

**PUBLIC MEETING OF THE NEBRASKA REAL PROPERTY APPRAISER BOARD**  
**Thursday, July 20, 2023, 9:00 a.m.**  
**Nebraska Real Property Appraiser Board Office, First Floor, Nebraska State Office Building**  
**301 Centennial Mall South, Lincoln, Nebraska**

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**AGENDA**

**A. Opening 9:00 a.m.**

**B. Notice of Meeting (Adopt Agenda)**

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

**C. Credentialing as a Nebraska Real Property Appraiser** ..... 1-34

1. New Applicants for Certified Residential Credential through Education, Experience, and Examination
  - a. CR23005
2. New Applicants for Certified General Credential through Education, Experience, and Examination
  - a. CG23009
  - b. CG23022
3. Pending Applications
  - a. CG23006
  - b. CR23004

**D. Registration as an Appraisal Management Company**

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

1. Active Investigations
  - a. 23-01

**F. Consideration of Other Executive Session Items** ..... 1-5

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

**H. Board Meeting Minutes**

1. Approval of June 21, 2023 Strategic Planning Meeting Minutes ..... 1-30
2. Approval of June 22, 2023 Meeting Minutes ..... 31-43

**I. Director's Report**

1. Real Property Appraiser and AMC Counts and Trends
  - a. Real Property Appraiser Report ..... 1-4
  - b. Real Property Appraiser Renewal Report ..... 5-6
  - c. Temporary Real Property Appraiser Report ..... 7
  - d. Supervisory Real Property Appraiser Report ..... 8
  - e. Appraisal Management Company Report ..... 9
2. Director Approval of Applicants
  - a. Real Property Appraiser Report ..... 10
  - b. Education Activity and Instructor(s) Report ..... 11-13

3. 2023-24 NRPAB Goals and Objectives + SWOT Analysis .....	14-15
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**J. Financial Report and Considerations**

1. June Financial Report	
a. Budget Status Report .....	1-3
b. MTD General Ledger Detail Report .....	4-10
c. Financial Charts .....	11-14
2. FY 2023-2024 Budget .....	15-21
3. Office Workstation Remodel .....	22-25
4. Per Diems	

**K. General Public Comments**

**L. Consideration of Education/Instructor Requests .....** 1-6

1. New Supervisory Real Property Appraiser and Trainee Courses	
a. Appraisal Institute "Supervisory Appraiser/Trainee Appraiser Course" (3231312.02)	
b. Appraisal Institute "Supervisory Appraiser/Trainee Appraiser Course" (3233340.02)	
c. Appraisal Institute "Supervisory Appraiser/Trainee Appraiser Course" (3232341.02)	

**M. Unfinished Business**

1. Open At-Large Licensed Real Estate Broker Position

**N. New Business**

- a. FBI Audit

**O. Legislative Report and Business**

1. Other Legislative Matters

**P. Administrative Business**

1. Guidance Documents	
2. Internal Procedural Documents	
a. 202001: Appraiser-AMC Funds Allocation Procedure .....	1
3. Forms, Applications, and Procedures	
a. AMC Document Updates	
i. AMC Information Change Form .....	2-5
ii. Application for Nebraska Appraisal Management Company Registration .....	6-14
iii. Application for Renewal of Nebraska Appraisal Management Company Registration .....	15-26
b. USPAP Compliance Review Report Summary Updates	
i. AARS Contactor USPAP Compliance Review Report Summary .....	27-28
ii. SME Services Contractor USPAP Compliance Review Report Summary .....	29-30

