senior Vice President, Research and Industry Technology of the Mortgage Bankers Association, and Craig Steinley, President of the Appraisal Institute. Witnesses reflected on their professional and personal experiences with appraisal bias and provided suggestions to the assembled panel on how to best address this complex and multifaceted issue.

Representatives from all seven agencies comprising the ASC Board asked questions of the witnesses with a focus on the consumer experience, the barriers to entry in the appraisal profession, and the impact on the market.

“It won’t be easy – and nothing worthwhile ever is – but by working together, I’m hopeful we’ll find solutions to these longstanding problems,” Park said. “No one should have to hide who they are to obtain a credible appraisal that is independent, non-bias and performed in a competent manner.”

Members of the public are invited to share their perspective on and experiences with appraisal industry including appraisal bias, suggestions for data and tools that should be made available to help educate consumers about their rights, and topic ideas for future Public Hearings, by sending written comments to AppraisalBiasHearing@asc.gov until February 8, 2023.

The Appraisal Subcommittee (ASC) oversees the real estate appraisal regulatory framework for federally related transactions. The ASC is a subcommittee of the Federal Financial Institutions Examination Council (FFIEC). Visit asc.gov for more information.

###

First Exposure Draft

Real Property Appraiser Qualifications Criteria

January 31, 2023



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Join the Conversation

Appraisal Qualifications Board Chair Brad Swinney, Vice Chair Jerry Yurek, and Appraisal Foundation Vice President of Appraisal Issues Lisa Desmarais will host a webinar to discuss this Exposure Draft on March 1, 2023, at 2:00 PM ET (11:00 AM PT). Register [here](#) to attend the webinar.

The AQB will also accept verbal comments at its virtual public meeting on Wednesday, March 22, 2023. You may register to attend the virtual meeting by visiting: https://us02web.zoom.us/webinar/register/WN_0Uj_C2CuSW6JL3ps7DfWgQ.

All interested parties are encouraged to comment in writing to the AQB before the deadline of March 13, 2023. Each member of the AQB will thoroughly read and consider all comments.

Send Your Comments by March 13, 2023

This exposure draft begins with rationale for the proposed changes to the *Real Property Appraiser Qualification Criteria (Criteria)*. The rationale is identified as such and does not have line numbering. Where proposed changes to the *Criteria* are noted, the exposure draft contains line numbers. This difference is intended to distinguish those parts that explain the changes to the *Criteria* from the proposed changes themselves.

When commenting on various aspects of the exposure draft, it is very helpful to reference the line numbers, fully explain the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues the AQB should consider.

Unless otherwise noted, where text is proposed to be deleted from the *Criteria*, that text is shown as strikethrough. For example: ~~This is strikethrough text proposed for deletion~~. Text that is proposed to be added to the *Criteria* is underlined. For example: This is text proposed for insertion.

To submit comments, please visit: <https://www.surveymonkey.com/r/AQBComments>

While for ease of processing, we prefer you use the SurveyMonkey for your comments, if you are unable to provide your comments via SurveyMonkey, you may also email AQB@appraisalfoundation.org.

All written comments will be posted for public viewing, exactly as submitted, on the website of The Appraisal Foundation. Names may be redacted upon request. The Appraisal Foundation reserves the right not to post written comments that contain offensive or inappropriate statements.

Introduction

Proposed Changes to the *Real Property Appraiser Qualification Criteria (Criteria)*

In this First Exposure Draft, the AQB is proposing two types of changes to the *Criteria*:

1. Adding Qualifying Education (QE) and Continuing Education (CE) requirements for course work in valuation bias and fair housing laws and regulations.
2. Revising and updating the name of the current *7-Hour National USPAP Update Course*.

Adding Qualifying Education and Continuing Education requirements for course work in valuation bias and fair housing laws and regulations.

Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Appraiser Qualifications Board (AQB) establishes the minimum education, experience, and examination requirements for real property appraisers to obtain a state license or certification as well as Supervisory Appraiser requirements. The AQB regularly solicits and receives comments and suggestions for improving the *Real Property Appraiser Qualification Criteria (Criteria)*.

Concerns relating to discrimination, fair housing law violations and real property appraisals have become important topics across the housing industry and the appraisal profession. While these are complex issues, many of which go beyond the scope of the *Criteria*, a wide range of stakeholders have urged the AQB to require, as part of both an appraiser's qualifying and continuing education, courses on valuation bias and fair housing laws and regulations.

For example, one major stakeholder includes the White House task force known as PAVE (Property Appraisal and Valuation Equity). PAVE issued an action plan in early 2022 that includes recommendations to the AQB to add education on these topics for all credentialed and aspiring appraisers.

Considering this request, and based on feedback from others, the AQB felt it important to reach out to all stakeholders to explore adding these types of requirements to the *Criteria*.

As a first major action item, the AQB held the [Forum to Explore Education Requirements: Fair Housing Laws and Valuation Bias Education \(Forum\)](#) on September 12, 2022. At that forum, the AQB and the public heard from federal agencies, state appraiser regulatory agencies, professional appraiser organizations, education providers, and consumer, civil rights, and fair housing advocacy groups on the topic of requiring valuation bias and fair housing laws and regulations education for real property appraisers.

As a result of the participants on that Forum giving the overwhelming feedback that topics of valuation bias and fair housing laws and regulations should be required education for all appraisers, the AQB then held a working group meeting with state appraiser regulatory agencies, professional appraiser organizations, education providers, appraiser coalitions, and consumer, civil rights, and fair housing advocacy groups to ask questions and receive feedback on what exactly these education requirements should contain.

Based on the comments received at the Forum, in the stakeholder meeting, and other feedback channels, the AQB is issuing the Exposure Draft contained herein.

Revising and updating the name of the current *7-Hour National USPAP Update Course* and the *7-Hour Instructor Recertification Course*.

The AQB is also proposing to update the name of the *7-Hour National USPAP Update Course* to “*7-Hour National USPAP Continuing Education Course*.” The AQB is also proposing the removal of the “7-Hour” from the title of the *7-Hour Instructor Recertification Course*. The proposed change better reflects the purpose and content of the course.

Timing of Proposed Changes

For the purpose of this First Exposure Draft, these changes assume a new *Criteria* (where these proposed changes to be adopted at the public meeting on March 22, 2023) would become effective January 1, 2025.

It is necessary to allow sufficient lead time to state regulatory agencies when increases in the minimum *Criteria* are adopted, as each state has different regulatory processes, some taking over one year to complete. Sufficient lead time gives states the time needed to implement these types of *Criteria* changes. However, states can implement these changes prior to the effective date of the *Criteria* if they so choose.

On behalf of the AQB, thank you for taking time to review and respond to this exposure draft.

If you have any questions, please contact the Board at AQB@appraisalfoundation.org.

Brad Swinney
Chair, Appraiser Qualifications Board

Proposed Revision to Continuing Education (CE) Requirements

Rationale

Addition of Valuation Bias and Fair Housing Laws and Regulations

Overview of Proposed Changes

The AQB is proposing to revise the current continuing education requirements. The proposal is to require more of the existing continuing education hours to meet specific content requirements.

Currently for an appraiser seeking to keep their license or certification current, two of the continuing education requirements in the *Criteria* are as follows:

Appraisers must successfully complete the 7-Hour National USPAP Update Course, or its AQB-approved equivalent, every two calendar years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.

The equivalent of fourteen (14) class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.

In other words, every two-year continuing education cycle currently requires twenty-eight hours of continuing education, of which seven hours must be accumulated from taking the *7-Hour National USPAP Update Course*. These currently allow the appraiser to choose how they wish to fill the other twenty-one hours of required continuing education. The AQB is proposing to require a portion of those twenty-one hours be allocated to a valuation bias and fair housing laws and regulations course.

Explanation of Proposed Changes

The AQB concurred with the stakeholder feedback to have two distinct (or mutually exclusive) continuing education requirements for valuation bias and fair housing laws and regulations education.

1. A period with a specified end date where all licensed or certified appraisers would take a 7-hour course covering valuation bias and fair housing laws and regulations in-depth.
2. After this time period has ended, then for every two-year continuation education cycle, the credentialed appraiser would complete a refresher 4-hour course covering valuation bias and fair housing laws and regulations.

The goal of this proposed change is to provide in-depth and detailed education for all credentialed appraisers on the topics of valuation bias and fair housing laws and regulations, with content that matches what is expected in a qualifying education course. Once the appraiser has completed the initial course and gained core knowledge of these topics, they will, as is done with other topics, complete a refresher course during every two-year continuing education cycle.

For the 7-hour course, this length of time is enough time to cover the content (in detail) as outlined later in this exposure draft, and, for the 4-hour course, four hours is appropriate to cover the same content in a way that is suitable for a refresher course. The number of hours chosen for each course (the initial 7-hour course and the ongoing 4-hour course) are based on existing requirements from several states' appraiser regulatory agencies, and from the actions and input of individuals from other professions, who are education providers and who are interested stakeholders.

Implementation Period

The AQB believes it is prudent with respect to public trust in appraisal practice, all currently credentialed appraisers complete this proposed training as quickly as is reasonably possible, while taking in to account the natural constraints and differing operations of 50 states and 5 territories. These constraints include the need to allow state appraiser regulatory agencies ample time to make any necessary revisions to their laws or regulations in advance of the effective date (for example, some states meet every other year for rulemaking).

The core goal is to ensure every appraiser (new and existing), completes an initial fair housing course as soon as possible. The AQB aim is to accomplish this effort without waiting up to multiple years, given the reality appraisers are all in different phases of their CE cycles and QE processes.

For illustration purposes, a simplified summary of the proposed requirements, are noted here:

- **Aspiring appraisers:** The 8-hour* course must become part of the required QE for aspiring appraisers no later than January 1, 2025.
- **Credentialed appraisers:** Must complete the 7-hour* course by December 31, 2025.
- **All appraisers:** Must complete the 4-hour course as part of each ongoing two-year continuing education cycle starting January 1, 2026.

*The only difference between the 7-hour course and the 8-hour course is the 8-hour course includes a required one-hour exam. Therefore, the 8-hour course is the same identical content as the 7-hour course, with one extra hour added to allow for an exam to be administered.

Name Change of 7-Hour National USPAP Update Course

The first AQB approved *7-Hour National USPAP Update Course* became available on January 1, 2003, and was the result of the AQB concluding, after receiving stakeholder feedback, that there be a requirement for appraisers to have ongoing continuing education in the professional ethical and competency standards of USPAP.

The purpose of the course has always been to provide ongoing education on the principles and requirements of USPAP and to present and explain any updates made from one edition to another. To better reflect the intent and objectives of the course, the AQB is proposing to change the name of the course to *7-Hour National USPAP Continuing Education Course*.

Name Change of 7-Hour Instructor Recertification Course

Under section III.F.12 of the *Criteria*, the AQB is proposing the removal of “7-Hour” from the title of the “*7-Hour Instructor Recertification Course*”. The course has evolved over the years and is currently often fewer than 7-hours in length. Originally, when the course was only held in-person, it was a 7-hour course. However, when the course moved to being only an asynchronous course, it is became less than 7-hours in length. The goal of the course is to keep instructors up to date so they can continue to be qualified to teach USPAP course, which is often accomplished in less than 7-hours. Removing the words “7-Hour” from the title more accurately reflects what the course is, and that the number of hours is not a key objective of the course.

Name Change of Valuation Bias, Fair Housing, and/or Equal Opportunity as an Allowable Continuing Education Topic

The AQB is proposing a name change to item F. 3. f. from “valuation bias, fair housing, and/or equal opportunity” to “valuation bias and fair housing laws and regulations.” The change of title is to ensure consistency with the new proposed course.

Proposed Changes

For ease of reference, the proposed changes found below (on the following pages) relate to requirements found on pages 10 and 11 of the *Real Property Appraiser Qualification Criteria* currently in effect.

- III. Generic Education Criteria - Criteria Specific to Continuing Education
 - Item III.F.

The current *Real Property Qualification Criteria* can be found here:

<https://appraisalfoundation.sharefile.com/share/view/s63f99dc2b9f241e0b3fd1645f7b63680>

CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

III. Generic Education Criteria

F. *Criteria* Specific to Continuing Education

1. The purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising.

Aside from complying with the requirements to complete the *7-Hour National USPAP Update Continuing Education Course*, or its equivalent, appraisers may not receive credit for completion of the same continuing education course offering within the same continuing education cycle.

2. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.
3. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover real property related appraisal topics, including, but not limited to:
 - a. Ad valorem taxation;
 - b. Arbitration, dispute resolution;
 - c. Courses related to the practice of real estate appraisal or consulting;
 - d. Development cost estimating;
 - e. Ethics and standards of professional practice, USPAP;
 - f. Valuation bias, and fair housing laws and regulations, and/or equal opportunity;
 - g. Land use planning, zoning;
 - h. Management, leasing, timesharing;
 - i. Property development, partial interests;
 - j. Real estate law, easements, and legal interests;
 - k. Real estate litigation, damages, condemnation;
 - l. Real estate financing and investment;
 - m. Real estate appraisal-related computer applications;
 - n. Real estate securities and syndication;
 - o. Developing opinions of real property value in appraisals that also include personal property and/or business value;
 - p. Seller concessions and impact on value; and/or
 - q. Energy-efficient items and “green building” appraisals.

- 35 4. Up to one half of an individual’s continuing education requirement may
 36 also be granted for participation, other than as a student, in appraisal
 37 educational processes and programs. Examples of activities for which
 38 credit may be granted are teaching, program development, authorship of
 39 textbooks, or similar activities that are determined to be equivalent to
 40 obtaining continuing education. Credit for instructing any given course or
 41 seminar can only be awarded once during a continuing education cycle.
- 42 5. Educational offerings taken by an individual in order to fulfill the class hour
 43 requirement for a different classification than his/her current classification
 44 may be simultaneously counted towards the continuing education
 45 requirement of his/her current classification.
- 46 6. In addition to the generic requirements described in III.D., asynchronous
 47 distance education courses intended for use as continuing education must
 48 include at least one of the following:
- 49 a. A written examination proctored by an official approved by the
 50 college or university, or by the sponsoring organization. Remote
 51 proctoring, including bio-metric procedures as noted in III E. 7.
 52 above, is acceptable. The term “written” as used herein refers to
 53 an exam that might be written on paper, or administered
 54 electronically on a computer workstation or other device. Oral
 55 exams are not acceptable; or
- 56 b. Successful completion of prescribed course mechanisms required
 57 to demonstrate knowledge of the subject matter.
- 58 7. Real estate appraisal-related field trips may be acceptable for credit
 59 toward the continuing education requirements. However, transit time to or
 60 from the field trip may not be included when awarding credit unless
 61 instruction occurs during said transit time.
- 62 8. Appraisers must successfully complete the *7-Hour National USPAP*
 63 *Update Continuing Education Course*, or its AQB-approved equivalent,
 64 every two-calendar-years. Equivalency shall be determined through the
 65 AQB Course Approval Program or by an alternate method established by
 66 the AQB.
- 67 9. Individuals who are credentialed in more than one jurisdiction shall not
 68 have to take more than one *7-Hour National USPAP Update Continuing*
 69 *Education Course* within a two-calendar-year period for the purposes of
 70 meeting *AQB Criteria*.

71 10. USPAP continuing education credit shall only be awarded when the
 72 course is instructed by at least one AQB Certified USPAP Instructor who
 73 is also a state certified appraiser in good standing.

74 11. A credentialed appraiser must have completed a 7-hour course which
 75 meets the content requirements of the Valuation Bias and Fair Housing
 76 Laws and Regulations Outline by December 31, 2025.

77 Starting January 1, 2026, as part of each ongoing two-year continuing
 78 education cycle, a credentialed appraiser must complete a 4-hour course
 79 that meets the content requirements of the Valuation Bias and Fair
 80 Housing Laws and Regulations Outline.

81 ~~12.11.~~ The equivalent of fourteen (14) class hours of instruction in courses or
 82 seminars for each year during the period preceding the renewal is
 83 required. For example, a two-year continuing education cycle would
 84 require twenty-eight hours. The class hour requirement can be fulfilled at
 85 any time during the cycle.

86 ~~13.12.~~ AQB Certified USPAP Instructors successfully completing an *7-Hour*
 87 *Instructor Recertification Course* and exam (if required) within their current
 88 continuing education cycle have satisfied the *7-Hour National USPAP*
 89 *Update Continuing Education Course* continuing education requirement.

90 ~~14.13.~~ State appraiser regulatory agencies with the appropriate authority to
 91 do so may place a credential holder in an “inactive status” in the event the
 92 state determines a deficiency in continuing education was due to
 93 extenuating circumstances.

94 Prior to reactivation, credential holders in an inactive status must complete
 95 all required continuing education hours that would have been required if
 96 the credential holder was in an active status. The required hours must also
 97 include the most recent edition of a *7-Hour National USPAP Update*
 98 *Continuing Education Course* (or its AQB-approved equivalent).

99 Waivers may not be granted to credential holders who have failed to meet
 100 the continuing education requirements.

101 Deferrals may not be granted to credential holders, except in the case of
 102 individuals returning from active military duty, or individuals impacted by a
 103 state- or federally-declared disaster. State appraiser regulatory agencies
 104 may allow credential holders returning from active military duty to be
 105 placed in active status for a period of up to 90 days pending completion of
 106 all continuing education requirements. State appraiser regulatory agencies
 107 may allow credential holders impacted by a state- or federally-declared

108 disaster that occurs within 90 days prior to the end of the continuing
 109 education cycle to remain (or be placed in) active status for a period of up
 110 to 90 days after the end of the credential holder’s continuing education
 111 cycle, pending completion of all continuing education requirements.

112 **15.14.** Credentialed appraisers are required to complete continuing education
 113 for a partial year in a continuing education cycle as follows:

114 For continuing education cycle periods of 185 days or more, 14 hours of
 115 continuing education is required.

116 For continuing education cycle periods of less than 185 days, no hours of
 117 continuing education are required.

118 **Example #1:** A credential issued on August 15 that expires on December
 119 31 of the same year would not require any continuing education hours for
 120 that year.

121 **Example #2:** A credential issued on May 15 that expires on December 31
 122 of the same year would require 14 continuing education hours for that
 123 year.

124 **Example #3:** A credential issued on August 15 that expires on December
 125 31 of the following year would require 14 hours of continuing education to
 126 renew.

127 **16.15.** State appraiser regulatory agencies may award continuing education
 128 credit to credentialed appraisers who attend a state appraiser regulatory
 129 agency meeting, under the following conditions:

130 a. Credit may be awarded for a single state appraiser regulatory
 131 agency meeting per continuing education cycle. The meeting
 132 must be open to the public and must be a minimum of two (2)
 133 hours in length. The total credit cannot exceed seven (7) hours;
 134 and

135 b. The state appraiser regulatory agency must ensure that the
 136 credentialed appraiser attends the meeting for the required period
 137 of time.

Proposed Addition to Qualifying Education (QE) Requirements

Rationale

Summary of Proposed Changes

The AQB is proposing to add an additional course requirement to the list of required qualifying education courses for each appraisal classification (Trainee, Licensed Residential, Certified Residential and Certified General). This core course will provide a baseline of knowledge for all appraisers on the topics of valuation bias and fair housing laws and regulations. The 8-hour Valuation Bias and Fair Housing Laws and Regulations course must be part of the required QE for aspiring appraisers no later than **January 1, 2025**.