**Q. Other Business**

- 1. Board Meetings
  - a. Reschedule October 19, 2023 meeting to October 26, 2023
- 2. Conferences/Education
- 3. Memos from the Board
- 4. Quarterly Newsletter
- 5. Appraisal Subcommittee
  - a. ASC Quarterly Meeting: September 13, 2023 (Online)
  - b. ASC 2022 Annual Report ..... 1-108
  - c. ASC - Information Collection Request -  
Collection and Transmission of Annual AMC Registry Fees ..... 109
  - d. ASC Comments on Second Exposure Draft of Proposed Changes  
to the Real Property Appraiser Qualification Criteria ..... 110-111
  - e. ASC March 15, 2023 Meeting Minutes ..... 112-118
- 6. The Appraisal Foundation
  - a. TAF July Newsletter ..... 119-121
  - b. TAF Opens Applications for Board of Trustees ..... 122-123
  - c. Appraiser Qualifications Board Adopts New Edition  
of the Real Property Appraiser Qualification Criteria ..... 124-125
  - d. BOT Public Meeting: May 26-28, 2023 – Palm Springs, CA ..... 126-127
- 7. Association of Appraiser Regulatory Officials
- 8. In the News

**R. Adjourn**

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

**June 21, 2023 Strategic Planning Meeting Minutes**

**A. OPENING**

Vice-Chairperson Bonnie Downing called to order the June 21, 2023 Strategic Planning meeting of the Nebraska Real Property Appraiser Board at 2:03 p.m., in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

**B. NOTICE OF MEETING**

Vice-Chairperson Downing announced the notice of the meeting was duly given, posted, published, and tendered in compliance with the Open Meetings Act, and all board members received notice simultaneously by email. Publication of official notice of the meeting appeared on the State of Nebraska Public Calendar found at [www.nebraska.gov](http://www.nebraska.gov) on June 16, 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 on the agenda ([https://appraiser.ne.gov/meetings/agenda/2022/220615\\_Agenda.pdf](https://appraiser.ne.gov/meetings/agenda/2022/220615_Agenda.pdf)), and in Public Meeting Material ([https://appraiser.ne.gov/board\\_meetings/](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 Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermsen of Gretna, Nebraska were present. Thomas Luhrs of Imperial, Nebraska and Wade Walkenhorst of Lincoln, Nebraska were absent and excused. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nespor, and Business and Education Program Manager Kashinda Sims, who are headquartered in Lincoln, Nebraska.

**ADOPTION OF THE AGENDA**

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

**C. CHAIRPERSON'S STATE OF THE BOARD REPORT**

Director Kohtz stated that the Chairperson will not be delivering a State of the Board Report as he is absent. There was no further discussion.

#### **D. DIRECTOR'S COMMENTS**

Director Kohtz thanked the board members for coming as well as for their time and dedication throughout the year. The Director then thanked BLPM Nesor and BEPM Sims for their hard work preparing for two meetings in two days. Director Kohtz remarked that the purpose of strategic planning is to determine what ideas and goals the Board would like to focus on for the next fiscal year, to build a roadmap for staff to follow in the short- and long-term. The Director informed the Board that the previously established goals that were not completed or are ongoing will be presented to the Board for consideration unless otherwise mentioned. In addition, any new proposed short-term or long-term goals will be presented to the Board for consideration. The Board can make any changes to proposed goals as it sees fit, add any short- or long-term goals, and/or remove any proposed short- or long- term goals. Director Kohtz then mentioned that strategic planning is an opportunity to continue building staff and board member institutional knowledge as each member is at a different place in their term. The goal of this meeting is to set objectives, not to establish how the objective will be accomplished. The Director brought attention to the meeting agenda and recognized the length, then indicated that it allows for open conversation regarding any topic the Board may wish to discuss. There is no need to spend time on an agenda item if there is no discussion. The Director then highlighted the accomplishments from the current fiscal year:

- Multiple database and technology projects were completed, including the online AMC registration renewal application and database AMC Interface upgrade, the website disciplinary action search, the restructured website real property appraiser search, the addition of the message screen on the website, and many general website updates.
- Real property appraiser renewals were completed short staffed with little disruption to the public or the real property appraiser community.
- The Title 298 changes adopted by the Board on November 17, 2022 were approved by Governor Pillen.
- The ASC's audit of the Board's Real Property Appraiser Program and AMC Registration Program were successful.
- PSL funding was secured for an additional teammate.

Director Kohtz indicated that ongoing goals that were not completed during this fiscal year include the ASC Extranet to NRPAB Database translator project. The Director reminded the Board that CIO is working on solutions, but nothing has been identified as a possibility to date. Director Kohtz informed the Board that he intends to request that this project be moved to a long-term goal as three years have been spent trying to make progress with no luck.

Director Kohtz then then turned to the future and outlined some areas and goals that he would like the Board to focus discussion on today, which include:

- Draft legislative bills to address major federal changes, the Board's PAVE Dashboard statute review, and other items as identified during this strategic planning meeting.
- Hire additional FTE teammate and integrate in a way that maintains the current level of efficiency, effectiveness, and public satisfaction, while reducing staff burden and insulating the Board against structural deficiencies related to employee turnover.
- Lay groundwork for Technology Project Grant Management Program.

**E. GENERAL PUBLIC COMMENTS:**

Vice-Chairperson Downing asked for any public comments. No members of the public in attendance. With no comments, Vice-Chairperson Downing proceeded to the review of the 2022-23 Strategic Planning Goals and Objectives.

**F. REVIEW OF 2022-23 STRATEGIC PLANNING GOALS AND OBJECTIVES**

Director Kohtz indicated that he would provide a brief review the goals and objectives set for the 2022-23 fiscal year as the Board receives a progress update each month. The following items were noted:

- All short-term legislative goals were completed, and the long-term legislative goals continue to be met and are ongoing.
- All short-term credentialing and registration goals were completed, and the long-term credentialing and registration goals continue to be met and are ongoing.
- Apart from constructing a letter to supervisory real property appraisers that brings attention to the agricultural appraisal deficiencies identified by the Board and requests that supervisory real property appraisers encourage trainees who intend to engage in real property appraisal practice pertaining to agricultural real property to complete agricultural-based qualifying education offered by an education provider with an expertise in agricultural appraisal, all other short-term education requirements were met. Long-term education goals continue to be met and are ongoing.
- All short-term personnel goals were completed, and the long-term personnel goals continue to be met and are ongoing.
- All short-term public information goals were completed, and the long-term public information goals continue to be met and are ongoing.
- With the exception of the use of a translator system between the NRPAB Database and the ASC Federal Registry system, all other short-term administration goals have been met. The long-term administration goals continue to be met and are ongoing.
- All short-term financial goals were completed. There are no long-term financial goals identified by the Board.

Board Member Gerdes commented that it is nice to see the short- and long-term goals presented monthly so that the Board is up to date on the progress being made. Director Kohtz agreed and noted that there is also a progress record kept in the minutes from month to month. There was no further discussion.

## **G. COMPLIANCE**

### **1. REVIEW OF ENFORCEMENT/INVESTIGATIONS**

Director Kohtz presented one chart and three graphs to the Board for review outlining the status of the enforcement program. The Director reported that the total number of grievances are low over the five-year period compared to historic numbers. Within the last three years, no AMC grievances have been recorded. Director Kohtz indicated that this may have to do with the existence of the AMC Registry. AMCs have to be more concerned with having disciplinary action taken against them as all states now have access to this information. As for real property appraisers, there were five grievances filed during the current fiscal year; three were dismissed and two are unresolved. The effects of the Board's policy defining the intent of the Board's regulatory program as educational in practice when possible, and pursuing dispositions the Board deems beneficial to the respondent, has had a positive impact on the Board's Enforcement Program internally, and also on the real property appraiser business community's perception of the Board.

### **2. ENFORCEMENT OF REAL PROPERTY APPRAISER ACT**

Director Kohtz asked for any discussion pertaining to real property appraiser enforcement. There was no discussion.

### **3. ENFORCEMENT OF APPRAISAL MANAGEMENT COMPANY REGISTRATION ACT**

Director Kohtz asked for any discussion pertaining to AMC enforcement. There was no discussion.

### **4. INVESTIGATIVE PROCESSES AND PROCEDURES (TITLE 298 – CH. 8)**

Director Kohtz asked for any discussion pertaining to investigative processes and procedures. There was no discussion.