The proposal is to add a requirement, as part of qualifying education, to successfully complete an 8-hour (i.e., 7-hours of instruction plus a 1-hour exam) course in valuation bias and fair housing laws and regulations.

Explanation of Proposed Changes

There are multiple areas of the *Criteria* this proposed change impacts. This includes needing to propose a change to requirement III.E.3:

Class hours may be obtained only where the minimum length of the educational offering is at least 15 hours.

In addition to a change being needed to reflect the allowance of the required valuation bias and fair housing laws and regulations course to be eight-hours (including the exam) in length, changes are needed to the qualifying education requirements for each classification.

Thus, while only one requirement is changing (an eight-hour course is being added to all qualifying education requirements), this results in multiple areas of the *Criteria* needing to be edited to reflect the proposed change, and the total hours required increasing for the Trainee classification and for the Licensed Residential credential.

For the Certified Residential and the Certified General qualifying education (QE) requirements, it was possible to propose adding the valuation bias and fair housing laws and regulations course without increasing the total number of QE hours. This was possible because the AQB is proposing to reduce the total number of required elective hours accordingly.

Proposed Changes

For ease of reference, the proposed changes found below (on the following pages) relate to requirements you can find on the following pages of the *Real Property Appraiser Qualification Criteria* currently in effect.

- QE courses needing to be 15 hours in length
 - Page 10, item III.E.3
- Licensed Residential Appraiser Real Property Appraiser
 - Page 17, item III.B
- Certified Residential Real Property Appraiser
 - Page 21, item III.E
 - Page 21, item III.F
- Certified General Real Property Appraiser
 - Page 24, item III.D
 - Page 24, item III.E

Thus, if the proposed changes are adopted the above sections will have edits to reflect the new requirements.

The current *Real Property Qualification Criteria* can be found here:

<https://appraisalfoundation.sharefile.com/share/view/s63f99dc2b9f241e0b3fd1645f7b63680>

CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

III. Generic Education Criteria

- 138 E. *Criteria* Specific to Qualifying Education
- 139 3. Class hours may be obtained only where:
- 140 i. the minimum length of the educational offering is at least 15 hours
- 141 (except for the 8-hour course on Valuation Bias and Fair Housing
- 142 Laws and Regulations); and
- 143 ii. the individual successfully completes a proctored, closed-book final
- 144 examination pertinent to that educational offering.

TRAINEE REAL PROPERTY APPRAISER

III. Qualifying Education

- 145 A. As the prerequisite for application, an applicant must have completed ~~seventy-~~
 146 ~~five (75)~~ eighty-three (83) hours of qualifying education as specified in the
 147 *Required Core Curriculum*. Additionally, applicants must pass the course
 148 examinations and pass the *15-Hour National USPAP Course* (or its AQB-
 149 approved equivalent) and examination as part of the ~~75~~ 83 hours. All qualifying
 150 education must be completed within the five (5) year period immediately
 151 preceding the date of application for a Trainee Appraiser credential.

V. Training

- 152 F. Trainee Appraisers shall be required to complete a course that, at minimum,
 153 complies with the specifications for course content established by the AQB,
 154 which is specifically oriented to the requirements and responsibilities of
 155 Supervisory Appraisers and Trainee Appraisers. The course must be completed
 156 by the Trainee Appraiser prior to obtaining a Trainee Appraiser credential from
 157 the individual credentialing jurisdiction. Further, the Trainee Appraiser course is
 158 not eligible towards the ~~75~~ 83 hours of qualifying education required. Please refer
 159 to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline
 160 in this booklet for more information.

LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

II. Examination

- 161 A. The AQB-approved Licensed Residential Real Property Appraiser examination
 162 must be successfully completed. The only alternative to successful completion of
 163 the Licensed Residential examination is the successful completion of the
 164 Certified Residential or Certified General examination.
 165 B. The prerequisites for taking the AQB-approved examination are completion of:
 166 1. One hundred fifty ~~eight~~ (1508) creditable class hours as specified in the
 167 *Required Core Curriculum*; and
 168 2. One thousand (1,000) hours of qualifying experience in no fewer than six
 169 (6) months.

III. Qualifying Education

- 170 A. The Licensed Residential Real Property Appraiser classification requires
 171 completion of one hundred fifty ~~eight~~ (1508) creditable class hours as specified in
 172 the *Required Core Curriculum*. As part of the 1508 required hours, the applicant
 173 shall successfully complete the *15-Hour National USPAP Course*, or its AQB-
 174 approved equivalent, and successfully pass the examination. There is no
 175 alternative to successful completion of the USPAP Course and examination.

CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

III. Qualifying Education

176	E. Appraisers holding a valid Trainee Appraiser credential may satisfy the	
177	educational requirements for the Certified Residential Real Property Appraiser	
178	credential by successfully completing the following additional educational hours:	
179	1. Residential Market Analysis and Highest and Best Use	15 Hours
180	2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
181	3. Residential Sales Comparison and Income Approaches	30 Hours
182	4. Residential Report Writing and Case Studies	15 Hours
183	5. Statistics, Modeling and Finance	15 Hours
184	6. Advanced Residential Applications and Case Studies	15 Hours
185	7. Appraisal Subject Matter Electives	<u>20</u> 42 Hours
186	TOTAL	125 Hours
187	F. Appraisers holding a valid Licensed Residential Real Property Appraiser	
188	credential may satisfy the educational requirements for the Certified Residential	
189	Real Property Appraiser credential by successfully completing the following	
190	additional educational hours:	
191	1. Statistics, Modeling, and Finance	15 Hours
192	2. Advanced Residential Applications and Case Studies	15 Hours
193	3. Appraisal Subject Matter Electives	<u>20</u> 42 Hours
194	TOTAL	50 Hours

CERTIFIED GENERAL REAL PROPERTY APPRAISER

III. Qualifying Education

195	D. Appraisers holding a valid Trainee Appraiser credential may satisfy the	
196	educational requirements for the Certified General Real Property Appraiser	
197	credential by successfully completing the following additional educational hours:	
198	1. General Appraiser Market Analysis and Highest and Best Use	15 Hours
199	2. Statistics, Modeling and Finance	15 Hours
200	3. General Appraiser Sales Comparison Approach	30 Hours
201	4. General Appraiser Site Valuation and Cost Approach	30 Hours
202	5. General Appraiser Income Approach	60 Hours
203	6. General Appraiser Report Writing and Case Studies	30 Hours
204	7. Appraisal Subject Matter Electives	<u>30</u> 22 Hours
205	TOTAL	225 Hours
206	E. Appraisers holding a valid Licensed Residential Real Property Appraiser	
207	credential may satisfy the educational requirements for the Certified General	

208	Real Property Appraiser credential by successfully completing the following	
209	additional educational hours:	
210	1. General Appraiser Market Analysis and Highest and Best Use	15 Hours
211	2. Statistics, Modeling and Finance	15 Hours
212	3. General Appraiser Sales Comparison Approach	15 Hours
213	4. General Appraiser Site Valuation and Cost Approach	15 Hours
214	5. General Appraiser Income Approach	45 Hours
215	6. General Appraiser Report Writing and Case Studies	15 Hours
216	7. Appraisal Subject Matter Electives	22 <u>30</u> Hours
217	TOTAL	150 Hours

REQUIRED CORE CURRICULUM

TRAINEE APPRAISER	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
<u>VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS</u>	<u>8 HOURS</u>
<i>15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)</i>	15 HOURS
TOTAL	75 83 HOURS

LICENSED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
<u>VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS</u>	<u>8 HOURS</u>
<i>15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)</i>	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
TOTAL	150 158 HOURS

CERTIFIED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
<u>VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS</u>	<u>8 HOURS</u>
<i>15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)</i>	15 HOURS
RESIDENTIAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES	15 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	20 <u>12</u> HOURS
TOTAL	200 HOURS

CERTIFIED GENERAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
<u>VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS</u>	<u>8 HOURS</u>
15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)	15 HOURS
GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE	30 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
GENERAL APPRAISER SITE VALUATION AND COST APPROACH	30 HOURS
GENERAL APPRAISER SALES COMPARISON APPROACH	30 HOURS
GENERAL APPRAISER INCOME APPROACH	60 HOURS
GENERAL APPRAISER REPORT WRITING AND CASE STUDIES	30 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	30 <u>22</u> HOURS
TOTAL	300 HOURS

Proposed Valuation Bias and Fair Housing Course Outline

Rationale

The AQB received positive stakeholder feedback in support of proposing a content outline for the Valuation Bias and Fair Housing Course in the *Criteria*.

The panelists at the AQB's *Forum to Explore Education Requirements: Fair Housing Laws and Valuation Bias Education* (Forum) provided written answers to one of the AQB questions to list the required topics for the course. The AQB received and reviewed the extensive list of topics for the course content.

The AQB reviewed current course content outlines available on this topic for their required content from various state agencies and education providers. The AQB also received comments from stakeholders at various meetings and speaking engagements such as The Appraisal Foundation Advisory Council, Industry Advisory Council, and Association of Appraiser Regulatory Officials.

The AQB asked for greater feedback from the pre-exposure draft working group. The working group's comments further refined the required content outline.

Lastly, the AQB received advice from fair housing attorneys on the required content outline.

The goal of this proposed outline is to provide high-quality consistent/uniform education for all appraisers on the topics of valuation bias and fair housing laws and regulations.

VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS COURSE OUTLINE

218 The course must contain information to ensure the appraiser understands valuation bias
 219 and fair housing laws and regulations related issues. The same outline is required for
 220 the seven-hour course, the eight-hour course (which is the seven-hour course plus a
 221 one-hour exam) and the four-hour course.

222 However, the four-hour course will have less content on the topics of “Understanding
 223 Real Estate Bias” and “Federal Fair Housing Laws and Regulations”, and more content
 224 on “Valuation Bias” and “Case Studies.”

225 Education developers must include the topics contained in the following outline when
 226 creating course content:

A. Understanding Real Estate Bias

1. Historical Context

- a. Role of the following: real estate agents, insurance, appraisers, lenders, Government Sponsored Enterprises, federal, state, and local agencies, legislation
- b. Redlining
- c. Restrictive Covenants
- d. Court Rulings

2. Contemporary Context

- a. Economic Impact of Property Value Disparities for Protected Classes
- b. Public Conversation Regarding Valuation Bias
- c. Recent Cases and Developments

B. Federal Fair Housing and Antidiscrimination Laws and Regulations

- 1. Civil Rights Act of 1866 (Section 1981 and Section 1982)
- 2. Fair Housing Act
- 3. Equal Credit Opportunity Act (ECOA)
- 4. Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)
- 5. Unfair and Deceptive Acts and Practices (UDAP)
- 6. Unfair, Deceptive or Abusive Acts and Practices (UDAAP)

C. Valuation Bias

- 1. Components of Valuation Bias
 - a. Explicit
 - b. Implicit
 - c. Structural
- 2. Recognizing and Avoiding Valuation Bias

D. Case Studies

- 1. Current Valuation Bias Topics
- 2. Best Practices for Avoiding Valuation Bias

Proposed Change to Guide Note

Rationale

Addition of a Course Outline to GN-1

Assuming the above changes are adopted, Guide Note 1 will need to be updated to reflect those changes for consistency.

Guide Notes consist of guidance only and therefore do not contain any *Criteria* requirements. The edits to Guide Note 1 will consist of adding a high-level required content outline in a format that is consistent with how the Guide Note is formatted.

Therefore, the outline in the Guide Note for the Valuation Bias and Fair Housing Laws and Regulations Course Outline is necessarily more abbreviated than it appears in the *Criteria*. The *Criteria* contains the full requirement to be met, and the Guide Note contains a condensed outline which is consistent with the formatting of Guide Note 1.

AQB GUIDE NOTE 1 (GN-1)

256	I. BASIC APPRAISAL PRINCIPLES (required for the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General classifications)
257	
258	<i>30 HOURS</i>
259	A. Real Property Concepts and Characteristics
260	1. Basic Real Property Concepts
261	2. Real Property Characteristics
262	3. Legal Description
263	B. Legal Considerations
264	1. Forms of Ownership
265	2. Public and Private Controls
266	3. Real Estate Contracts
267	4. Leases
268	C. Influences on Real Estate Values
269	1. Governmental
270	2. Economic
271	3. Social
272	4. Environmental, Geographic, and Physical
273	D. Types of Value
274	1. Market Value
275	2. Other Value Types
276	E. Economic Principles
277	1. Classic Economic Principles
278	2. Application and Illustrations of the Economic Principles
279	F. Overview of Real Estate Markets and Analysis
280	1. Market Fundamentals, Characteristics, and Definitions
281	2. Supply Analysis
282	3. Demand Analysis
283	4. Use of Market Analysis
284	G. Ethics and How They Apply in Appraisal Theory and Practice
285	H. Valuation Bias, <u>and</u> Fair Housing <u>Laws and Regulations, and/or Equal</u>
286	<u>Opportunity</u>
287	II. BASIC APPRAISAL PROCEDURES (required for the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General classifications)
288	

289 30 HOURS

290 A. Overview of Approaches to Value

291 B. Valuation Procedures

292 1. Defining the Problem

293 2. Collecting and Selecting Data

294 3. Analyzing

295 4. Reconciling and Final Value Opinion

296 5. Communicating the Appraisal

297 C. Property Description

298 1. Geographic Characteristics of the Land/Site

299 2. Geologic Characteristics of the Land/Site

300 3. Location and Neighborhood Characteristics

301 4. Land/Site Considerations for Highest and Best Use

302 5. Improvements - Architectural Styles and Types of Construction

303 6. Special Energy-Efficient Characteristics of the Improvements

304 D. Residential or General Applications

305 **III. VALUATION BIAS AND/OR FAIR HOUSING LAWS AND REGULATIONS**

306 **(required for the Trainee Appraiser, Licensed Residential, Certified Residential,**

307 **and Certified General classifications)**

308 **8 HOURS**

309 A. Understanding Real Estate Bias

310 1. Historical Context

311 2. Contemporary Context

312 B. Federal Fair Housing and Antidiscrimination Laws and Regulations

313 1. Civil Rights Act of 1866 (Section 1981 and Section 1982)

314 2. Fair Housing Act

315 3. Equal Credit Opportunity Act (ECOA)

316 4. Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)

317 5. Unfair and Deceptive Acts and Practices (UDAP)

318 6. Unfair, Deceptive or Abusive Acts and Practices (UDAAP)

319 C. Valuation Bias

320 1. Components of Valuation Bias

321 2. Recognizing and Avoiding Valuation Bias

322 D. Case Studies

323 1. Current Valuation Bias Topics

324 2. Best Practices for Avoiding Valuation Bias

NEWSLETTER



Dear Tyler,

One of our New Year's resolutions at The Appraisal Foundation is to share more with you about the day-to-day work of our boards, panels and staff. There's a lot that goes into putting together an exposure draft, a public meeting or even attending a speaking event. This year, I plan to use this newsletter to share more with you about the work that goes on beyond your Zoom screen.

Appraisal bias is undoubtedly the most critical issue facing the appraisal profession right now. As the group responsible for writing the standards and qualifications for the appraisal profession, you've heard a lot from me about the ASB's work on the Ethics Rule and the AQB's work to add fair housing and valuation bias to education requirements. You've also heard about the formation of the Council to Advance Residential Equity and the Board of Trustees' work to address diversity, equity and inclusion here at the Foundation.

But I want to take this opportunity to talk about another way staff and trustees are working to address the serious issues facing the appraisal profession: listening.

To kick off this year, the Board of Trustees Executive Committee held their first organizational meeting. The Executive Committee used this time to hear directly from important stakeholders in the appraisal profession. Groups ranging from consumer organizations to users of appraisal services and appraisal membership organizations shared their candid thoughts about what can be done to uphold public trust in the appraisal profession. These conversations were so invaluable that the Executive Committee decided to expand its efforts to cover even more stakeholders from across the profession. The Committee's hope is that the topics covered in these meetings will help guide the work of the Board of Trustees this year and strengthen the profession.

The Board of Trustees is also working to take this listening tour on the road. They are welcoming any opportunity to share more about The Appraisal Foundation and the appraisal profession with

In This Newsletter

From the President's Desk:

Applications for the Board of Trustees

Fourth Exposure Draft

AQB Releases First Exposure Draft of Proposed Changes to the Criteria

Additional Updates from the AQB

Appraiser Talk

Upcoming Events

Feb. 3: Fourth ED comment deadline

Feb. 16: [ASB Public Meeting](#)

Mar. 1: Deadline to apply to BOT

Mar. 22: [AQB Public Meeting](#)

Contact Us

T 202-347-7722

info@appraisalfoundation.org

www.appraisalfoundation.org

stakeholders and policy professionals around the country. If you have an event or conference that you think the Board of Trustees should know about and attend, please let us know.

On a personal note, I had the opportunity to attend a screening of the ABC documentary "Our America: Lowballed" at the Brookings Institute with Foundation Trustee Jillian White who is featured in the film. It was gut-wrenching to hear stories from Black and brown families who have had to whitewash their homes in the face of appraisal bias. The differences in the appraisals they received were appalling. There is so much work that remains to be done on the issue of appraisal bias.

Sincerely,

Dave Bunton
President

Applications for the Board of Trustees are now open

Applications to apply to join the Board of Trustees are now open. This year, there are five public interest seats the Board is looking to fill, including seats designated for a consumer representative, academic, and a state licensed or certified appraiser not affiliated with an Appraisal Sponsor of the Foundation. This Board plays a critical role in the management of The Appraisal Foundation and makes possible the work of the two independent boards responsible for writing standards and qualifications for the appraisal profession.

The Board of Trustees is committed to reflecting the diversity of the United States. As part of this effort, last year the Trustee Nominating Committee introduced a new process for evaluating candidates which includes blind scoring and other best practices recommended by an outside diversity, equity and inclusion consultant. This process will be used once again this year and will continue to be evaluated to ensure it is promoting diversity, equity and inclusion.

The application and fact sheet can be found [here](#), and the deadline for applications is March 1, 2023. Please don't hesitate to reach out to Boards and Councils Program Manager Arika James should you have any questions. Her email address is arika@appraisalfoundation.org.

Don't forget to submit a public comment on the Fourth Exposure Draft

The public comment deadline on the Fourth Exposure Draft of proposed changes to USPAP is fast approaching. Don't forget to submit your comments by the February 3rd deadline, and be sure to [join the ASB's next public meeting on February 16th](#). Here are some important links and dates relating to the Fourth Exposure Draft:

- [Read](#) the Fourth Exposure Draft
- [Submit a public comment](#) here by February 3rd.

Follow Us



Share this Newsletter

Click [here](#) to get a shareable link of this month's newsletter to share on social media.

- [Watch the webinar](#) discussing the Fourth Exposure Draft.

AQB releases First Exposure Draft of proposed changes to the Criteria

The AQB has released the First Exposure Draft of proposed changes to the *Real Property Appraiser Qualification Criteria*. These proposed changes would make fair housing a required component of an appraiser's qualifying and continuing education. Here are some important links:

- [Read the First Exposure Draft](#)
- [Leave a public comment by March 13th](#)
- [Join the March 1st webinar](#)

Additional Updates from the AQB

On January 10, 2023, the AQB released two new Q&As and a compilation of all Q&As, which can be found below:

- [Mass Appraisal Experience & Supervisory Signature](#)
- [Can Licensed Appraisers Be Supervisors](#)
- [Additional Criteria Q&As](#), effective January 10, 2023

The AQB also approved the following degree through the Real Estate Degree Review Program:

- Penn State University's Master of Real Estate in Real Estate Analysis and Development

Appraiser Talk

Stay up to date on Appraiser Talk!

You can check out all episodes [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.

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.

PRESS RELEASE



The Appraisal Foundation Opens Applications for Board of Trustees

The Appraisal Foundation announced today that it is seeking qualified candidates to fill five at-large trustee positions for its governing body, the Board of Trustees. These five at-large openings include seats designated for a consumer representative, academic, and a state licensed or certified appraiser not affiliated with an Appraisal Sponsor of the Foundation. The individuals elected will serve three-year terms beginning on January 1, 2024.

“The work of The Appraisal Foundation’s independent boards would not be possible without the skillful guidance of the Board of Trustees,” said David Bunton, president of The Appraisal Foundation. “This is an opportunity for stakeholders from every corner of the appraisal profession to shape the future of the Foundation and the profession to uphold public trust in a rapidly changing world.”

The Board of Trustees provides financial support and oversight to the Foundation’s two independent boards, the Appraiser Qualifications Board and the Appraisal Standards Board. The Board meets twice a year. Trustees are reimbursed for these travel expenses, but they are not compensated for their time.

The Board of Trustees includes individuals from all appraisal disciplines, users of appraisal services, former appraiser regulators, academics, business leaders, as well as community and consumer advocates. The Appraisal Foundation believes that diversity enhances the quality of its boards. When evaluating candidates, the Trustee Nominating Committee will seek to choose qualified candidates who contribute to creating a diverse Board that is reflective of the United States.

Completed applications for Board vacancies must be received by **March 1, 2023**. Please contact Board and Councils Program Manager Arika James at 202.624.3072

or via email at arika@appraisalfoundation.org with any questions about the application process.

Apply



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 that 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
1155 15th Street NW STE 1111
Washington, DC 20005





Appraiser Qualifications Board Q&A

Issue Date: January 3, 2023

MASS APPRAISAL EXPERIENCE & SUPERVISORY SIGNATURE

Question:

I work at an assessor's office and am working towards earning a real property appraiser credential, does the *Criteria* require my appraisal experience log, which will contain only experience gained by completing mass appraisal work, to include the signature of a supervising appraiser?

Answer:

While the *Criteria* allows experience completed in compliance with USPAP Standards 5 and 6 to qualify as verifiable experience, the *Criteria* does not require all appraisal experience logs to have a supervisory signature. The *Criteria* requires a Supervisory Appraiser's signature in an appraisal experience log when an individual has a state-issued trainee credential (and thus is, as defined in the *Criteria*, a "Trainee Appraiser") and that trainee has met the requirement to complete their work under the direct supervision of one (or more) Supervisory Appraiser(s). Thus, if you are **not** a Trainee Appraiser with a Supervisory Appraiser, the supervising appraiser signature requirement under V.H.6. does not apply to you (bold added for emphasis):

Criteria Applicable to all Appraiser Classifications - V. Generic Experience Criteria

H. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:

- 1. Type of property;*
- 2. Date of report;*
- 3. Address of appraised property;*
- 4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;*
- 5. Number of actual work hours by the trainee/applicant on the assignment; and*
- 6. The **signature** and state certification number of the **supervising appraiser**, if applicable. Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.*

As some states may have requirements that exceed AQB *Criteria*, it is important to check with your state appraiser regulatory agency.



The Appraisal
FOUNDATION

Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications

APPRAISER QUALIFICATIONS BOARD

Appraiser Qualifications Board Q&A

Issue Date: January 10, 2023

CAN LICENSED APPRAISERS BE SUPERVISORS

Question:

I have been a Licensed Appraiser for five years and am interested in becoming a Supervisory Appraiser. Am I eligible to become a Supervisory Appraiser at this time?

Answer:

An individual with only a Licensed Residential credential is not eligible to become a Supervisory Appraiser. According to the *Criteria*, one of the requirements for a Supervisory Appraiser is they “shall be state-certified and in ‘good standing’ for a period of at least (3) years prior to being eligible...” Therefore, the appraiser must be “state-certified,” meaning credentialed as a Certified Residential or Certified General for a period of three years before supervising.



Authorized by Congress as the Source of Appraisal Standards and Appraiser Qualifications

APPRAISER QUALIFICATIONS BOARD

Appraisal Qualifications Board (AQB) Real Property Appraiser Qualification Criteria Q&As

Effective January 10, 2023

The Appraiser Qualifications Board (AQB) of The Appraisal Foundation establishes the minimum education, experience, and examination requirements for real property appraisers to obtain a state license or certification. The AQB Q&As are a form of guidance issued by the AQB to respond to questions raised by appraisers, enforcement officials, users of appraisal services, and the public to illustrate the applicability of the [Real Property Appraiser Qualification Criteria \(Criteria\)](#) and Interpretations of the Criteria in specific situations and to offer advice from the AQB for the resolution of appraisal issues and problems. The AQB Q&As may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. AQB Q&As do not establish new Criteria. AQB Q&As are not part of the Criteria. AQB Q&As are approved by the AQB without public exposure and comment.

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Implementation of 2022 *Criteria*

Appraisers

I am a credentialed appraiser in State A, and am moving to State B. State A adopted the May 2018 *Criteria* but State B did not, and will not grant me a reciprocal credential. Does the AQB consider prior versions of the *Criteria* equal to or equivalent to the current version of the *Criteria*?

Over the years the *Real Property Appraiser Qualification Criteria (Criteria)* has changed many times. It is not the position of the AQB that a credential obtained under one version of the *Criteria* is different than one obtained under a different version. From the AQB's perspective, an individual holding a certain credential is equally qualified to another holding the same credential, regardless of when the credentials were issued and which version of the *Criteria* applied at the time. Therefore, the AQB encourages states to view all credentials issued for a classification as equivalent.

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

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](#).

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?

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.

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

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.

In reviewing my experience hours needed to upgrade my credential, my state regulatory agency concluded I was a few hours short of what I needed. They will allow me to complete an “appraisal without a client” so I can reach the number of experience hours I need. What is an “appraisal without a client?”

The *Criteria*, and specifically section V.D. of the Criteria Applicable to All Appraiser Classifications states:

There need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience. Experience gained for work without a traditional client can meet any portion of the total experience requirement.

In other words, you do not have to have a client contact you and ask you to perform an appraisal for their needs. Rather, you can perform an appraisal on a property, where the resulting appraisal report does not have a client who will use the report for any type of business purpose. The appraisal is comparable to a “demonstration report” where the goal is for the appraiser to demonstrate their competency.

While your state regulator concluded you would be able to obtain your few remaining hours of experience needed by following this section of the *Criteria*, the *Criteria* does allow for up to 100% of experience credit to be completed in this manner.

States

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

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.

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

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.

Can states implement any new *Criteria* prior to its official effective date?

It depends. Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Appraiser Qualifications Board (AQB) establishes the qualification criteria (minimum education, experience, and examination requirements) for real property appraisers to obtain a state license or certification. State appraiser regulatory agencies are required to implement real property appraiser licensing and certification requirements that are **no less stringent** than those issued by the AQB in the *Criteria*.

Therefore, if a new *Criteria* requirement **increases** a minimum qualification, a state can implement this new requirement(s) prior to the AQB identified effective date. If, however, a new requirement(s) in the *Criteria* will **decrease** a qualification requirement, a state must wait until the *Criteria*'s new effective date to implement the new requirement(s).

Education Providers

Course Delivery Mechanism

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

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.*

Do synchronous courses still require delivery mechanism approval?

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.

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?

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*.

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?

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

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

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

course or the one for the synchronous course – will be honored, given that the two formats are now considered equivalent?

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.

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.

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.

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?

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.

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

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.

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

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*.

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

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

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?

The Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB) have developed exams that must be used by education providers for the 15-Hour USPAP Course and in states that require an exam with the 7-Hour USPAP Update Course. 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 7-Hour USPAP synchronous courses.

Please contact AQB@appraisalfoundation.org to receive the current Functional Specifications document.

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

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.

Hybrid Courses

What combination of delivery methods may I use to create a hybrid class?

According to the *Real Property Qualification Criteria*, Section IIII Criteria Applicable to All Appraiser Classifications, section III. D.:

*Hybrid courses, also known as blended courses, are learning environments that **allow for both in-person and online (synchronous, or asynchronous) interaction** {bold added for emphasis}*

While the *Criteria* allows for both in-person and online interaction, it does not exclude a hybrid course from also consisting of other combinations of the three delivery method types (classroom, synchronous, and asynchronous). However, when deciding which delivery methods to use, education providers must follow section III. D. 4. in the *Criteria* which states:

Hybrid courses meet class hour requirements if each of its sessions meet the requirement for the delivery method employed:

- a. *in-person course sessions must meet III.A. and III.B.*
- b. *synchronous course sessions must meet III.A. and III.B.*
- c. *asynchronous courses sessions must meet III.A., III.B., and III.D.1-3*

Background/General

General Requirements

I would like to get a Certified General appraiser credential. I am from another country and have a student visa, but don't have a Social Security card or Taxpayer ID Number. If I fulfill the education and experience requirements, can I get a Certified General appraiser credential without possessing a Social Security card or similar document?

The *Criteria* does not specifically address residency, citizenship, or identification issues. However, be sure to check with the state appraiser regulatory agency in the jurisdiction where you plan to seek the credential to confirm the requirements for licensure, as states may have their own residency or citizenship requirements.

I am currently a real property appraiser seeking a credential in my jurisdiction. I do not have a high school diploma, but have obtained the other education requirements in the *Criteria*. Will I be able to obtain my real property credential without having a high school diploma?

Yes, the *Criteria* does not require a high school diploma or equivalent. However, please note that individual states or credentialing jurisdictions may adopt more stringent requirements. It is incumbent on candidates to check with the state appraiser regulatory agency in which they plan to seek a credential.

I have a degree from a university that was conferred prior to the university becoming accredited. Will I be able to use that degree to satisfy the college degree requirement in the *Criteria*?

No, the college or university must have been accredited at the time the degree was conferred.

Background Checks

I understand the *Criteria* requires applicants for new credentials to undergo a background check. Does this apply to credential holders from other states seeking reciprocal licensure and/or temporary practice permits in my state?

The *Criteria* encourages states to grant reciprocity and/or allow temporary practice to those who hold valid credentials in other states. As such, the *Criteria* does not require a state to examine the specifics of the original application in the credential holder's existing jurisdiction (e.g., what and/or how much education they completed and when, when the examination was completed, whether the applicant holds a college degree, what level of experience the applicant was required to complete, and/or whether the credential was issued with or without a background check).

However, as with all *Criteria*, a state may adopt more stringent requirements with regard to background checks.

It appears states are prohibited from issuing a credential to applicants that have convictions in certain areas. One of these areas includes an applicant's "general fitness" for licensure. What exactly does this mean?

Section VI(C) of the *Criteria* states:

An applicant shall not be eligible for a real property appraiser credential if, during at least the five (5) year period preceding the date of the application for licensing or certification, the applicant has been convicted of, or plead guilty or nolo contendere to a crime that would call into question the applicant's fitness for licensure.

It is impractical, and likely impossible, to compile a list of every specific circumstance where an applicant must be denied a credential. Section VI(C) is intended to provide states with the ability to deny a credential based on “public trust.” States have latitude to determine, based on their own guidelines, whether or not an applicant falls into this category and should be denied a credential.

Are states also required to decline a credential when an applicant is found to have any of the background issues listed in Guide Note 9?

No. The language in Guide Note 9 is meant to offer guidance to jurisdictions.

Guide Note 9 provides information on the types of background issues a state appraiser regulatory agency might consider. This is not intended to be a comprehensive list; a state may consider other issues.

I am very interested in a career in real estate appraisal. However, I have one problem...I have a felony conviction on my criminal record. Can I still become a credentialed appraiser?

Depending upon the nature of your felony conviction, you may be prohibited from obtaining a real property appraiser credential. The *Criteria* states:

An applicant shall not be eligible for a real property appraiser credential if, during at least the five (5) year period immediately preceding the date of the application for licensing or certification, the applicant has been convicted of, or plead guilty or nolo contendere to a crime that would call into question the applicant's fitness for licensure.

Additionally, Guide Note 9 provides guidance to state regulatory agencies by indicating those offenses that might be considered objectionable, as well as guidance on possible evidence of rehabilitation. The Guide Note is intended to be guidance and you will need to check with your state agency to determine which offenses could prevent an applicant from obtaining a license or certification.

Scope Of Practice

I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres, which includes a “hobby farm” that is not used for commercial purposes. The zoning requires a minimum lot size of 40 acres, so the lot cannot

be subdivided and used for other purposes. Does my Certified Residential credential permit me to appraise this property?

Yes, as long as you can do so in compliance with the COMPETENCY RULE and all other applicable provisions in USPAP.

I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres. The zoning requires a minimum lot size of 5 acres, and I have confirmed with the local planning department that the lot could be subdivided into eight 5-acre parcels. In addition, my preliminary research confirms the highest and best use of the property would be for an eight-lot subdivision. Does my Certified Residential credential permit me to appraise this property?

If the appraisal report will be utilized to support a real estate related financial transaction, then you may not appraise this property with your Certified Residential credential. Since the highest and best use of the site is for something greater than a 1-4 unit residential property, the appraisal must be prepared by (or, at a minimum, co-signed by) a Certified General appraiser. If the appraisal is not for a real estate related financial transaction, and you can do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if the state permits you to value a property with these characteristics.

I am a Licensed Residential appraiser and I have been asked to appraise a home on 40 acres in a marketplace where there are no other home sites larger than 5 acres. The appraisal is being requested by a federally-regulated bank in order to evaluate the subject property as collateral for a \$1.5 million mortgage loan. Does my Licensed Residential credential permit me to appraise this property?

No. The scope of practice for the Licensed Residential classification allows for appraisals of “complex” 1-4 unit residential properties up to a transaction value of \$400,000, and it appears this assignment would qualify as “complex.” However, even if it does not qualify as “complex,” the Licensed Residential classification only allows for appraisals of “non-complex” 1-4 unit residential properties up to a transaction value of \$1 million. Therefore, this property could not be appraised by a Licensed Residential appraiser to support a real estate related financial transaction. If this appraisal was not being performed for a real estate related financial transaction, and you could do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if the state permits you to value a property with these characteristics.

I was asked to appraise a “condotel,” which is defined as:

A hotel in which an investor takes title to a specific hotel room (unit), which remains in the pool to be rented to transient guests whenever the investor is not using the unit.²

Is the appraisal of an individual condotel unit a residential or non-residential assignment?

If the marketplace recognizes the units individually as residential units, the appraisal would be considered a residential assignment. If the marketplace does not recognize the units individually but rather as a part of the overall hotel operation, then the assignment would be non-residential. In either case, appraisers performing such assignments must fully understand the ownership rights associated, as well as the interest(s) being appraised.

As with all assignments, appraisers must comply with USPAP, including the COMPETENCY RULE.

² *Dictionary of Real Estate Appraisal*, 6th ed. Chicago: Appraisal Institute, 2015.

Education

Qualifying Education (QE)

I understand that as part of the *Required Core Curriculum* for either the 200 hours for a Certified Residential credential or the 300 hours for a Certified General credential, I am required to take Appraisal Subject Matter Electives. What courses qualify as Electives?

Any course approved as qualifying education by your state appraiser regulatory agency may be utilized as an Appraisal Subject Matter Elective, provided you have not already used the course toward licensure and certification requirements. As an example, a candidate seeking a Certified Residential credential could fulfill the Appraisal Subject Matter Elective requirement by taking one or more of the courses required for the Certified General credential, or vice versa. In addition, a course could be approved by a state for more than the minimum number of hours required in one of the *Required Core Curriculum* modules. If, for example, you took a 25-hour course on *Residential Appraiser Site Valuation and Cost Approach*, 15 of those hours would satisfy the Core Curriculum Requirement for that topic and the other 10 could be applied toward the Appraisal Subject Matter Elective module.

Refer to Guide Note 1 (GN-1) in the *Criteria* for a complete listing of qualifying education topics and subtopics under the *Required Core Curriculum*.

I was going to become a Certified Residential appraiser but after taking 45 hours of residential classes I decided to go for my Certified General credential instead. How many hours out of the 45 can be utilized in satisfying the 300-hour requirement?

You will be able to utilize at least 30 hours, and possibly all 45. Four courses totaling 90 hours are part of the *Required Core Curriculum* for both the Certified Residential and Certified General credentials: *Basic Appraisal Principles* (30 hours), *Basic Appraisal Procedures* (30 hours), the *15-Hour National USPAP Course* or its equivalent (15 hours) and *Statistics, Modeling and Finance* (15 Hours). If your 45 hours were earned among these four courses, all of your hours will apply towards the Certified General credential.

In addition to specific courses required for the Certified General credential, students are required to obtain 30 hours of Appraisal Subject Matter Electives. Thus, if the 45 hours you completed consist of other courses specific to the Certified Residential curriculum, then 30 of these hours can be utilized to satisfy the Appraisal Subject Matter Electives requirement of the Certified General credential.

I am interested in beginning an appraisal career. I found some real estate appraisal courses offered at a local community college, but discovered they are

not approved through the AQB's Course Approval Program (CAP). Is it true that the only courses I can take are AQB CAP-approved courses?

The *Criteria* does not mandate courses be CAP-approved to be eligible. CAP is a voluntary program to which educational providers may apply for approval of courses. CAP review and approval is designed to assist state appraiser regulatory agencies in approving courses by eliminating some of the administrative burden of course review; however, states have the final authority/responsibility with regard to approval of coursework. Check with your state appraiser regulatory agency to see whether the specific community college courses you are considering have been approved for qualifying education.

I received my Certified Residential appraiser credential 10 years ago, and now I would like to get my Certified General credential. According to my state appraiser regulatory agency, I am required to start from the beginning and complete all the qualifying education required for a Certified General credential. I am told this even includes the classes I originally took to get my Certified Residential credential (e.g. *Basic Appraisal Principles* and *Basic Appraisal Procedures*). Is this correct?

Per the *Criteria*, appraisers holding a valid Certified Residential appraiser credential may satisfy the educational requirements for the Certified General appraiser credential by completing the following additional educational hours: *General Appraiser Market Analysis and Highest and Best Use* (15 hours); *General Appraiser Sales Comparison Approach* (15 hours); *General Appraiser Site Valuation and Cost Approach* (15 hours); *General Appraiser Income Approach* (45 hours); and *General Appraiser Report Writing and Case Studies* (15 hours).

The noted 100 total hours of additional qualifying education is the minimum that must be completed. In addition, you will need to satisfy the college degree requirement, complete the additional hours of experience, and successfully complete the *National Uniform Licensing and Certification Exam (National Exam)* for the Certified General classification. As with all *Criteria* established by the AQB, states may create requirements that are greater than those established by the AQB. As a result, you will need to check with your state appraiser regulatory agency to determine the exact requirements to change your credential.

I was pursuing a Certified General credential and completed a 30-hour qualifying education course on *General Appraiser Market Analysis and Highest and Best Use* that was approved by my state. I decided to pursue a Certified Residential credential instead, which requires 15 hours of *Residential Market Analysis and Highest and Best Use*. Can I use the General Appraiser course to count as my qualifying education in this category?