### **5. FORMS**

Director Kohtz asked for any discussion pertaining to compliance related forms. There was no discussion.

### **6. SHORT- AND LONG-TERM GOALS AND OBJECTIVES**

Director Kohtz reported that there are no current or proposed goals or objectives for compliance. Vice-Chairperson Downing expressed hope that the number of grievances remains low. Board Member Gerdes referenced historic numbers and asked if the Board filing grievances contributed to the high numbers in the past. Director Kohtz confirmed Board Member Gerdes's statement and informed the Board that when its program was more punitive in nature, the Board and individual board members would often bring matters before the Board to be filed as grievances. The Director estimated that during those years, the Board averaged approximately thirty-five grievances a year and fifteen to twenty were filed by the Board. This practice, along with the punitive nature of the program, resulted in significantly hire legal fees paid by the Board each year and created distrust of the Board within the real property appraiser business community.

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Since moving to an evidence-based investigative process, the legal fees have remained low from year to year as the Board does not intend to go to hearing unless the evidence supports a violation of the Real Property Appraiser Act or the AMC Registration Act in a clear and convincing manner. Board Member Gerdes thanked the Director for the explanation. There was no further discussion.

## **H. CREDENTIALING AND REGISTRATION**

### **1. REVIEW OF CURRENT CREDENTIAL HOLDERS/AMC REGISTRATIONS**

A review of the credentialing and AMC registration programs took place for the 2022-23 fiscal year. The Director presented twelve charts to the Board for review. The first two charts represented the number of Nebraska Real Property Appraiser credentialed through education, experience, and examination over the past five years (not including trainees) by classification, and those credentialed through reciprocity during the past five years by classification. Director Kohtz remarked that number of certified general real property appraisers credentialed through education, experience, and examination is trending downward, but that the number of certified general real property appraisers credentialed through reciprocity is trending upward. The opposite trends are in effect for the certified residential real property appraisers. The number credentialed through education, experience, and examination is trending upward, but the number of certified residential real property appraisers credentialed through reciprocity is trending downward. The licensed residential real property appraiser classification is showing a downward trend for those credentialed through education, experience, and examination, while the number of those credentialed through reciprocity is stable.

Director Kohtz moved on to the next two charts that illustrated total the number of Nebraska Real Property Appraisers credentialed through education, experience, and examination (not including trainees) and those credentialed through reciprocity during the past five years, and the total number of credentialed real property appraisers by classification during the past five years. The Director noted the trends for the total real property appraiser credentialed through education, experience, and examination and those credentialed through reciprocity mirror the certified general real property appraiser trends previously discussed due to the number of certified general real property appraisers compared to the other classifications. When the numbers are broken down to specific classifications, the certified general classification is trending up, the certified residential classification is fairly stable, the licensed residential classification is trending downward, and the trainee classification continues to trend upward.

The Director presented the chart showing the number of total credentialed appraisers over the past five years to the Board for review and noted the effects of the high and low renewal years on the total number of real property appraisers.



Director Kohtz brought attention to two charts representing the number of real property appraisers by credential over the past thirteen-month period, and the total number of appraisers over the past thirteen-month period. The Director reported that the thirteen-month snapshot shows a steep decline in the number of real property appraisers due to non-renewal of credentials between December and January and a strong upward trend for new credentials issued since December, especially for the certified general classification. Due to timing, this chart does not include the three or four additional certified residential real property appraisers credentialed during the past week or two.

Director Kohtz presented three charts related to temporary credentials; one showing calendar year totals over five years, one showing year-to-date totals over five years, and one showing temporary credentials issued every month over the previous twelve-month period. The Director noted that the trends are typical for temporary credentials issued.

Director Kohtz proceeded to the two charts representing the number of registered supervisory real property appraisers over the past five years. The Director informed the Board that Nebraska has a very healthy number of supervisory real property appraisers.