The *Criteria* sets forth module names of the *Required Core Curriculum* areas which must be covered in a candidate's qualifying education for each appraiser classification sought. Furthermore, Guide Note 1 of the *Criteria* provides guidance on subtopic areas that should be covered under each of the modules of the *Required Core Curriculum*, in order to prepare the candidate to pass the *National Examinations* for the specific credential. However, coverage of all the subtopics under each module is not required in order for a course to be approved by your state appraiser regulatory agency as qualifying education.

Thus, given the commonality between the subtopics covered in the respective General and Residential Highest and Best Use courses, under the *Criteria* a state could approve the General course toward the *Required Core Curriculum* for the Residential classification. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their specific requirements and course approvals, which could be more specific.

I have an appraisal credential and am now seeking to obtain a credential in a new state where I will be relocating. My appraisal coursework was approved in my current state, but I am having difficulty getting my qualifying education approved in my new state. If one state approved my courses doesn't that mean they are automatically accepted by other states?

The *Criteria* states, "Existing credential holders (with the exception of Trainee Appraisers) in good standing in any jurisdiction shall be considered in compliance with current *Criteria* if they have passed an AQB-approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential (with the exception of Trainee Appraisers) in another jurisdiction."

However, while the above represents the position of the AQB, each state has the right to regulate commerce within its boundaries. Thus, their laws may require an applicant to "start from scratch" and fulfill all of the current requirements for licensure or certification.

Furthermore, each state has the responsibility to approve qualifying education courses for credit toward real property appraiser credentials. Individual course providers (e.g., colleges/universities, proprietary schools, designation organizations) must seek approval of their courses by individual states. As such, it is possible one state may have approved a course, while another has not.

I am a state regulator responsible for evaluating courses submitted for qualifying education for state appraiser licensure and certification. I recently received a submission of a course entitled *Advanced Residential Applications and Case Studies*. I reviewed Guide Note 1 of the *Criteria* and understand one of the subtopics for this course is "Advanced Case Studies." What qualifies a case study as "advanced?"

An *Advanced Residential Applications and Case Studies* course should serve to provide the student with practical instruction and demonstrate how to handle complex and high-value residential properties.

Guide Note 1 of the *Criteria* provides curriculum guidance that includes the following subtopics for this course:

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

Thus, the case studies in this type of course should include issues dealing with complex and/or high-value residential properties such as:

- Atypical properties in a given market;
- Residences with unique architecture or historic properties;
- Properties which may be stigmatized due to internal or external circumstances; and/or
- Properties of such value and/or unusual characteristics that their competitive market may be regional as opposed to an immediate neighborhood.

Other advanced case study topics could include complex ownership situations, such as the appraisal of fractional interests in a property; material dealing with more complex market conditions such as declining neighborhoods within a generally improving market; properties affected by a government acquisition program; or properties within markets that may be impacted by foreclosure sales or tax sales.

Advanced case studies may involve advanced statistical analysis; appropriate handling of unusual sales concessions; atypical markets; and markets with scarce data.

Please be advised that the above is not meant to be an exhaustive list of possible topics for *Advanced Residential Applications and Case Studies*. Course developers are encouraged to explore a variety of topics relevant to complex residential issues to differentiate an *Advanced Residential Applications and Case Study* course from more basic level course topics.

I am a Trainee Appraiser preparing to get my Certified Residential credential. For my initial qualifying education to become a Trainee Appraiser, I completed 80 hours of *Basic Appraisal Principles and Procedures* from a proprietary school that no longer exists. My state appraiser regulatory agency said any courses taken before the current edition of the *Criteria* were no longer considered valid according to the AQB. Why can't these original hours count toward the qualifying education requirement for my Certified Residential credential?

The *Criteria* does not contain any provision that invalidates qualifying education successfully completed. As with all *Criteria*, states may create requirements that are more restrictive; if so, you'll need to clarify this with your state. From the AQB's perspective, completed courses that were eligible for credit remain valid towards the current *Criteria*.

The only *Criteria* that places a "shelf life" on education is found in the following provision affecting *non-credentialed* candidates: "All qualifying education must be completed within the five (5) year period prior to the date of submission of a Trainee Appraiser application." In this case, an appraiser pursuing a Trainee Appraiser credential would not be able to use courses more than 5 years old at the time of submission of the application to become a Trainee Appraiser.

I see that the *Criteria* requires all Qualifying Education be taken within five (5) years prior to applying for a Trainee Appraiser credential. I am applying for a Certified Residential credential. Does this requirement apply to me?

No. The *Criteria* only requires that applicants for a Trainee Appraiser credential complete their education within five (5) years prior to application. This requirement does not apply to individuals applying for a Licensed Residential, Certified Residential or Certified General credential.

However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

I hold a real estate degree from a university whose degree program has been reviewed and approved by the AQB. As part of the required curriculum, I completed the required 30 hours in *Basic Appraisal Principles*, and 30 hours in *Basic Appraisal Procedures*. However, I received my degree over five years ago. I'm interested in becoming a licensed Trainee appraiser. I know the *Criteria* requires all qualifying education courses to be taken within the five (5) years immediately preceding the application for a Trainee License. Does this "5-year" requirement also apply to education obtained as part of a degree from an AQB-approved program? Will I have to retake the 60 hours of qualifying education?

The restriction on qualifying education for the Trainee credential applies to *when* the education was completed, not *where* it was completed. Therefore, even though you satisfied the *Basic Appraisal Principles* and *Basic Appraisal Procedures* courses as part of the curriculum in an AQB-approved degree program, because the courses were completed over five years before applying for the Trainee credential, they are no longer eligible.

It should be noted that the five-year requirement for qualifying education applies *only* to the Trainee credential. There is no such restriction for the Licensed Residential, Certified Residential, and Certified General classifications.

I have been a commercial real estate professional for over 20 years, have my broker's license, and am a Certified Commercial Investment Member (CCIM). I am interested in pursuing a Certified General real property appraiser credential. I would prefer to do my education on my own time with an online educator. I have my Bachelor's degree in business from a state university. With my licensing, education, and experience, is there a way to "fast track" the required coursework?

Many qualifying education (QE) courses required under the *Criteria* are available online. Your state appraiser regulatory agency maintains a list of approved QE courses and providers. Also, it is possible your university may have sought and received QE approval from your state appraiser regulatory agency for some of the courses you took as part of your degree.

Alternatively, some of the education you completed for your other real estate credentials/designations might be approved by your state appraiser regulatory agency as real property appraiser QE. If so, you may already have some of the 300 hours of required QE for the Certified General credential completed.

I am currently in the process of taking the required Qualifying Education (QE) coursework before entering a PAREA program. I would like to eventually become a Certified General (CG) appraiser, but I will be taking PAREA for the Certified Residential (CR) credential. Do I need to take the QE for the CR credential, complete PAREA, then take the rest of the QE for the CG credential?

No. An aspiring appraiser completing all QE education taken for the CG credential satisfies QE education requirements for LR and CR.

College Degree Requirement

I would like to become a Certified Residential appraiser, and noticed that one of the college-level education requirement options is to have an Associate's Degree in a field related to Business Administration, Accounting, Finance, Economics, or Real Estate. How do I know if my Associate's Degree falls into one of these broad categories?

The following fields of study may apply, but you will need to double check with your state appraiser regulatory agency as their requirements may differ or be more specific.

Associate's Degrees in Business Administration

Possible alternative degrees related to an Associate's Degree in Business Administration may include, but are not limited to:

- Administrative / Executive Assisting
- Bookkeeping
- Business Information / Office / Office Administration Systems
- Business / Construction / Hospitality / Restaurant / Human Resources / Information Systems / Operations / Project / Small Business / Supply Chain Management
- e-Business
- Economics
- Finance
- International Business
- Logistics
- Marketing / Sales
- Merchandising
- Public Service
- Taxation
- Technical Administration

Associate's Degrees in Accounting

Possible alternative degrees related to an Associate's Degree in Accounting may include, but are not limited to:

- Accounting Systems / Accounting Technology
- Applied Accounting
- Auditing
- Bookkeeping
- Computer Applications
- Financial Management / Financial Services
- Taxation / Tax Specialist

Associate's Degrees in Finance

Possible alternative degrees related to an Associate's Degree in Finance may include, but are not limited to:

- Banking
- Credit Management
- Financial Planning
- International Finance
- Investments and Securities
- Real Estate Finance
- Statistical Methods

Associate's Degrees in Economics

Possible alternative degrees related to an Associate's Degree in Economics may include, but are not limited to:

- Applied / Business / Development / International / Managerial Economics
- Econometrics

Associate's Degrees in Real Estate

Possible alternative degrees related to an Associate's Degree in Real Estate may include, but are not limited to:

- Appraisal
- Property Management
- Real Estate Finance

May an applicant for the Certified Residential credential use courses classified by the college or university as non-college-level, such as developmental or remedial courses, to meet the *in-lieu-of degree* requirement?

No. College-level courses do *not* include courses such as those identified as developmental or remedial courses or those courses which do not count toward a degree requirement. You can check your college and their college catalog to determine whether a course is classifiable as a college-level course.

Section III. B. 3. of the Certified Residential Real Property Appraiser section of the *Criteria*, states:

3. *Successful completion of 30 semester hours of college-level courses that cover each of the following specific topic areas and hours:*
 - a. *English Composition (3 semester hours);*
 - b. *Microeconomics (3 semester hours);*
 - c. *Macroeconomics (3 semester hours);*
 - d. *Finance (3 semester hours);*

- e. *Algebra, Geometry, or higher mathematics (3 semester hours);*
- f. *Statistics (3 semester hours);*
- g. *Computer Science (3 semester hours);*
- h. *Business or Real Estate Law (3 semester hours); and*
- i. *Two elective courses in any of the topics listed above or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each).*

The *Criteria* provides for alternatives to the Bachelor’s Degree requirement for a Certified Residential credential, which includes 30 semester hours of college education in specified topics. How do I know what college courses match these topics?

The AQB issued Guide Note (GN-10), which addresses this topic specifically. The topics listed in the Certified Residential *Criteria*, Section III.B.3., are very broad. State regulators can review GN-10 to assist them with determining what college course titles may match the requirements.

The *Criteria* contains a list of college-level courses that applicants may take in lieu of a college degree for the Certified Residential classification. Do I have to complete each of the courses in the list, or may I simply choose courses from among the list to satisfy the 30 semester credit hour requirements?

Applicants who do not possess the requisite college degree must complete college-level courses covering three semester hours in each of the topic areas listed to satisfy the in-lieu requirements for the Certified Residential classification. (Note: completion can be satisfied with a combination of topics in Section III.B.3. and III.B.4.).

***Criteria* requires a “Business or Real Estate Law” course (among other courses) in-lieu of a college degree as college education for the Certified Residential credential. Does this mean any course in “Business” or a course in “Real Estate Law” or does this mean a course in “Business Law” or a course in “Real Estate Law?”**

The in-lieu education must include successful completion of a course in “Business Law” or a course in “Real Estate Law” from an accredited degree-granting college or university for which you receive credit or successfully complete the CLEP examination “Introductory Business Law.”

The *Criteria* allows for an Associate’s Degree in Business Administration, in the field of “Hospitality.” How is this pertinent for appraisers?

There are appraisers who specialize in the valuation of hotels and motels. A degree with an emphasis in how these facilities operate could be a foundational basis when performing assignments of this type.

What information do I need to submit to my state to help them evaluate the college courses I took to meet the Certified Residential college education requirements or the qualifying education required toward all classification levels?

Your state may require copies of your college transcript, syllabi, and course materials used in your college courses. Additionally, the AQB has developed a Guide for How to Apply University/College Courses to the AQB's Real Property Appraiser Core Curriculum Matrix, which is available for download [here](#).

Please double check with your state appraiser regulatory agency as their requirements may differ or be more specific.

In May 2018, changes to the *Criteria* became effective which allowed candidates for the Certified Residential classification to satisfy the college-level education requirements using various options. One option remains possessing a Bachelor's Degree from an accredited college or university. Because the language does not specifically state, "A Bachelor's Degree (or higher) ..." as stated under the Certified General classification, is it accurate to conclude a graduate degree (e.g., Masters, PhD) does not satisfy the requirement?

No. The requirements in the *Criteria* are minimums; an individual possessing a postgraduate degree (e.g., Masters, PhD) from an accredited college or university satisfies the requirement for a Bachelor's Degree because prior to enrolling in a postgraduate degree program, students need to hold a Bachelor's Degree.

Alternative Track to Qualify for a Certified Residential Credential from a Licensed Residential Credential.

I've held a Licensed Residential credential for five years and plan to upgrade to a Certified Residential credential. What do I need to do to get a Certified Residential credential?

Provided you have held a Licensed Residential credential for a minimum of five (5) years and have not had any adverse, final and non-appealable adjudicated disciplinary action affecting your legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential, you would need to document the following:

- An additional 50 hours of qualifying education, including the following courses: Statistics, Modeling & Finance (15 hours), Advanced Residential Applications and Case Studies (15 hours) and Appraisal Subject Matter Electives (20 hours);
- One thousand five hundred (1,500) hours of experience in no fewer than twelve (12) months (experience used to obtain your Licensed Residential credential may apply to this requirement);
- Successful completion of the Certified Residential Real Property Appraiser examination.

If you have not held a Licensed Residential credential according to the requirements stated above, in addition to the above requirements, you must also have:

1. Possession of a Bachelor's Degree in any field of study; or
2. Possession of an Associate's Degree in a field of study related to:
 - Business Administration;
 - Accounting;
 - Finance;
 - Economics; or
 - Real Estate

or

3. Successful completion of 30 semester hours of college-level courses that cover each of the following specific topic areas and hours:
 - English Composition (3 semester hours);
 - Micro Economics (3 semester hours);
 - Macro Economics (3 semester hours);
 - Finance (3 semester hours);
 - Algebra, Geometry, or higher mathematics (3 semester hours);
 - Statistics (3 semester hours);
 - Computer Science (3 semester hours);
 - Business or Real Estate Law (3 semester hours); and
 - Two elective courses in any of the topics listed above or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each)

or

4. Successful completion of at least 30 semester hours of College Level Examination Program® (CLEP®) examinations from each of the following subject matter areas:
 - College Algebra (3 semester hours);
 - College Composition (6 semester hours);
 - College Composition Modular (3 semester hours);
 - College Mathematics (6 semester hours);
 - Principles of Macroeconomics (3 semester hours);

- Principles of Microeconomics (3 semester hours);
- Introductory Business Law (3 semester hours); and
- Information Systems (3 semester hours).

or

5. Any combination of option 3 and 4 above that includes all of the topics identified that ensures coverage of all topics identified in option #3.

As some states may have requirements that exceed *Criteria*, it is important to check with the state regulatory agencies to determine what their requirements are.

What is a final and non-appealable adjudicated disciplinary action?

A final and non-appealable adjudicated disciplinary action is one in which all appeals available under due process have been exhausted, or which the time period in which to request an appeal has expired.

I have been a Licensed Residential appraiser for more than five years, but my state has placed a restriction on my credential, which limits the types of assignments I am allowed to appraise. Is this considered a sanction that restricts my “legal eligibility to engage in appraisal practice” and therefore disqualifies me for the alternative track to become a Certified Residential appraiser?

Yes. An appraiser would not be able to qualify for the alternative track to become a Certified Residential until five years after the date the restriction is lifted.

The *Criteria* that went into effect on May 1, 2018, allow an AQB compliant Licensed Residential Appraiser to change to a Certified Residential Appraiser credential without possessing a college degree. Does this apply to all Licensed Residential credential holders or just those that held the Licensed Residential credential prior to the *Criteria* effective date of May 1, 2018?

Per Section III.C. of the Certified Residential Criteria, this applies to any individual who holds (or has held) a Licensed Residential credential for a minimum of five (5) years with no record of any adverse, final, and non-appealable disciplinary action that affected their legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application *may* be eligible to obtain a Certified Residential credential without a college degree (regardless of when they obtained a Licensed Residential credential).

In addition to satisfying the requirements outlined in Section III.C., the applicant would also need to obtain an additional fifty (50) hours of qualifying education, document 1,500 hours of experience in no fewer than twelve (12) months, and successfully pass the Certified Residential Examination. As some states may have requirements that

exceed *Criteria*, it is important to check with the state regulatory agencies to determine what their requirements are.

I have held a Licensed Residential credential for 20 years; however, my credential is currently inactive, and has been for four years. I have completed 14 hours of continuing education during each year the credential has been inactive.

The *Criteria* states that individuals who have held an AQB compliant Licensed Residential credential for a minimum of five (5) years with no record of any adverse, final, and non-appealable disciplinary action affecting the appraisers' legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential may qualify for a Certified Residential credential by:

- **Successfully completing fifty (50) additional specified hours of qualifying education;**
- **Documenting proof of completing 1,500 hours of experience in no fewer than twelve (12) months; and**
- **Successfully passing the Certified Residential National Examination**

Will the fact that my credential is currently inactive prevent me from qualifying for a Certified Residential credential via the alternative pathway outlined above?

No, provided you possessed an active Licensed Residential credential that allowed you to legally engage in appraisal practice for a total period of at least five (5) years and have legal authority to reinstate your inactive credential, the *Criteria* does not prohibit you from qualifying for a Certified Residential credential (please note you must also meet the requirements noted above per Section III.C. in the Certified Residential *Criteria*). However, some states may have requirements that exceed *Criteria*, so it is important to check with your state regulatory agency.

The *Criteria* requires successful completion of three items: education, experience, and examination. The revised *Criteria* now recognizes an appraiser who has held the Licensed Residential credential for five (5) years without any disciplinary action affecting the appraiser's legal eligibility to practice may obtain a Certified Residential credential by completing 50-additional hours of specified qualifying education and successful completion of the national examination.

Does an applicant in the above scenario need to provide a log to document 1,500 experience hours?

A Licensed Residential appraiser will have to document proof of completion of 1,500 hours in no fewer than twelve (12) months. (Note: some of the experience used to qualify for the Licensed Residential credential may apply towards this requirement).

Supervisory Appraiser / Trainee Appraiser Education Trainees

I am currently a credentialed Trainee Appraiser. Am I required to take a Supervisory Appraiser/Trainee Appraiser course?

If you were a credentialed Trainee Appraiser prior to January 1, 2015, the AQB encourages you to take the course; however, the *Criteria* would not require you to do so. Nonetheless, check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

For individuals who have sought a new Supervisory Appraiser after January 1, 2015 you must fulfill all of the current *Criteria* requirements, which includes taking the Supervisory Appraiser/Trainee Appraiser Course.

The *Criteria* requires that I take a *Supervisory Appraiser/Trainee Appraiser Course* prior to obtaining my Trainee credential. Do I need to take this course in each jurisdiction where I am seeking a Trainee credential?

The *Criteria* does not require that you take this course in each jurisdiction. However, you must check with the state(s) in which you are seeking a Trainee credential, as state requirements vary and can be more stringent than minimum *Criteria*.

Supervisors

I began supervising a credentialed Trainee Appraiser prior to January 1, 2015. Am I required to take the Supervisory Appraiser/Trainee Appraiser Course?