Director Kohtz presented two charts illustrating the number of registered AMCs over thirteen months and over five years to the Board for review. The Director noted the surprising decline in the number of registered AMCs. According to the Director, the industry is currently experiencing significant consolidation where a couple AMCs are acquiring smaller AMCs. The current economic conditions may also be playing a role as some of the smaller AMCs may be focusing on specific markets instead of operating nationally. BLPM Nespors agreed that the main reason is likely due to smaller AMCs being bought out by larger ones.

## **2. REVIEW OF CREDENTIAL HOLDER RENEWALS**

Director Kohtz presented the renewal report to the Board for review, which included two charts representing the number of Nebraska real property appraisers that renewed their credentials over the past five years. The Director reported that the projected renewal rate was 91% and the actual renewal rate was 87%. Director Kohtz informed the Board that the renewal rate for the certified general classification can be significantly lower than projected due to the number of credential holders who retire that year. Director Kohtz added that it is random and there is no data that can support a trend for when this will occur. In general, future projections are revised downward to account for the possibility of a trend developing. The certified residential classification also experienced a renewal rate below projected. Board Member Gerdes asked if the number of trainee real property appraisers that do not renew is related to the number that are approved without supervisory real property appraisers. BLPM Nespors stated that trainee real property appraisers without a supervisory real property appraiser have a much higher non-renewal rate because they cannot find a supervisory real property appraiser and move on.

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Board Member Gerdes indicated that this makes sense. Director Kohtz brought attention to the Board's voluntary supervisory real property appraiser list added to the website last year and mentioned that it is easier for these trainees now than in the past. Board Member Gerdes indicated that one deterrent for supervisory real property appraisers is potential trainee real property appraisers that are not prepared. Director Kohtz agreed with this statement and informed the Board that anytime a person calls the office and asks what they could do to get a supervisory real property appraiser, they are told to complete their education and become a trainee real property appraiser. The Director also indicated that the AQB-approved college programs are a great asset to the industry as those that have an AQB-approved degree are ready to hit the ground running when they finish college. The Board agreed with this and expressed optimism that the PAREA programs starting could help with this as well.

### **3. 2020-26 CREDENTIAL HOLDER/AMC REGISTRATION PROJECTIONS**

The Director presented five graphs for the Board's analysis. The first four graphs outlined appraiser trends; the next graph outlined the number of registered AMCs. The Director explained that these projections are used for budgeting purposes and that these projections are on the conservative side; especially when taking into account the renewal rates for the current fiscal year. The Director noted that the certified general and the licensed residential classifications show a continued decline for those credentialed by education, experience, and examination, while those increase in the certified residential classification. The projections show more certified residential real property appraisers than certified general real property appraisers credentialed by education, experience, and examination in FY25-26. The trend for the number of certified general real property appraisers credentialed through reciprocity will continued to trend upward at a good rate, while the number of licensed residential real property appraisers will remain steady, and the number of certified residential real property appraisers will decline slowly. The total number of certified general real property appraisers, certified residential real property appraisers, and trainee real property appraisers will grow slowly, while the number of licensed residential real property appraisers will remain steady. The total number of appraisers will experience an increase over the reporting period with trends mirroring those described for those credentialed by education, experience, and examination and those credentialed through reciprocity.

The Director then moved on to the projected number of AMCs and indicated that projections show a steady decrease in the number of registered AMCs. Board Member Hermsen asked if it would be possible to increase fees, as a majority of the Board's income is received through renewals. Director Kohtz indicated that this is an option and will be needed in the future, but the AMC Fund balance far exceeds to AMC Fund Cash Balance Policy minimum, so drawing down that cash balance for a few years would be a good thing. Hermsen then asked if the Board's fees are competitive with other states. The Director responded that the last time he reviewed other states' fees, Nebraska was right in line; however, this exercise has not been completed in a few years, so he does not know if other states have been raising fees in response to the state of the AMC industry. BLPM Nespor noted that moving from two-year to one-year renewals helped with revenues during this decline. Vice-Chairperson Downing thanked staff for this information.