If you began supervising a credentialed Trainee Appraiser prior to January 1, 2015, the AQB encourages you to take the course; however, the *Criteria* would not require you to do so. Nonetheless, check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

If you have sought to serve as a Supervisory Appraiser of any additional Trainee Appraiser(s) after January 1, 2015, you must fulfill all of the current *Criteria* requirements, which includes taking the Supervisory Appraiser/Trainee Appraiser Course.

I am a Supervisory Appraiser who has recently upgraded from Certified Residential to Certified General and plan on employing Trainee Appraisers. Do I have to take the Supervisor/Trainee course or am I grandfathered because I had trainees prior to January 1, 2015?

Yes. If you have not already taken the AQB-required Supervisor/Trainee course, you will be required to take the Supervisor/Trainee course if you are going to supervise any new/additional Trainee Appraisers.

States

I am a state appraiser regulatory official and I have reviewed the AQB course content outline for the required Supervisory Appraiser/Trainee Appraiser Course. Does the AQB require a minimum or maximum length for this course?

The AQB has not established a minimum or maximum time frame for this course offering. The intent of the course is to cover areas of general applicability to all Supervisory Appraiser/Trainee Appraiser relationships, and to allow each state to consider including material specific to the local jurisdiction regarding state law and/or areas of practice eliciting the highest number of disciplinary actions/complaints.

If an education provider is seeking continuing education credit for the course, it must be a minimum of two classroom hours, per the *Criteria* requirements.

I am a state appraiser regulatory official. A course provider submitted a Supervisory Appraiser/Trainee Appraiser course for Continuing Education (CE) approval. Does the AQB allow this course to be utilized for appraiser CE?

Yes, upon review and approval by the state appraiser regulatory agency, a Supervisory Appraiser/Trainee Appraiser course may be utilized for CE for existing credential holders, provided the course meets the other requirements for a CE course as specified in the *Criteria*. However, the *Criteria* prohibits the course from being counted toward Qualifying Education (QE).

I am a state appraiser regulatory official and I was recently reviewing the AQB's Supervisory Appraiser/Trainee Appraiser Course Objectives and Outline document. I note that item III.C.1 requires an "Overview of a jurisdiction's role in issuing appraiser credentials and disciplining appraisers," while it is optional to include item III.C.2, "Specific information regarding the regulatory structure of the individual jurisdiction."

In addition, item IV.B.1 requires an "Overview explaining how AQB sets minimum qualifications, but states may have qualifications that exceed *Criteria*," and item IV.B.2 requires the course to "Outline and explain the specific steps/requirements to becoming licensed or certified in the particular jurisdiction in which the course is being provided."

Our jurisdiction does not require anything more than the *Criteria*; therefore, must we include jurisdiction-specific requirements, given that they are the same as the *Criteria*?

Yes. Even if a jurisdiction does not have any requirements greater than the *Criteria*, the course must include material addressing all of the required topic areas as identified in the Supervisory Appraiser/Trainee Appraiser Course Objectives and Outline document. Any items identified as optional are not required.

If a jurisdiction's requirements are identical to those established by the AQB, course developers must include that criteria under the jurisdiction-specific portions of the course.

Education Providers

I am an education provider and noticed that the majority of the course content in Section III of the Supervisory Appraiser/Trainee Appraiser Course Outline, Individual State or Territory Credentialing Entities, is currently contained within the first section of The Appraisal Foundation's 15-Hour National USPAP Course.

If I incorporate a large portion of the 15-Hour National USPAP Course material into my Supervisor Appraiser/Trainee Appraiser Course, am I violating any USPAP course copyright?

No, provided proper attribution to the *15-Hour National USPAP Course* is provided in the Supervisory Appraiser/Trainee Appraiser Course, there is not a problem incorporating material from the *15-Hour National USPAP Course* into the Supervisory Appraiser/Trainee Appraiser Course.

I am an education provider planning to create a course that meets the minimum requirements in the Criteria for the Supervisory Appraiser/Trainee Appraiser Course. I would like to submit the base course (that includes the national minimum requirements, not the state rules/regulations) to the AQB's Course Approval Program (CAP for approval for use in multiple jurisdictions), and then allow states to write add-on modules covering any state-specific requirements. I have three questions:

- 1. Will the AQB, through its Course Approval Program, review and approve the above scenario as meeting the minimum base requirements?**
- 2. In prior Q&As on this topic, the AQB affirmed there is no minimum or maximum course length for the Supervisory Appraiser/Trainee Appraiser Course. If my base course is approved through CAP for 6 hours, and I offer the course in a state that has adopted a 3-hour course requirement, can my course be presented in a 3-hour format in that state?**
- 3. Are education providers required to submit Supervisory Appraiser/Trainee Appraiser courses to CAP for approval?**

1. Yes, the AQB recognizes that a Supervisory Appraiser/Trainee Appraiser Course must cover the required elements of the Course Content Outline. As such, a course that earns CAP approval will have an additional statement to this effect.
2. No, not if you utilize CAP approval. CAP approval requires a course to be presented as submitted; therefore, material cannot be added or omitted from the presentation of the course. In this case, you would have to create a 3-hour course for that particular state and seek separate approval from CAP or approval from that state appraiser regulatory agency.

3. No, states can approve courses directly, provided the state verifies the course includes all of the required elements of the course content outline developed by the AQB.

Continuing Education (CE)

I am a state-certified appraiser and was told by my state appraiser regulatory agency the *15-Hour National USPAP Course* would not satisfy my continuing education requirement to complete the *7-Hour National USPAP Update Course*. Why can't I take the 15-Hour course in lieu of the 7-Hour course?

The *Criteria* requires the *7-Hour National USPAP Update Course* be taken for continuing education (CE) every two calendar years. The *7-Hour National USPAP Update Course* focuses on the most recent changes to USPAP, common problem areas, and application of USPAP to real world situations. This course is appropriate for practicing appraisers who already have a baseline understanding of USPAP, but need to be apprised of recent developments and updates affecting their appraisal practice.

The *15-Hour National USPAP Course* is geared to the beginning appraiser who has a limited understanding of USPAP. The coverage and treatment of changes or emerging issues is not the focus of this course; thus, it does not meet the educational objectives of the 7-Hour course.

I took some courses as qualifying education in order to obtain my appraiser credential. Am I allowed to re-take these same courses again for continuing education (CE) purposes now that I'm credentialed?

If a course is approved by your state appraiser regulatory agency as CE you should be able to receive CE credit for taking the course, regardless of whether you previously took the course as qualifying education. However, some states prohibit re-taking the same course for CE purposes. Confirm with your state appraiser regulatory agency whether the course is eligible for CE.

I am a state regulator charged with reviewing and approving courses for continuing education (CE). An education provider submitted CE courses for review that are designed to prepare candidates for the *National Examinations*. Can the state approve an "exam prep" course for CE?

Nothing would prohibit a state from approving a course that prepares individuals for the *National Examinations*, provided the course adheres to the CE requirements as outlined in the *Criteria* (i.e., the course covers applicable appraisal-related topics and is a minimum of 2 hours in length).

I am certified in multiple states. If I attend and successfully complete a continuing education (CE) course in one state, can I use it to count toward my recertification in another state?

In the event the course, provider and delivery mechanism (classroom or distance education) are approved in both states, then each state may grant you CE credit for taking the one course. However, each state has a unique method of approving courses. Thus, be sure to check with the specific state appraiser regulatory agency in the jurisdictions in which you are seeking to renew your credentials to verify their requirements.

The *Criteria* requires that I take the *7-Hour National USPAP Update Course* every two calendar years. If I do not take the course until 18 months after the new version of USPAP goes into effect, does that mean I can continue to follow the prior version of USPAP until I take the update course?

No. You are responsible to comply with the version of USPAP as of the date it becomes effective, regardless of when you complete the *7-Hour National USPAP Update Course*. For this reason, the AQB encourages all credential holders to complete the course as soon as possible to ensure proper understanding of any revisions made to USPAP.

I am an AQB Certified USPAP Instructor and I recently taught the *7-Hour National USPAP Update Course*. Can I be granted continuing education credit toward my credential renewal for successfully completing the *7-Hour National USPAP Update Course* during my current renewal cycle?

Per the *Criteria*, a state appraiser regulatory agency may allow you to receive credit for successfully completing the *7-Hour National USPAP Update Course* in this case, provided that you do not receive credit for more than half of your total required continuing education during any one continuing education (CE) cycle by teaching or in any other manner, other than as a student in a CE course. However, check with your state appraiser regulatory agency to confirm whether any additional restrictions may apply.

I am an instructor of courses approved for qualifying education (QE) and/or continuing education (CE) in the state in which I hold an appraiser credential. Can I obtain CE credit for time I spend preparing to teach courses?

No, *preparing to instruct* does not qualify for CE credit. However, in addition to actual course instruction, a jurisdiction may award up to one-half of your required continuing education credit in a CE cycle for your activities during the cycle as a *program or course developer* or for *authorship of an appraisal textbook*.

I am a certified appraiser in a state with a 2-year licensure cycle. As such, I am required to complete 28 hours of approved continuing education (CE) in order to renew my certification. If I complete more than the required 28 hours, can I carryover the extra hours to my next certification renewal?

No. The *Criteria* does not provide for any carryover of CE hours from one renewal period to the next. Specifically, under *Section F. Criteria Specific to Continuing Education, Item 11* states that the instruction for which CE is sought for each year must take place "...during the period preceding the renewal...."

I am a certified appraiser and my certification does not need to be renewed until next year. The edition of USPAP just came out and I have not yet taken the latest 7-Hour National USPAP Update Course. Does this mean that my credential is invalid until I complete the course?

When a new edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP) goes into effect, you are responsible for understanding and complying with that current version of USPAP, whether or not you have taken the required 7-Hour course yet or not. Under the *Criteria*, you are required to successfully complete the 7-Hour course every two calendar years. The *Criteria* does not otherwise define the timeframe during which you must complete the course. However, please check with your state appraiser regulatory agency as states may implement more stringent requirements.

My appraiser license renewal date is coming up soon. Is continuing education (CE) I completed in two years ago too old? Where can I find the timeframe during which my CE must be completed?

Your state appraiser regulatory agency determines the continuing education cycle for credentials within the state. The *Criteria* does not allow carryover of any CE hours from one renewal period to the next.

Does the AQB require successful completion of a final exam in order to receive continuing education (CE) credit for an online asynchronous appraisal course?

The *Criteria* requires course providers of asynchronous continuing education courses to track students' attendance and measure their comprehension of the material. One way this can be accomplished is via a proctored, final examination. The other, more common method is for the CE course to include embedded quizzes or other exercises to be completed by the student during the course offering.

Please note that some states may have adopted an exam requirement for all continuing education distance learning courses. If you are located in one of these states, you are required to comply with the state's examination requirement in order to obtain your CE credit.

In addition, all synchronous USPAP courses require a proctored final examination.

I understand that to be eligible for continuing education to renew a real property appraiser credential, a course or seminar must be a minimum of two (2) hours in length. However, some courses include material that is not real property-related. For example, if one hour of a two-hour course were designed for personal property appraisers, would the course still be eligible for two hours of continuing education credit for real property appraisers? If not, would the course be eligible for one hour of credit for real property appraisers?

Only the real property appraisal-related portion of a continuing education offering is valid towards the renewal of a real property appraiser credential. In the example cited, the two-hour course would not be valid for two hours of continuing education credit, since it did not address real property appraisal-related topics for the entire two hours.

Further, this particular course would not be eligible for *any* real property appraiser continuing education credit, since the real property appraisal-related portion of the course did not constitute a minimum of two hours in duration. If, alternatively, a three-hour course included two hours devoted to real property appraisal-related topics, that course would be eligible for two hours of continuing education credit.

Exams

I am a state regulator responsible for approving asynchronous distance education courses for qualifying education purposes. Can an education provider utilize a remote proctoring service to electronically monitor an individual taking a final examination?

The *Criteria* specifies the examination must be “proctored in person or remotely by an official approved by the college or university or by the sponsoring organization. Bio-metric proctoring is acceptable.” The Policies and Procedures of the AQB’s Course Approval Program (CAP) (a voluntary program that may be utilized by state regulatory agencies) states that proctoring an examination could “take many forms including but not limited to the physical presence of a proctor, video observation or electronic monitoring.” It is important to note that the AQB does not maintain a list of acceptable proctors.

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

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*.

I am a state regulator responsible for approving distance education to be utilized as qualifying education under the *Criteria*. The *Criteria* requires a written, proctored examination. Can an examination be proctored by the staff at an electronic testing service office?

The *Criteria* specifies the examination must be “proctored in person or remotely by an official approved by the college or university or by the sponsoring organization. Bio-metric proctoring is acceptable.” The AQB does not maintain a list of acceptable proctors. However, a testing service, such as one that delivers the National Uniform Licensure and Certification Examinations and/or examinations for other professions, with staff approved by the course deliverer, would likely be an acceptable means for an examination to be proctored.

What are the qualifications of an acceptable proctor for an examination required under the *Criteria*?

The *Criteria* specifies a the examination must be “proctored in person or remotely by an official approved by the college or university or by the sponsoring organization. Bio-metric proctoring is acceptable.”. The AQB does not maintain a list of qualifications or requirements to approve acceptable proctors. Each state may adopt specific requirements for an individual to serve as a proctor.

Experience

General

I am pursuing a Certified General credential. The firm I work with has a diverse appraisal practice including the valuation of real property and the valuation of personal property. Can I claim experience for personal property appraisal assignments where I am not appraising the real property interest?

No. The *Criteria* requires that experience must be gained in the performance of acceptable **real property** appraisal practice. Specifically, an applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5 and/or 6.

STANDARD 1 (the Real Property Appraisal Development Standard) allows for the valuation of personal property as *a part of a real property valuation assignment*. Thus, a state may accept personal property valuations that are part of a real property appraisal, such as the valuation of furniture, fixtures, and equipment (personal property) as part of a hotel going concern valuation. However, always be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which could be more restrictive.

Is there an assumption that a typical residential appraisal takes "X" hours to develop and report? If someone submits a log to the state and says they have acquired 3,000 hours of experience by doing ten "URAR" form reports, would they be believed? Or, is there a range that makes sense, like between four and twelve hours for a "typical" assignment?

The *Criteria* does not specify an amount of experience hours which may be claimed per assignment. The state appraiser regulatory agency in the jurisdiction where you are seeking a credential is responsible for examining your experience log and must be satisfied there is a reasonable relationship between the amounts of time you claim to have spent on an assignment and your description of work performed. Some states have established typical hours for specific types of appraisal assignments, which they use as a benchmark to identify potentially excessive experience claims. Be sure to check with your Supervisory Appraiser (if applicable) and your state appraiser regulatory agency to make sure you comply with the hourly requirements when claiming experience.

I am employed by a county appraisal district where we value properties for ad valorem tax purposes. My job requirements include valuing real property using the sales comparison approach, performing on-site inspections of properties, using mass appraisal tools to assign real property values, analyzing sales on an annual basis, etc. Our state requires appraisal experience for state licensure or certification to comply with the *Criteria* for acceptable experience. Does my

position as a Residential Appraiser at the appraisal district meet the *Criteria* for acceptable experience?

Just by serving in a municipal appraisal position, you are not automatically granted credit. Per the *Criteria*, the quantitative experience requirements must be satisfied by time spent on the appraisal process: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP. Based upon the minimum criteria set forth by the AQB, a state could, after review of your work log and work samples, grant you experience credit for work completed in ad valorem, mass appraisal assignments. However, check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify its requirements, which may exceed the requirements set forth in the RPAQC.

I am a practicing real estate appraiser and develop my appraisals in compliance with USPAP STANDARD 1. However, I am not required to report the results of my appraisals in compliance with USPAP STANDARD 2. Can I still receive credit for experience for the hours I spent in the development process of the appraisals?

No. There is no allowance for an appraisal that is prepared in compliance with STANDARD 1 but not reported in accordance with STANDARD 2. The term “partially USPAP compliant” does not exist in the *Criteria*. In order to earn experience credit, appraisals must be prepared and reported in compliance with STANDARDS 1 and 2, as well as the additional requirements in USPAP.

I am a practicing real estate appraiser and my jurisdiction allows me to perform appraisals as an unregistered appraiser. If my appraisals are prepared in conformance with USPAP, will I be able to obtain experience credit?

Generally speaking, yes. The *Criteria* does not require an individual to possess a credential in order to obtain eligible experience credit. However, some states require an individual to possess at least a Trainee (or Associate) credential to obtain creditable experience. If that is the case, an individual who is not legally able to obtain experience would not be able to use that time to satisfy the experience requirements even if the reports were USPAP-compliant. In addition, some states do not allow experience obtained outside their state boundaries; therefore, it’s critical to check with your specific state.

Is there any requirement within the *Criteria* that would prohibit an appraiser from counting commercial experience toward obtaining a Certified Residential credential?

No. The *Criteria* does not specify that the experience hours required for the Certified Residential credential must all be obtained in the appraisal of 1-4 unit residential

properties. As a result, experience obtained in the appraisal of non-residential (including 5+ unit residential) properties for use toward a Certified Residential credential is not prohibited by the AQB.

However, as with all *Criteria*, states may establish requirements that are greater than, or more restrictive, than what the AQB requires. As a result, you will need to confirm with your state appraiser regulatory agency whether it has such a requirement.

The Certified General credential requires 3,000 hours of experience *in no fewer than 18 months*. In the type of appraisals I perform, some assignments may be commenced in one month and completed in another; thus, the log might not reflect “experience” in one or more specific months. Does my log of appraisal experience have to show appraisals completed in 18 different months? Or does it just have to span a total of 18 months?

The *Criteria* does not require that experience be obtained in 18 *different* months, but rather over a period of no fewer than 18 months. However, state regulatory agencies can be more restrictive, therefore it is recommended to check with your state for details.

I work at an assessor’s office and am working towards earning a real property appraiser credential, does the *Criteria* require my appraisal experience log, which will contain only experience gained by completing mass appraisal work, to include the signature of a supervising appraiser?

While the *Criteria* allows experience completed in compliance with USPAP Standards 5 and 6 to qualify as verifiable experience, the *Criteria* does not require all appraisal experience logs to have a supervisory signature. The *Criteria* requires a Supervisory Appraiser’s signature in an appraisal experience log when an individual has a state-issued trainee credential (and thus is, as defined in the *Criteria*, a “Trainee Appraiser”) and that trainee has met the requirement to complete their work under the direct supervision of one (or more) Supervisory Appraiser(s). Thus, if you are **not** a Trainee Appraiser with a Supervisory Appraiser, the supervising appraiser signature requirement under V.H.6. does not apply to you (bold added for emphasis):

Criteria Applicable to all Appraiser Classifications - V. Generic Experience Criteria

H. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:

1. *Type of property;*
2. *Date of report;*
3. *Address of appraised property;*
4. *Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;*
5. *Number of actual work hours by the trainee/applicant on the assignment;*
and

6. The **signature** and state certification number of the **supervising appraiser**, if applicable. Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.

As some states may have requirements that exceed AQB *Criteria*, it is important to check with your state appraiser regulatory agency.

Trainees

I am a Trainee Appraiser accumulating experience under a Certified Residential Supervisory Appraiser. I understand that for my experience to be eligible for credit it must be performed with a certified appraiser; however, we occasionally receive assignments that I do not intend to use for experience credit. In assignments where I don't intend to claim experience credit, can I perform the assignment under the direction of a Licensed Residential appraiser, or even on my own without a Supervisory Appraiser?

No. Regardless of whether an assignment is being claimed for experience credit, a Trainee Appraiser must work under the direct supervision of a Certified Residential or Certified General appraiser. The *Criteria* states, in part:

*The scope of practice for the Trainee Appraiser Classification is the appraisal of those properties which the **supervising Certified appraiser** is permitted by his/her current credential and that the supervising appraiser is qualified to appraise. (Bold added for emphasis.)*

I have been a Licensed Real Estate Salesperson for several years and also a Trainee Appraiser for over one year. I have a Supervisory Appraiser for whom I perform appraisals and I also get paid by a bank to perform Broker Price Opinions (BPOs) that require very similar information as an appraisal (including providing six comps). I act as a completely unbiased person doing these BPOs and have no interest in the properties. Can these BPOs be counted on my appraisal experience log?

If the BPOs do not comply with USPAP, regardless of the level of detail or the scope of work performed, they are ineligible for experience credit. (Refer to USPAP for further information on not misrepresenting your role when acting as an appraiser versus a broker/salesperson/mortgage broker.)

If, however, the development and reporting of the BPO complies with USPAP, and your Supervisory Appraiser provides direct supervision over your preparation thereof and reviews and signs your work product, it is possible a state appraiser regulatory agency might count these as appraisal experience. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify its requirements, which may be more restrictive.

I am a licensed forester and a Trainee Appraiser. My Supervisory Appraiser is a forester and a Certified General appraiser. As a part of my company's forestry practice, I often perform timber inventory and valuation reports (timber cruises) to estimate the value of timber. Can I utilize my timber cruise experience to satisfy the 3,000 hours of required real property appraisal experience toward earning a Certified General credential?

Solely developing a timber cruise (timber inventory and valuation report) does not qualify for real property valuation experience. However, if you develop a timber inventory and valuation report and appropriately utilize this information in an appraisal of real property, it may qualify for real property valuation experience provided the appraisal complies with USPAP. Furthermore, as with other types of appraisal assignments, an individual providing significant real property appraisal assistance in the appraisal may receive credit for these assignments, provided the individual is duly acknowledged in the certification of the report as having provided significant real property appraisal assistance and the description of their assistance is included in the appraisal report. Be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify its requirements, which may be more restrictive.

I am a Trainee Appraiser working towards my license. If I do not sign an appraisal report due to my company's policies or a client's assignment conditions, what verbiage is required in the report in order for the time I spent on the appraisal to count toward the experience requirements in the *Criteria*?

If you provide significant real property appraisal assistance to a Supervisory Appraiser but do not sign the report certification, your Supervisory Appraiser **must** disclose that you provided significant real property appraisal assistance within the certification of the report. In addition, the Supervisory Appraiser must describe the extent of your assistance in the report (refer to the *Uniform Standards of Professional Appraisal Practice* (USPAP), Standards Rules 2-2 and 2-3, as well as Advisory Opinion 31, *Assignments Involving More Than One Appraiser*, for additional details).

Furthermore, the experience log you submit to your state appraiser regulatory agency must describe the work you performed in support of the hours of experience you claim for each assignment. Documentation in the form of reports, certifications, file memoranda, or other evidence that the time you spent on the appraisal process is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.

Can a Trainee Appraiser inspect a property without a Supervisory Appraiser?

Yes; however, the Trainee Appraiser must be competent to do so. The *Criteria* requires Supervisory Appraisers to personally inspect properties along with Trainees until the

Trainee is competent to do so without supervision. The *Criteria* mandates such supervision to include:

Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.

Competency to inspect without supervision will vary from assignment-to-assignment. For example, after numerous assignments a supervisor may deem a Trainee competent to inspect single-unit residential tract-type homes. However, that does not mean the Trainee is competent to perform inspections without supervision for large custom homes, condominiums, 2-4 unit residential properties, or atypical/complex property types or assignments. Competency to inspect a property is determined by the Supervisory Appraiser on an individual assignment basis.

Can a Trainee Appraiser sign an appraisal report?

The *Criteria* neither prohibits nor requires an individual with a Trainee credential to sign any part of a written appraisal report. Please check with your state for any prohibitions or requirements relates to Trainee Appraiser signatures in appraisal reports.

I am a Trainee Appraiser and originally had Supervisory Appraiser A, who co-signed my appraisal reports. However, I also performed appraisals that were co-signed by a Certified appraiser who was not my designated Supervisory Appraiser. Can I count experience obtained under a Certified appraiser who is not my designated Supervisory Appraiser?

No. The *Criteria* states in the Supervisory Appraiser Requirement section I(A)(2): “Supervisory Appraisers shall be responsible for the training, guidance, and direct supervision of the Trainee Appraiser by...reviewing and signing the Trainee Appraiser reports.” Therefore, for experience credit to be awarded, the appraisal must be signed by the Supervisory Appraiser.

Supervisors

I am a Supervisory Appraiser and hold a Certified General credential in two states: State A and State B. One of my Trainees has a Trainee Appraiser’s credential in State A only. I have an assignment in State B, and plan to take my Trainee with me to work on the assignment. Will State A grant experience to my Trainee Appraiser for work performed in State B?

The *Criteria* specifies experience must be gained under the supervision of the Supervisory Appraiser and the work must comply with USPAP. Thus, the *Criteria* would not prohibit State A from granting the Trainee Appraiser credit in this case. However, be sure to check with the state appraiser regulatory agency in State A to confirm the state’s

requirements, which could be more restrictive. Additionally, the Trainee should check with State B to determine if State B requires the Trainee to be credentialed in State B in order to work with the Supervisory Appraiser.

I currently have two unlicensed trainees who have been working for me for a number of years. I have not required them to obtain a Trainee Appraiser credential, even though they have taken all of the required courses. Are they required to obtain a Trainee Appraiser credential in order to continue to obtain experience credits toward their Certified General credential?

No. The *Criteria* does not require an individual to possess a Trainee Appraiser credential in order to obtain experience credit. However, because individual states may implement criteria more stringent than the AQB, it is important to check with your state appraiser regulatory agency.

Types of Sanctions

There are many types of sanctions that could be imposed by state appraiser regulatory agencies against an appraiser. Since the *Criteria* prohibits supervision of Trainees for three years after a qualifying sanction, what are examples of such sanctions that would result in a three-year prohibition against supervision?

To trigger the three-year prohibition against supervision after the completion of a disciplinary sanction, the sanction must have affected the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Examples include:

- **Revocation** (termination of an individual's status as a credentialed appraiser)
- **Suspension** (temporary termination of an individual's status as a credentialed appraiser, often for a fixed period of time).
- **Restriction** (a sanction limiting or restricting a credentialed appraiser's scope of practice)
- **Voluntary surrender** in lieu of discipline

I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I notice the *Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Can you provide examples of disciplinary actions that *would* affect my legal eligibility to engage in appraisal practice?

The AQB has interpreted a disciplinary action to mean any adverse, final, and non-appealable decision by a state regulatory, administrative, or judicial authority of competent jurisdiction, which affects an individual's ability to practice. Sanctions imposed may vary between jurisdictions **and** may consist of those that do and do not affect an appraiser's legal eligibility to practice.

Sanctions that **would** affect an appraiser's legal eligibility to engage in appraisal practice may include, but are not limited to:

- Any limitation preventing or restricting an appraiser from engaging in appraisal practice until a specified condition has been met.
- Any limitation preventing or restricting an appraiser from engaging in appraisal practice of specific property types for any duration of time.
- Suspension of a Certified General or Certified Residential credential in any jurisdiction.
- Revocation of a Certified General or Certified Residential credential in any jurisdiction.

However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Eligible

Can you provide examples of disciplinary actions that *would not* affect my legal eligibility to engage in appraisal practice?

Sanctions that **would not** affect an appraiser's legal eligibility to engage in appraisal practice may include, but are not limited to:

- A monetary fine or penalty (without additional sanctions limiting the appraiser's legal eligibility to engage in appraisal practice).
- A letter of warning or reprimand.
- An educational requirement.

However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

I understand that a state may issue a probated (or stayed) suspension, where the suspension does not take effect as long as the appraiser complies with certain terms. Would a probated (or stayed) suspension constitute a disciplinary sanction prohibiting a Supervisory Appraiser from supervising Trainees for three years after the completion of the sanction?

No. Assuming the appraiser met the conditions of the sanction and the suspension never became effective, such an action did not affect the Supervisory Appraiser's legal eligibility to practice. Therefore, this would not trigger the prohibition against supervision for three years after the sanction.

I am a certified appraiser who has recently obtained a reciprocal license in another state. I have taken the required course for Supervisory Appraisers/Trainee Appraisers and have been certified for more than three years.

Can I supervise Trainee Appraisers in the state where I recently obtained my reciprocal license?

Yes, provided you have been certified for a period of at least three years and are in good standing.

I am a state-certified appraiser who is also a Supervisory Appraiser. My state appraiser regulatory agency has levied a fine against me and required me to take additional education. Is this considered a sanction that restricts the Supervisory Appraiser’s “legal eligibility to engage in appraisal practice?”

No. As long as the fine is paid and remedial education is completed and no further action is taken (suspension), the Supervisory Appraiser could continue to supervise Trainee Appraisers. However, please check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

I have been a Certified Residential appraiser for the past five (5) years. Last month, I was issued a Certified General credential in the same jurisdiction. Am I able to supervise a Trainee Appraiser working on commercial properties?

The *Criteria* states Supervisory Appraisers shall be state-certified and in “good standing” for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. The *Criteria* does not specify that a Supervisory Appraiser possess a specified Certified Residential or Certified General credential, so you may be eligible to supervise a Trainee Appraiser performing commercial appraisals. However, the Supervisory Appraiser must comply with the COMPETENCY RULE of USPAP for the property type and geographic location in which the Trainee Appraiser is being supervised.

I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I was recently investigated by my state board for an alleged violation of USPAP. The case was subsequently dismissed without merit and no violations were substantiated. Does an investigation by a state board or other duly authorized entity preclude my continued supervision of the Trainee Appraiser?

No, the *Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser’s **legal eligibility** to engage in appraisal practice. Although an investigation has occurred in your case, there has been no disciplinary action taken that would preclude your continued supervision of your Trainee Appraiser. However, be sure to check with your state appraiser regulatory agency to confirm the state’s requirements, which could be more restrictive.

I am a Supervisory Appraiser who has recently upgraded from Certified Residential to Certified General. Am I allowed to continue to supervise my Trainee

Appraisers or do I need to wait until I have held the Certified General credential for three years?

Yes. You are allowed to continue to supervise your current Trainee Appraisers. However, you must be competent in the property type and the geographic location of your practice. You may supervise the Trainee Appraiser in both residential and non-residential assignments that you are competent to appraise.

I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I also carry a designation issued by a professional appraiser organization. I was recently investigated by my organization for an alleged violation of the organization's professional ethics requirements, and subsequently, my professional designation was revoked. Does a revocation of my designation by the professional organization preclude my continued supervision of the Trainee Appraiser?

No, the *Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's *legal eligibility* to engage in appraisal practice. Although your appraiser organization has imposed a disciplinary sanction by revoking your designation, this action does not, in and of itself, affect your legal eligibility to engage in appraisal practice in your credentialing jurisdiction. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

I am a practicing real property appraiser and I was disciplined by my state regulatory agency five (5) years ago. I am currently in good standing in that jurisdiction and want to know if I am eligible to become a supervisor or supervise a new Trainee Appraiser.

If an individual wishes to either become a supervisor or supervise a new Trainee, the *Criteria* requires a state to review the three-year period immediately preceding the individual's application/request to become a supervisor. The *Criteria* requires Supervisory Appraisers to be "state-certified and in 'good standing' for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in 'good standing' three (3) years after the successful completion/termination of the sanction imposed against the appraiser."

Example: An individual wishes to become a Supervisory Appraiser (or supervise a new Trainee) on July 1, 2017. However, this individual had a 60-day suspension, ending on March 31, 2016. This individual would not be able to become a Supervisory Appraiser

(or supervise a new Trainee) until March 31, 2019 (three years after the end date of the disciplinary action).

An individual who is already a supervisor but receives a disciplinary sanction prior to January 1, 2015, would not automatically lose his or her ability to supervise the Trainee(s). However, if a jurisdiction precludes an individual from supervising due to the sanction (that affects the appraiser's legal eligibility to appraise), the individual would have to comply with all Supervisory Appraiser criteria.

If a state issues a sanction that is essentially a "lifetime" action, that individual would be precluded from being a supervisor for any new Trainees.

Please note that individual states or credentialing jurisdictions may adopt more stringent requirements. It is incumbent on candidates to check with the state appraiser regulatory agency in which they plan to supervise a trainee.

I am a state-certified appraiser and am considering supervising a Trainee Appraiser. I was recently suspended from the HUD appraisal roster but have not been sanctioned by my state appraiser regulatory agency. Am I considered to be "in good standing" under the *Criteria* and therefore eligible to supervise a Trainee Appraiser?

Yes. The *Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Although HUD has suspended you from their approved panel, this action does not, in and of itself, affect your legal eligibility to engage in appraisal practice in your credentialing jurisdiction. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Is a Supervisory Appraiser's eligibility to supervise Trainee Appraisers only evaluated when they initially become a Supervisory Appraiser, or is the Supervisory Appraiser's eligibility evaluated on an ongoing basis?

The Supervisory Appraiser's eligibility is evaluated on an ongoing basis. Thus, if any sanction is levied against a Supervisory Appraiser during the term of supervision that affects the Supervisory Appraiser's eligibility to practice, the Supervisory Appraiser would immediately lose the right to supervise Trainee Appraisers for the length of the sanction, plus an additional three years beyond the date the sanction is lifted.

Not Eligible

I am a state-certified appraiser who is also a Supervisory Appraiser. My appraiser credential has been suspended. Is this considered a sanction that restricts the Supervisory Appraiser’s “legal eligibility to engage in appraisal practice?”

Yes. An appraiser would not be able to act as a Supervisory Appraiser for the length of the suspension plus an additional three years beyond the date the suspension is lifted.

I am a Certified Residential appraiser who also functions as a Supervisory Appraiser. Recently, I received a disciplinary sanction from my state appraiser regulatory agency, which includes a period of probation. During this probationary period, I cannot engage in the appraisal supervision of Trainees. Is this considered a sanction that restricts my “legal eligibility” to engage in appraisal practice as stipulated in the Supervisory Appraiser Requirements of the *Criteria*?

The *Criteria* states, in part:

Supervisory Appraisers shall not have been subject to any disciplinary action—within any jurisdiction—within the last three (3) years that affected the Supervisory Appraiser’s legal eligibility to engage in appraisal practice.

In this case, your state appraiser regulatory agency believes that you should not be training others for a period of time.

It is important to understand the scope of appraisal practice identified in the *Criteria* for a Certified Residential credential. As stated in the *Criteria*, the scope of practice for a Certified Residential credential is as follows:

The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.

1. *The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential unit purposes or for which the highest and best use is for one-to-four residential units.*
2. *The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.*

It is the position of the AQB that unless a disciplinary sanction limits or restricts an appraiser’s scope of practice as identified above, such a sanction does not affect the individual’s legal eligibility to practice. Since acting as a supervisory appraiser is not specifically identified in the scope of practice, it is not part of an individual’s appraisal practice. As such, any prohibitions precluding an individual from acting as a supervisory appraiser for a stipulated period of time would not affect the individual’s legal eligibility to practice and, therefore, would not be subject to the additional three-year prohibition against supervision as outlined in the *Criteria*.

I am a state-certified appraiser who is also a Supervisory Appraiser. My state has placed a restriction on my credential, limiting the types of assignments they will allow me to appraise. Is this considered a sanction that restricts the Supervisory Appraiser’s “legal eligibility to engage in appraisal practice?”

Yes. An appraiser would not be able to act as a Supervisory Appraiser for the length of the “probation” plus an additional three years beyond the date the “probation” is lifted.

I am a state-certified real property appraiser in States A and B. I am also supervising a Trainee Appraiser in State A. I was recently investigated by the state board in State B for an alleged violation of USPAP and it was determined a violation was found to exist. Subsequently, State B suspended my appraiser certification for a period of one (1) year. Does this action preclude my continued supervision of the Trainee Appraiser in State A?

Yes, the *Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action **within any jurisdiction** within the last three (3) years that affects the Supervisory Appraiser’s legal eligibility to engage in appraisal practice. Although you may currently be in “good standing” in State A, your legal eligibility to engage in appraisal practice in State B has been suspended and you are no longer able to act as a Supervisory Appraiser in any jurisdiction until a minimum of three (3) years after the successful completion/termination of the sanction imposed against you. However, be sure to check with your state appraiser regulatory agency to confirm the state’s requirements, which could be more restrictive.

I am a Trainee Appraiser seeking a Supervisory Appraiser. I live in a state where appraisers are not required to be state-licensed or certified for appraisal assignments that do not involve federally related transactions. I have found an appraiser that is willing to supervise my work and sign my appraisal experience log, but he does not possess a state license or certification. Would this individual qualify as my Supervisory Appraiser?

No, the *Criteria* specifies Supervisory Appraisers shall be state-certified and in “good standing” for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. The fact this individual is not a state-certified appraiser precludes this appraiser from acting as your Supervisory Appraiser and signing your appraisal experience log. Be sure to check with your state appraiser regulatory agency to confirm the state’s requirements, which could be more restrictive.

I have been a Licensed Appraiser for five years and am interested in becoming a Supervisory Appraiser. Am I eligible to become a Supervisory Appraiser at this time?

An individual with only a Licensed Residential credential is not eligible to become a Supervisory Appraiser. According to the *Criteria*, one of the requirements for a

Supervisory Appraiser is they “shall be state-certified and in ‘good standing’ for a period of at least (3) years prior to being eligible...” Therefore, the appraiser must be “state-certified,” meaning credentialed as a Certified Residential or Certified General for a period of three years before supervising.

Maximum of Three Trainee Appraisers “At One Time”

The *Criteria* restricts supervisory appraisers to a maximum of three trainee appraisers “at one time” (unless the state has a program that would allow for more under the *Criteria*). The phrase “at one time” can be somewhat ambiguous. In what context is the phrase intended in this application?

It is the intent of the *Criteria* for supervisory appraisers to have no more than three trainee appraisers under his or her direct control and supervision at any specific time. For example, if a supervisory appraiser wished to bring on a fourth trainee appraiser, the supervisory appraiser would have to discontinue the supervision of at least one of the three trainee appraisers currently being supervised.

It is not the intention of the *Criteria* for supervisory appraisers to “supervise” only on a daily, or assignment-by-assignment basis. Supervision is intended to be more long-term, and ongoing. However, there are appraisal firms that perform assignments for a wide variety of property types and intended uses, and may employ different appraisers who specialize in these differing property types. In such cases, it’s possible that the “lead appraiser” for a particular assignment might not be the trainee appraiser’s identified supervisory appraiser. This is permissible as long as the trainee appraiser continues to work under the overall supervision of the assigned supervisory appraiser, and the supervisory appraiser complies with the requirements set forth in the *Criteria*.

It’s important to remember that to be eligible for experience credit, the supervisory appraiser must sign the trainee appraiser’s USPAP-compliant appraisal report, taking full responsibility for its contents. In addition, if the trainee appraiser does not sign the appraisal report, the supervisory appraiser must identify the trainee appraiser in the appraisal report’s certification, and the tasks performed by the trainee must be stated within the appraisal report (as also required by USPAP).