#### 4. REAL PROPERTY APPRAISER CREDENTIALS

**a. General Discussion**

Director Kohtz asked for any general discussion. There was no discussion.

**b. Real Property Appraiser Qualifications**

Director Kohtz asked for any discussion specific to real property appraiser qualifications. There was no discussion.

**c. Real Property Appraiser Credential Renewal**

Director Kohtz asked for any discussion specific to real property appraiser renewals. There was no discussion.

**d. Supervisory Real Property Appraiser**

Director Kohtz asked for any discussion specific to supervisory real property appraisers. There was no discussion.

**e. Processes and Procedures**

Director Kohtz asked for any discussion specific to real property appraiser processes and procedures. There was no discussion.

**f. Forms**

Director Kohtz asked for any discussion specific to real property appraiser forms. There was no discussion.

**g. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one short-term and one long-term goal for the Board's consideration.

- Explore changes to real property appraiser credential renewal dates (short-term).
- Explore opportunities to increase the number of Nebraska resident real property appraisers (long-term).

Board Member Hermsen remarked that during the past year the Board explored ideas to ease the burden on staff for real property appraiser and AMC renewals and asked if the additional employee relieves these concerns. Director Kohtz responded that the new employee would relieve these concerns as this position would take over the financial duties and also process real property appraiser renewal applications between October and December. BLPM Nesor brought attention to the real property appraiser renewal due date of November 30th, and informed the Board that moving it up to October 31st would provide for more time for staff to process renewal applications.

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Board Member Gerdes asked staff to describe the real property appraiser renewal process steps that are the most time-consuming. Nesper indicated that the continuing education review and the criminal history record check are the most time-consuming. The Director reported that the changes made to the Real Property Appraiser Random Background Check Program will alleviate a lot of time spent on this process. Director Kohtz added that in the future, the intent is to remove the program entirely as it no longer serves the purpose that it once did. Every active credential holder has likely had a CHRC check at this point and the Board can utilize the information from rapback reports to assist with monitoring real property appraiser backgrounds as needed. Hermsen then switched topics and indicated that he does not support the idea of two-year only renewals. Hermsen then asked if the number of certified general real property appraisers credentialed through reciprocity are increasing, could anything else be done to mitigate this issue. Hermsen suggested changing the renewal dates for reciprocity credential holders. BLPM Nesper indicated that creating separate dates to keep track of would actually cause more issues. The Board acknowledged this. Director Kohtz recommended that the proposed goal, “Explore changes to real property appraiser credential renewal dates” be changed to a long-term goal and restated as, “Monitor real property appraiser credential renewal dates.” All board members agreed.

The discussion then turned to the goal, “Explore opportunities to increase the number of Nebraska resident real property appraisers.” BLPM Nesper asked if there was anything the Board could do to encourage more active supervisory real property appraisers. Nesper brought attention to a program utilized in South Dakota for trainee real property appraisers to gain experience credit. Director Kohtz indicated that South Dakota has had issues with underserved markets, so they obtained ASC grant money to fund their program. South Dakota’s requirements to become a real property appraiser exceed the Real Property Appraiser Qualifications Criteria significantly, so their efforts are counterproductive in a sense. Board Member Hermsen indicated that he is not sure how the Board would incentivize supervisory real property appraisers since there are many variables that contribute to the decision to supervise or not. Director Kohtz also mentioned that there has been some discussion regarding exam-based credentialing. In other words, there may be more changes coming to credentialing requirements in the future. The Board agreed to leave this goal as presented.

## **5. TEMPORARY CREDENTIAL**

### **a. Processes and Procedures (Title 298 – CH.3)**

Director Kohtz asked for any discussion specific to temporary credential processes and procedures. There was no discussion.

### **b. Forms**

Director Kohtz asked for any discussion specific to temporary credential forms. There was no discussion.

**c. Short- and Long-Term Goals and Objectives**

Director Kohtz asked if the Board had any short- or long-term goals related to temporary credentials. There was no discussion.