The supervisory appraiser is also responsible, along with the trainee appraiser, to maintain a log of the trainee appraiser’s assignments as specified in the *Criteria*.

I’m a state certified appraiser and I’m considering supervising one or more Trainee Appraisers. I know the AQB revised requirements for Supervisory Appraisers on July 1, 2016, but I have a few questions:

- 1. Is a Supervisory Appraiser required to have three years’ experience *immediately prior* to taking on a Trainee Appraiser?**

2. Does a Supervisory Appraiser have to be state certified in the same state as the Trainee Appraiser?
3. Must a Supervisory Appraiser accompany the Trainee Appraiser on all physical inspections of properties?

On July 1, 2016, the AQB removed the requirement for a state-certified appraiser to be credentialed for three years *in a specific jurisdiction* prior to acting as a Supervisory Appraiser. Supervisory Appraisers are still required to be state-certified for a minimum of three years, and must also be credentialed in the jurisdiction where the Trainee Appraiser practices. With that background, the responses to the questions are:

1. No. The AQB does not specify that an individual be state-certified for the three years immediately preceding acting as a Supervisory Appraiser. State-certified appraisers cannot have been the subject of any disciplinary action in any jurisdiction affecting their legal eligibility to practice within the immediate three years preceding acting as a Supervisory Appraiser, but the requirement to be state-certified for three years could have been satisfied at any time.
2. Yes. In the *Criteria*, Section V.E. in the Trainee Real Property Appraiser classification states:
 - a. *The state-certified Supervisory Appraiser shall be in good standing in the training jurisdiction and not subject to any disciplinary action within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice.*
3. No. In the *Criteria*, Section V.B.3. in the Trainee Real Property Appraiser classification requires the Supervisory Appraiser to be responsible for the training, guidance, and direct control and supervision of the Trainee Appraiser by:

Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.

It is important to note that although the AQB does not mandate a minimum number of assignments or period of time for a Supervisory Appraiser to accompany a Trainee Appraiser on physical inspections of properties, some states do have such additional requirements. Therefore, the AQB strongly suggests all potential Supervisory Appraisers check with the applicable jurisdiction(s).

“Supervision” of Licensed and Certified Residential Appraisers

I am currently a Licensed Residential Appraiser pursuing a Certified General appraiser credential. I work for a Certified General appraiser who mentors me, and reviews and signs my commercial and complex residential work. Do we have to attend a Supervisory Appraiser/Trainee Appraiser course and do I need to keep a Trainee Appraiser log (and does my boss need to keep a Supervisory Appraiser log) for my experience to count toward earning the Certified General credential?

The *Criteria* only requires a formal Supervisory Appraiser for Trainee Appraisers. Even though you may be “supervised” in the generic sense of the word, because you hold a Licensed Residential credential, the *Criteria* would NOT require a Supervisory Appraiser in this case. A state appraiser regulatory agency may require the use of the Trainee Appraiser log and/or a similar log in order to demonstrate experience gained toward the Certified Residential or Certified General credential. Please check with your state appraiser regulatory agency, since it may adopt more stringent requirements than those outlined in the *Criteria*.

I hold a Certified Residential credential and am pursuing a Certified General credential in the same jurisdiction. Does the AQB require any supervised experience to upgrade from a Certified Residential appraiser to a Certified General appraiser?

The *Criteria* does not specifically address a formal Supervisory Appraiser relationship for Certified or Licensed appraisers seeking an upgrade to their credential. However, you must comply with the COMPETENCY RULE of USPAP when you obtain your non-residential property experience, which may require that you work with an existing Certified General appraiser who is competent in the property type and geographic area. Be sure to check with the state appraiser regulatory agency in the state where you plan to seek the credential to confirm the state’s requirements, as states may implement more stringent requirements.

Upgrading a Credential

I am a Certified Residential appraiser and am pursuing a change to Certified General. I realize a Trainee who applies to become Certified General is required to accumulate 3,000 hours of experience (with at least 1,500 being non-residential). However, does this mean that a Certified Residential appraiser would only have to accumulate 1,500 hours of commercial experience to satisfy the experience requirement?

The *Criteria* requires 3,000 hours of experience accumulated in no fewer than 18 months, of which 1,500 hours must be non-residential. Under the *Criteria*, experience gained in pursuit of a credential is not exclusive to that specific credential. Thus, based

upon the minimum criteria set forth by the AQB, a state appraiser regulatory agency could, after review, count the experience earned toward your Certified Residential credential along with additional experience earned toward the 3,000-hour requirement for the Certified General credential. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify its requirements, which may be more restrictive.

I am an appraiser in an assessor's office. I participate in mass appraisal assignments. I also perform complete appraisal assignments on individual properties in response to assessment appeals. I wish to obtain a Certified Residential appraiser credential, but my state appraiser regulatory office informed me that my experience working for the assessor does not qualify.

When I told my state I understood the AQB allows experience obtained working in an assessor's office, they elaborated that the experience is not eligible because I do not perform USPAP-compliant reports. My appraisals are performed in accordance with assessment standards that, for the most part, are consistent with USPAP. The only difference is in the reporting of our findings: our reports are not in full conformance with STANDARD 2 of USPAP. Does the AQB allow experience working for an assessor? Is there some manner in which I can receive credit for this experience?

Yes, the *Criteria* allows experience obtained working for an assessor. However, under "Criteria Applicable to All Classifications" in the *Criteria*, Section V.D. states, in part:

An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

Therefore, in order for your appraisals to qualify for experience credit, the individual real property appraisals must comply with STANDARDS 1 and 2, while the mass appraisal assignments would need to comply with STANDARDS 5 and 6. If one of your appraisal assignments on an individual property has been completed in compliance with STANDARD 1 of USPAP but fails to fully comply with STANDARD 2, the assignment is not eligible for experience credit.

In addition, the appraisals performed would need to be individually entered on an experience verification log, be subject to verification, and available for review by the state appraiser regulatory agency. No exceptions to these requirements are permitted.

It is important to note that not all States accept experience from work complying with STANDARDS 5 and 6.

States

I am a state appraiser regulatory official who has received an application from a Trainee Appraiser seeking to become a Certified General appraiser. The

candidate meets the college degree and qualifying education requirements. The candidate relocated to my state one year ago and some of the experience on the experience log submitted was completed while the candidate was a resident of a neighboring state. What responsibility do I have to ensure experience earned in another state meets the Supervisory Appraiser/Trainee Appraiser requirements of that state?

As the jurisdiction evaluating the Trainee Appraiser's experience, it would be incumbent upon you to obtain sufficient evidence to support that the experience sought from work done in the neighboring state was earned in accordance with appraiser licensing/certification rules of the other state in effect at the time the experience was earned.

I am a state regulator reviewing experience logs from multiple Trainee Appraisers. Supervisory Appraiser C had three Trainees working with her during a specific time period. A fourth Trainee was added during that same time period. May all four of the Trainees in question use the experience gained while working for the Supervisory Appraiser, since she had more than three Trainees and my state does not have a monitoring system in place?

The *Criteria* explicitly states that a "Supervisory [Appraiser] may not supervise more than three (3) Trainee Appraisers at one time, *unless a state program in the credentialing jurisdiction provides for progress monitoring, supervisory certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.*" (emphasis added)

Therefore, because the state did not have a monitoring system in place, the experience gained by all of the Trainees would be ineligible for credit during the period of time the Supervisory Appraiser supervised more than three Trainees.

PAREA

State Regulators

What is PAREA?

PAREA stands for the Practical Applications of Real Estate Appraisal. It is an alternative to the traditional Supervisor and Trainee model.

Why is there a need for PAREA?

Over the years, the Appraiser Qualifications Board (AQB) has received complaints on the shortage of Supervisory Appraisers willing to take on Trainees. The AQB adopted the concept of PAREA, as an alternative method to the traditional Supervisor and Trainee model, in hopes that it will alleviate any unnecessary barriers to entry into the appraisal profession.

How do I know that a PAREA Program will be high-quality without seeing it?

Providers must follow the [Criteria](#), [PAREA Implementation Policies](#), and be sure they meet the PAREA Minimum Content Requirements for [Licensed Residential](#) and/or [Certified Residential](#) Classifications. The AQB will personally be reviewing each program to ensure that minimum standards are met.

Prior to the adoption of PAREA on January 1, 2021, every trainee was required to locate someone who was willing to supervise them. Given that the PAREA programs will have “mentors” instead of “supervisors”, will that mean a PAREA participant will be required to locate someone who is willing to serve as their mentor?

No. Because every PAREA program is required to have mentors, it will be the responsibility of the PAREA provider to make certain a mentor(s) is available to any PAREA participant.

What education must participants have before PAREA?

PAREA participants must complete all Qualifying Education prior to beginning the program. Thus, they enter the program fully prepared to apply their knowledge.

How much experience credit can be gained by PAREA alone?

Certification Type	Education	Experience	Exam
Licensed Residential	150 hours	1000 hours under a Supervisor in 6 months OR PAREA can replace up to 100% of the required experience hours	Yes
Certified Residential	200 hours	1500 Hours under a Supervisor in 12 months OR PAREA can replace up to 100% of the required experience hours	Yes
Certified General	300 hours	3000 Hours under a Supervisor in 18 months OR PAREA can replace up to 50% of the required experience hours	Yes

What happens for participants after PAREA?

Participants who complete a PAREA program (and pass the national exam) will be considered to have minimally qualified experience. They will understand how to perform the appraisal process.

Do participants still have to get traditional hours?

The AQB will approve PAREA programs, but it is up to each individual state to accept the PAREA program experience, the aspiring appraiser gains through the program, in lieu of the traditional hours.

Do states need to approve PAREA programs themselves?

The AQB will approve PAREA programs, but it is up to each individual state to adopt PAREA as an alternative pathway, and to accept the AQB's approval of PAREA programs.

How will the PAREA program benefit states?

- Having participants go through a structured, AQB-approved program assures consistent and accurate training (something that is not always the result of some individual supervisor/trainee arrangements).
- With a state's full acceptance of PAREA experience, the need to review appraisal logs and appraisal work samples could be eliminated.
- Ensures the participant has experience writing USPAP compliant appraisal reports.
- Ensures the USPAP-compliant appraisals demonstrate the participants own work product skills, rather than their supervisors.
- Participants are required to demonstrate mastery of each topic area before moving forward in the program. Thus, the emphasis is proficiency, not hours.
- PAREA will provide the participant opportunities to apply the complete appraisal process in the development of an appraisal report.
- The program is specifically designed to NOT provide competency for all types of specific appraisal problems. This is true of the existing licensing system today. As receiving an appraisal credential does not make one competent to perform all types of assignments. Just as it is now, all credentialed appraisers can *gain* competency before completing assignments, but they do not have to demonstrate competency before they are issued a credential.

The Appraisal Experience Log and Successful Completion of a PAREA Program

As a state regulator, we are preparing to process an application for an individual who has a certificate indicating the successful completion of the Certified Residential Module of an AQB approved PAREA program. Our state allows PAREA to account for 100% of the experience requirement for the Certified Residential credential. However, the applicant has not submitted an appraisal

experience log to be reviewed. Does the *Criteria* require the applicant to submit an appraisal experience log?

If your state allows the successful completion of PAREA to account for 100% of the experience credit for the Certified Residential credential, then there is no additional requirement in the *Real Property Qualification Criteria* where the applicant would need to submit an experience log. An appraisal experience log is a requirement only when experience is obtained under Section V. “Generic Experience Criteria.” If the experience is acquired under PAREA, then only Section VI “Practical Applications of Real Estate Appraisal” is applicable.

Currently, the *Criteria* allows a certification of completion of PAREA to account for 100% of the experience requirement for both the Licensed Residential (LR) and the Certified Residential (CR) credential. If the applicant is applying for Certified General (CG), or if your state does not allow PAREA for 100% experience, applicants may have logs for any experience obtained under a supervisor.

How do the appraisal reports completed in PAREA compare to an appraisal report prepared for a lender client, for example?

The appraisal reports a PAREA participant produces are substantively similar to demonstration appraisal reports. The appraisal reports have no business purpose, rather, they are intended to demonstrate the participant’s knowledge and mastery of the PAREA required content.

Is the only way to “ensure program participants produce appraisal reports that comply with USPAP” to have them reviewed by a certified appraiser whose credential is valid in the state the PAREA applicant plans to apply to become an appraiser?

No. The *Criteria* does not require the appraisal reports produced by the PAREA participant to undergo a USPAP Standard 3 and 4 review, nor does the *Criteria* require the reports undergo an appraisal review (as defined by USPAP). The *Criteria* allows the PAREA provider to determine the best way to ensure the appraisal reports produced by the participant comply with USPAP.

Geographical Competency

I am a state regulator who is interested in understanding the goals of the PAREA program. When an appraiser successfully completes the program, will they be geographically competent to appraise in every area in my state?

Geographic competency and the more general concept of “competency” itself, is a concept that is expressed in USPAP, and not in the *Real Property Qualification Criteria*. Rather, the *Criteria* has always focused on requiring an appraiser to be minimally qualified to complete appraisal related work.

Competency, including geographic competency, is something the appraiser gains continually over time as they work in a variety of different market areas and appraise different types of properties.

Once a state issues a credential to an appraiser, the credential allows the appraiser to complete appraisals across the entire state. The appraiser still has an obligation under USPAP to meet competency requirements, but those are separate issues which are outside of the *Criteria*.

Partial PAREA Adoption and Experience Requirements

I am a state regulator in a state that partially adopted the Practical Applications of Real Estate Appraisals (PAREA) for up to 50% experience for the Licensed Residential credential. How does this affect the experience requirements for the remaining 50% experience? Specifically, the *Criteria* states the following for the Licensed Residential (LR) credential.

The prerequisites for taking the AQB-approved examination are completion of:

- 1. One hundred fifty (150) creditable class hours as specified in the Required Core Curriculum; and***
- 2. One thousand (1,000) hours of qualifying experience in no fewer than six (6) months.***

So, does the applicant need to complete the remaining 500 hours of qualifying experience in no fewer than (3) months?

The Appraiser Qualifications Board (AQB) recommends approving PAREA programs for the following credit:

- a. For participants completing an approved Licensed Residential program:*
 - i. Licensed Residential classification: up to 100 percent of the required experience hours.*
 - ii. Certified Residential classification: up to 67 percent of the required experience hours.*
 - iii. Certified General classification: up to 33 percent of the total required experience, none of which is eligible towards the required non-residential hours.*
- b. For participants completing an approved Certified Residential program:*
 - i. Licensed Residential classification: up to 100 percent of the required experience hours.*
 - ii. Certified Residential classification: up to 100 percent of the required experience hours.*
 - iii. Certified General classification: up to 50 percent of the total required experience, none of which is eligible towards the required non-residential hours.*

If a participant successfully completes PAREA, the *Criteria* deems the experience requirements satisfied, regardless in which state the participant is seeking a license. However, for partial approval of experience credit given to PAREA participants, it is up to states to determine how the rest of the experience credit should be given.

Will the credentialing candidate be required to submit appraisal reports to the state regulatory board for review?

No. The participant will receive a certificate indicating successful completion of a PAREA program.

The PAREA participant must produce the required three minimum appraisal reports. Since these appraisal reports are completed while the participant is engaged in the program, the *Criteria* does not require retention or sharing of these reports with any party outside of the PAREA program provider.

While the *Criteria* does not require submission of appraisal reports to entities external to the PAREA providers, the Policy Statements of the Appraisal Subcommittee may have more specificity. The [Policy Statements](#) are created and enforced by the Appraisal Subcommittee and are not subject to the jurisdiction of the AQB. Please contact the [Appraisal Subcommittee](#) directly for more information.

What can a state do if they want to see more evidence of a credentialing candidate's work?

There is no need for additional evidence of experience. Successful completion of a PAREA program ensures the graduate has acquired the experience to be minimally qualified. AQB approves PAREA programs.

Verifying Qualifying Education after the Successful Completion of a PAREA Program

As a state regulator we are preparing to process an application for an individual who has a certificate indicating the successful completion of the Licensed Residential Module of a PAREA program. According to *Criteria* guidelines, the applicant must have specific prerequisites for Qualifying Education (QE) prior to commencement of the PAREA program. In this instance, after we reviewed all the QE courses ourselves, we noted one of the QE courses the PAREA provider accepted as a prerequisite, was not approved in our state as a QE course.

Should the PAREA completion be invalidated for credentialing purposes?

While the *Real Property Qualification Criteria* does not directly address this situation, if there is a deficiency in a component, the applicant should be given the opportunity to correct it. In this case, to satisfy the QE deficiency, the applicant must successfully

complete the missing QE course. This component deficiency should not invalidate the entire experience.

According to Criteria Applicable to All Appraiser Classifications in section VI. in the *Criteria*, AQB-approved PAREA programs shall:

2. *Require participants to possess the following prerequisites prior to commencement of training.*
 - a. *For the Licensed Residential Module: 150 hours of qualifying education as specified in the Required Core Curriculum for the Licensed Residential Real Property Appraiser classification.*
 - b. *For the Certified Residential Module: 200 hours of qualifying education as specified in the Required Core Curriculum for the Certified Residential Real Property Appraiser classification; and*
 - i. *Possession of a valid Licensed Residential Real Property Appraiser credential; or*
 - ii. *Successful completion of an AQB-approved PAREA program for the Licensed Residential Real Property Appraiser classification;*

Therefore, it is the responsibility of the PAREA provider to ensure PAREA participants possess the prerequisite QE education prior to beginning a PAREA program. If this situation occurs, it is important you contact the PAREA provider and The Appraisal Foundation and alert them of this occurrence.

The PAREA provider will need to correct this issue. According to the PAREA Implementation Policies:

Complaints concerning the PAREA program content or the Providers of the program will be investigated by the AQB.

PAREA Providers

Basics and Logistics

Who can create a PAREA program?

Any organization, company, institution, individual, or collaboration is eligible to apply to be an Appraiser Qualifications Board (AQB) approved PAREA provider if the applicant can demonstrate its program will meet all of the PAREA *Criteria* as adopted using reliable technology delivery methods.

Why would I want to create a PAREA program?

Real estate appraisal training opportunities are lacking in many markets. It is often difficult for aspiring trainees to find Supervisory Appraisers. Under the traditional experience path, Trainees who want to become appraisers need to find a Supervisory Appraiser to obtain their experience hours. By creating a PAREA program, you would be satisfying a need in the market to provide an alternative path of obtaining real estate appraisal experience.

What should I do before I start creating my PAREA program?

While working to create a PAREA program, we suggest you have a draft of your preliminary concept submitted for review by the AQB. By doing so, you will make sure your program concept addresses all PAREA requirements.

How much will it cost to create a PAREA program?

Development costs depend on the delivery methods and techniques needed to effectively present each of the required content areas as identified in the *Criteria* section of PAREA. PAREA program delivery could utilize a variety of educational methods. Please refer to [Guide Note 11](#) in the *Criteria* for suggested delivery methods that could be used in the development of exercises, examples, simulations, case studies, and applications.

What platform do I need to use?

PAREA providers are not required to use any specific technology, platform, or content delivery method. However, the use of a variety of technology is encouraged for the most engaging, effective, and interactive user experience.

Do I need to have the delivery mechanisms approved by the AQB or an AQB-approved organization? Will I need to have each specific delivery mechanism used in my PAREA program individually approved by the AQB?

No. PAREA programs are not required to have the program delivery mechanisms *themselves* approved. Rather, the delivery mechanisms will be approved as a part of the overall PAREA program.

How long does the program need to be?

PAREA providers are not required to meet any start to finish time requirements in their programs. However, they must ensure the content outline requirements are covered in their entirety.

What can I charge for the program?

PAREA providers determine the price charged to the participant for their program. However, you must make sure the potential participant knows the total cost of the program prior to becoming a program participant.

How many Mentors must I provide?

There is no required mentor to participant ratio, but you must provide an adequate number of Mentors to ensure timely and competent mentoring for all program participants.

How many participants are permitted per cohort in a PAREA program?

There is no minimum or maximum number of participants required in a PAREA program. However, the Provider must have sufficient technical assistance and Mentors available to ensure each participant's experience is robust and meaningful. PAREA Providers may have multiple participants, or groups of participants, proceeding through their program at any given time.

Once I create my PAREA program concept, what happens next?

- You will be able to submit your program concept for review by the AQB prior to full program development and submittal for approval.
- You will need to provide examples of each delivery method from your program to be reviewed by the AQB prior to receiving approval.
- The AQB will review and provide feedback on your PAREA program concept.
- You can use the AQB feedback to modify your PAREA program concept and start building your PAREA program.
- Once you build your PAREA program, you will submit it to AQB for final review/approval.
- You will receive an approval/denial/need for modification notice from the AQB.

How long is PAREA program approval good for?

A program is deemed approved/active if the below requirements are met:

- Any changes to the PAREA content outline and the *Uniform Standards for Professional Appraisal Practice* (USPAP) are incorporated into the program;
- All PAREA content outline is covered in the program;
- Any reporting requirements established by the AQB are completed, which may include:
 - Number of participants
 - Number of mentors
 - Participant success in becoming state licensed or certified
 - Program or mentor complaints received and/or investigated; and
- Any complaints investigated by the AQB for failing to meet the PAREA requirements or policies are absolved.

Providers & States

Do states accept PAREA as an alternative method of experience?

PAREA providers must ensure their programs are accepted in the state in which their prospective participant intends to be credentialed before accepting the participant into their program. Likewise, PAREA participants should be instructed to verify with their state regulatory board or authority to ensure their PAREA program experience will be

acceptable and if there are any additional state-specific experience requirements the participant will be required to satisfy.

Must PAREA participants who have successfully completed a PAREA program submit USPAP-compliant work products (appraisal reports) to their state with their application for a Licensed or Certified Residential credential?

While an individual state may choose to require sample appraisal reports as part of the application process, this is not an AQB requirement.

Participants

How do I find PAREA participants to take my PAREA program?

Your PAREA program will be added to the registry of approved providers on the Foundation’s website. You must provide a customer service and inquiry mechanism for program participants or those considering your program. You may want to contact appraisal organizations, local appraisal chapters, and/or state appraiser regulatory programs for a list of aspiring appraisers.

Is there anything that my PAREA participants should know?

- PAREA providers may establish time completion requirements for their program participants (e.g. a program must be completed within 3 years.)
- PAREA participants must complete the PAREA program in its entirety before earning the completion certificate.
- PAREA participants may not start a program with one approved Provider and finish with another Provider.
- If a PAREA participant leaves a program without completing it per the Provider’s requirements, the participant must start over with another PAREA provider or gain their experience under the traditional supervisor/trainee experience requirements set forth in the *Criteria*.
- The experience credit gained by a participant in an approved PAREA program does not expire.

What happens with complaints against the provider?

Complaints against your PAREA *program* (e.g., issues with mentors, platform function) will be handled by the PAREA provider.

Complaints against the PAREA program *provider*, will be investigated by AQB

- Complaints concerning the PAREA program content, or the Providers of the program will be investigated by the AQB.
 - Such complaints will be limited to failure to deliver appropriate PAREA content.

- PAREA program providers will provide necessary access to their programs to investigate any complaints brought before the AQB.

Program

When creating a PAREA Program, can the sequence of topics presented in the *Criteria* under the minimum content requirements be rearranged?

Yes. You do not have to follow the same sequence the topics are presented in within the *Criteria*. Section VI. 1. of the *Criteria* Applicable to all Appraiser Classifications, states that AQB-approved PAREA programs shall:

Contain, at a minimum, the content specified in the Practical Applications of Real Estate Appraisal section of this Criteria.

Furthermore, the PAREA section of the *Criteria* which lists the minimum content requirements you refer to states:

The goal of the following [minimum content requirements] is to outline necessary Content Criteria that must be included in the development of exercises, examples, simulations, case studies, and applications as are appropriate to recreate the practical experience expected to be gained by an appraiser seeking a license credential.

Therefore, the AQB requires all topics listed within the minimum content requirements to be covered in the PAREA program, but the provider has flexibility when determining the order in which their program will present the material. However, the sequencing must be logical (as approved by the AQB) and have the Review by Mentor sections occurring at reasonable points within the program.

In the *Criteria*, it states the following:

5. Ensure program participants produce appraisal reports that comply with USPAP, and meet or exceed the following requirements:

a. Licensed Residential

- i. No fewer than three (3) appraisal reports;**
- ii. Reports must represent a variety of assignment types and property types that are consistent with the Licensed Residential program content; and**
- iii. Reports must comply with the edition of USPAP that is in effect at the time.**

b. Certified Residential

- i. No fewer than three (3) appraisal reports;**
- ii. Reports must represent a variety of assignment types and property types that are consistent with the Certified Residential program content; and**

iii. Reports must comply with the edition of USPAP that is in effect at the time; and

Could our PAREA program be approved if we only require the participant to complete three reports?

Yes, a provider could be approved if only three reports are required. However, three appraisal reports is the *minimum*. And while the minimum requirement is to have the participant produce three complete appraisal reports, the participant will likely need to work through many different scenarios, assignments, or parts of assignments to gain mastery. Some providers may solve the issue of teaching mastery by only working through three detailed assignments which result in only three appraisal reports, while another provider may choose to design their program in such a way that results in ten, fifteen or even more appraisal reports. The goal is mastery and providers can accomplish that in many ways.

The PAREA program outline and [Guide Note 11](#) encourage the provider to exceed the minimum requirements in the *Criteria*, which may distinguish competitors' programs by the extent of experience gained beyond creation of three (3) appraisal reports. Some PAREA program participants may see the added value in and ultimately select a program with more assignments versus a program with just three, to gain experience in a wider variety of assignment types and property types they may encounter in their market area.

The PAREA program requirements within the *Criteria* are much less prescriptive than those given in [Guide Note 11](#). Which requirements should be followed?

PAREA program requirements listed within the *Criteria* itself must be followed. Guide Note 11 contains additional suggested guidance (non-binding) for the delivery of PAREA training.

Under the minimum content requirements for the licensed residential or certified residential classifications, there are specific items listed. For instance, under licensed residential classification, there is the following:

I. Introduction

A. General Considerations and Responsibilities

- 1. Discuss respecting the public trust***
- 2. Review and comment on appraiser independence***
- 3. Review and comment on the responsibilities to clients regarding reconsideration of value requests and other communication***

Does each topic need to be contained in the program?

Yes. Each topic and subtopic must be covered in the program as minimum content.

Does this mean that each content requirement listed needs to have an assignment specific to that requirement (e.g., in the example above, do we need to have an assignment related to “discuss respecting the public trust?”)

No. As long as all content requirements specified in the *Criteria* are covered in the program, the provider does *not* need to have specific assignments on each topic.

What constitutes sufficient/minimum coverage of a PAREA program?

For minimum coverage of a PAREA program, the content requirements in the *Criteria*, along with the specific minimum content requirements, must be covered at least once in the program.

However, section reviews with the Mentor may reveal a participant needs additional content to gain the required experience. Therefore, limiting content development to just once may prevent appropriate participant remediation.

See the sections titled “Review Sections...with Mentors”. Here is one example from the *Criteria*, Number III. on Review Sections I and II with Mentor:

- III. *Review Sections I and II with Mentor*
 - A. *Ensure the problem identification process was performed properly leading to an appropriate scope of work.*
 - B. *Review research performed to evaluate suitability and that the quantity of information will be satisfactory for later development and analysis.*

In the minimum content requirements, there are portions that note directives such as “demonstrate how competency issues are identified and will be resolved.” How many times must a PAREA participant demonstrate this? Just once in the program?

This depends on the individual PAREA participant. Just once, might not be enough. See the above answer to question 22.

With most content listed in the minimum content requirements we can provide a range of instructional options from simply requiring a participant to answer a multiple-choice question to requiring the participant to successfully complete a simulated experience as part of one of the practice assignments. With the many content items in PAREA, a provider may need to decide the number of resources to devote to each one. How can we go about making these decisions?

All minimum content requirements are intentionally stated in a fashion which gives the content provider latitude in developing methods and techniques to meet the content requirements. Simulations and practice assignments are what PAREA is intended to

provide; as they are more robust and immersive, and provide for better experiential learning than requiring a participant to simply answer a multiple-choice question. [Guide Note 11](#) contains guidance for the delivery of PAREA training and has suggestions for each content area identified in the *Criteria*.

If a section of a minimum content requirement is present, integrated, and well explained within other parts of the PAREA program, do we need to have a separate section, or will the presence of the material be sufficient?

Items in one section may be completed individually or in combination with other parts of the provider's program. Providers have latitude in how their programs are developed, as long as PAREA minimum content requirements are met. More information can be found above in the Sequencing Order for PAREA Modules Q&A.

For the appraisal reports a PAREA participant will produce, must there be an actual subject property located in the state in which the participant plans to submit an application for a credential?

No. While there is no restriction in the *Criteria* prohibiting a PAREA program from including subject properties that physically exist, having such subject properties exceeds the minimum requirements to meet the goals of a PAREA program. For a participant to become minimally qualified, there is no need for a PAREA program to have actual subject properties, and certainly not to have subject properties specifically located in each state that accepts PAREA for experience requirements.

Mentors

Role

What is the role of the Mentor?

The role of the Mentor is to provide guidance and counseling as the program participant performs specific tasks. For example, the required tasks the Mentor will perform for the Licensed Residential Classification are as follows:

- **For Problem identification:**
 - Ensure the problem identification process was performed properly leading to an appropriate scope of work
- **For the Inspection Process:**
 - Ensure all elements of the inspection process have been performed properly, including neighborhood, site, and improvements
- **For Problem identification:**
 - Review research performed to evaluate suitability and that the quantity of information will be satisfactory for later development and analysis.
- **For Market Analysis and Highest and Best Use:**

- Ensure key analytical issues related to market conditions and highest and best use are effectively addressed.
- **For Sales Analysis:**
 - Ensure all necessary steps in highest and best use analyses and market analysis were performed properly.
- **For Sales Analysis:**
 - Review data source material to ensure sufficient information has been identified for further application
- **For Valuation Approaches and Techniques**
 - Ensure all approaches to value were adequately considered and completed in supportable fashion (including cost and/or income approaches if performed)
- **For Final Reconciliation:**
 - Ensure final reconciliation was performed properly and determine appropriate reporting.
- **For Appraisal Report Development and Delivery:**
 - Ensure the key components of an appraisal report and report formats are appropriate for assignment(s)
- **For the Communication of Assignment Results:**
 - Ensure understanding of effective appraisal report presentation and required content.
 - Ensure compliance with Standards Rule 2-2.

Mentors will also ensure, by approving the work of individual program participants, that all required components of PAREA training have been successfully completed.

A Mentor is serving in the same capacity as an **advisor**: someone who directly interacts with the participant at various times, to ensure the participant is completing the assigned work correctly. The assigned work can consist of exercises, examples, simulations, case studies and applications as are appropriate to create the practical experience to be gained by the program participant.

Note: A Mentor is not required to perform a Standard 3 and 4 review of any appraisal reports produced by a PAREA participant.

Is a Mentor required to act as a reviewer, as defined in USPAP, for the appraisal reports the participant produces in a PAREA program?

No. The *Criteria* does not require a Mentor to perform an appraisal review, as defined in USPAP, of any reports completed by the PAREA program participant.

Section VI.5 (page number 14 of the *Criteria*) states in part:

*To qualify as creditable experience, AQB-approved PAREA programs shall **ensure** program participants produce appraisal reports that comply with USPAP {bold and underline added for emphasis}...*

Thus, the *Criteria* neither mandates who will ensure the appraisal reports comply with USPAP, nor the specific steps to follow to ensure such compliance. Therefore, a mentor and person(s) who ascertain the appraisal reports are USPAP compliant, are not necessarily the same given the two roles are unique.

Does a Mentor provide significant real property appraisal assistance to the PAREA participants?

No. To meet the minimum requirements of PAREA, the program participant, not the Mentor, must successfully complete all of the exercises, case studies, etc. Therefore, the Mentor would not be providing significant real property appraisal assistance to the participant.

Will a Mentor sign the appraisal reports?

No, this is not a requirement of the PAREA program. A USPAP compliant appraisal report only requires the appraiser (and in the case of PAREA, the appraiser is the PAREA program participant) to sign a certification. Mentors are not completing the PAREA program and thus, not producing appraisal reports.

Qualifications

What are the required qualifications of a program Mentor?

A PAREA Program Mentor must meet or exceed the following qualifications:

- A Mentor shall be a state-certified appraiser.
- A Mentor shall be in “good standing” for a period of at least three (3) years prior to being eligible to become a Mentor.
- A Mentor shall not have been subject to any disciplinary action (within any jurisdiction) within the last three (3) years that affected the Mentor’s eligibility to engage in appraisal practice, or to act as a Supervisory Appraiser.
 - A Mentor subject to a disciplinary action would be considered to be in “good standing” three (3) years after the successful completion/termination of the imposed sanction.

Do Mentors need to be licensed in individual states?

No. There is not a geographical competency requirement within PAREA, so Mentors do not need to be licensed in the states where they are mentoring participants.

How do Mentor requirements compare to the Supervisor requirements?

A Supervisor Appraiser must meet all the above requirements noted for a Mentor, and other requirements. While the Mentor requirements are fewer in number than the Supervisory requirements, the additional requirements for a Supervisory Appraiser relate to circumstances that **do not exist** in the PAREA content requirements, such as experience logs, the limit on the number of trainees the Supervisory Appraiser can have, etc.

Does a Mentor have to complete a Supervisory course?

No. A PAREA Mentor is not required to complete the Supervisory Appraiser/Trainee Appraiser Course.

Does a mentor need to be a USPAP instructor?

No, this is not a requirement of the PAREA program.

National Uniform Licensing And Certification Examinations

Is there a study guide for the Licensed Residential, Certified Residential, or Certified General examinations?

The Appraisal Foundation does not publish a study guide for the *National Examinations*. The questions on the examinations are based upon the body of knowledge covered in the *Required Core Curriculum* as noted in Guide Note 1 (GN-1) of the *Criteria*. Sample questions are available on [National Uniform Licensing and Certification Examination webpage](#).

I hold a Certified Residential credential and now I plan to pursue a Certified General credential. The *Criteria* indicates I am required to successfully complete 100 additional hours of qualifying education. Will these additional hours enable me to pass the *National Examinations* for the Certified General classification?

The *National Examination* for the Certified General classification is based upon the 300 hours of *Required Core Curriculum* coursework as outlined in the *Criteria*. Depending upon when you completed your original education and the nature of your practice, you may be able to pass the Certified General exam. However, the AQB urges you to examine the *Required Core Curriculum* to identify any possible areas of perceived weakness in your education, and prepare yourself by taking additional qualifying education courses in those areas.

I understand that all education and experience must be completed and approved prior to taking the *National Examinations*. Once I pass the examination, within what time period must I submit the application for my credential?

Examination results are valid for 24 months. If your state appraiser regulatory agency has a separate post-examination application (i.e., you are not awarded the credential “automatically” by virtue of successfully passing the examination) you would need to submit your complete application within 24 months of successful completion of the exam. You should be sure to check with your state appraiser regulatory agency to determine when your application must be submitted.

I am registered to take the National Appraiser Examinations. Can I use my own calculator to take the exam?

Yes, you can bring a calculator to take the examination provided it is not an alpha programmable calculator. Additionally, you must bring the written instructional manual that came with the calculator, or instructions downloaded from the manufacturer’s

website, so that examination personnel can ensure that all numeric programs previously stored in the calculator are cleared prior to taking the examination.

I took an “old exam” as outlined in the previous *Criteria* but did not pass. Does that mean my application for a credential is no longer valid? Will I now have to meet the current *Criteria* requirements?

If you did not pass the examination when the previous *Criteria* was active, you must comply with all of the requirements outlined in the current *Criteria*.

I received a notification from my state regulatory agency that allowed me up to 12 months to successfully pass the exam. If I take the examination before the effective date of a new *Criteria*, will I be able to obtain my certification after the effective date without having to meet all of the other requirements that become effective as of the new *Criteria*?

No. Any applicant for a credential on or after the effective date of a new *Criteria* must meet all the new *Criteria*.

I was told that my exam results would be posted on the website of The Appraisal Foundation. Is this correct?

No. Exam results are immediately available after completion of the exam from the company that administered your examination. Exam scores are not posted on the website of The Appraisal Foundation.

Are the USPAP questions that appear on the *National Uniform Licensing and Certification Examinations (National Exam)* based on the current edition of USPAP?

Yes. The *National Examinations* are updated to reflect changes in USPAP with each new edition. Therefore, they incorporate the current edition of USPAP just as previous examinations did whenever a new edition of USPAP was published.

Are the pass/fail statistics for the examinations?

Yes, they can be found on The Appraisal Foundation’s [National Uniform Licensing and Certification Examination webpage](#). The statistics are updated annually.

Are there any approved study guides for the exams?

Neither the Appraiser Qualifications Board nor The Appraisal Foundation have reviewed or endorsed any study guides and/or “exam prep courses” relative to the *National Examinations*.

Although we’ve heard anecdotally of some books and courses that claim to prepare candidates for these exams, we cannot speak to their quality or ability to adequately

prepare an individual for the exam. Prior to purchasing any material or service designed to assist in preparing for the exams, we strongly recommend you request the company in question to provide you with numerous references of individuals who have used their service(s) and successfully passed the exam.

What is the best way to study for the exams?

The exams may include questions from all of the topics and subtopics shown in the Criteria under Guide Note 1. The exams are “practice-based,” meaning they test a candidate’s ability to *apply* the knowledge he or she has learned. The best way to study for the exams is to thoroughly review all of the educational content listed in Guide Note 1, and be able to demonstrate proper application of each of the educational topics.

Is there a specific exam for my state?

No, the exams are the same for all states. Your state contracts with an examination company who will administer the exam after you have made application and are approved to take the exam. Some states may require supplemental state-specific questions but these are not a part of the *National Examination*.

How do I find an exam site?

Your state will provide you a list of sites for the exam administrator they have chosen.

Were the exams written by appraisers or by professional exam writers?

The *National Examination* are developed by appraisers. Three teams of 8-10 appraisers from across the United States, representing all of the real property appraisal disciplines (including residential, commercial, industrial and agricultural) work with the AQB annually on the examinations. The SME panels include fee appraisers, institutional appraisers, governmental appraisers and review appraisers.