**6. APPRAISAL MANAGEMENT COMPANY REGISTRATION**

**a. Processes and Procedures (Title 298 – Ch. 7)**

Director Kohtz asked for any discussion specific to AMC registration processes and procedures. There was no discussion.

**b. Forms**

Director Kohtz asked for any discussion specific to AMC registration forms. There was no discussion.

**c. Short- and Long-Term Goals and Objectives**

Director Kohtz asked if the Board had any short- or long-term goals related to AMC registrations. There was no discussion.

**I. EDUCATION**

**1. GENERAL**

The Director asked for any discussion pertaining to education. Board Member Gerdes mentioned that the additional agriculture-based education resolved a lot of issues the Board discussed during last year's strategic planning meeting. Vice-Chairperson Downing agreed with this comment. Director Kohtz added that the work put into this by the Board and staff resulted in a better relationship with agriculture-based education providers and provides for many more education options for aspiring and current real property appraisers; this was a good team effort by all involved. The Board agreed.

**a. Short- and Long-Term Goals and Objectives**

Director Kohtz asked if the Board had any short- or long-term goals related to general education. There was no further discussion.

**2. QUALIFYING EDUCATION**

Director Kohtz asked for discussion specific to qualifying education. There was no discussion.

**a. Processes and Procedures:** No discussion.

**b. Application for Qualifying Education:** No discussion.

**c. Short- and Long-Term Goals and Objectives:**

Director Kohtz presented two long-term goals for the Board's consideration.

- 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 to 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 (long-term).
- 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 (long-term).

The Board agreed with the long-term goals as presented. No new short-term goals were presented.

### 3. CONTINUING EDUCATION

Director Kohtz asked for any discussion pertaining to continuing education. There was no discussion.

a. **Processes and Procedures:** No discussion.

b. **Forms:** No discussion.

c. **Short- and Long-Term Goals and Objectives:**

Director Kohtz asked if the Board had any short- or long-term goals related to continuing education. There was no discussion.

### 4. SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE COURSE

Director Kohtz asked for any discussion pertaining to supervisory real property appraiser and trainee courses. There was no discussion.

a. **Processes and Procedures:** No discussion.

b. **Forms:** No discussion.

c. **Short- and Long-Term Goals and Objectives:**

Director Kohtz asked if the Board had any short- or long-term goals related to the supervisory real property appraiser and trainee course. There was no discussion.

### 5. INSTRUCTORS

Director Kohtz asked for any discussion pertaining to instructors. There was no discussion.

**a. Short- and Long-Term Goals and Objectives:**

Director Kohtz asked if the Board had any short- or long-term goals related to instructors. There was no discussion.

**6. POST-SECONDARY EDUCATION**

Director Kohtz asked for any discussion pertaining to post-secondary education. There was no discussion.

**a. Short- and Long-Term Goals and Objectives:**

Director Kohtz asked if the Board had any short- or long-term goals related to post-secondary education. There was no discussion.

**7. BOARD REPRESENTATION/OFFERINGS**

Director Kohtz asked for any discussion pertaining to Board offerings. There was no discussion.

**a. Short- and Long-Term Goals and Objectives:**

Director Kohtz asked if the Board had any short- or long-term goals related to Board offerings. There was no discussion.

**J. PERSONNEL**

**1. STAFF POSITIONS**

Director Kohtz presented position descriptions for the proposed Business Programs Manager, the Education Program Manager, and the Licensing Programs Manager. The Director explained that each position will have specific programs or functions assigned for management, but the job duties of each position will also include tasks related to programs or functions not assigned as determined by the Director. Director Kohtz informed the Board that each position will be cross trained on the other positions, and the duties of each position will be fluid depending on the workload and where emphasis is needed. The new Business Programs Manager position would be responsible for accounting functions, office business activities, and special support for the Budget Program, the Grant Administration Program, and the Records Management Program. Vice-Chairperson Downing expressed support for the makeup of the positions, including the flexibility built in. There was no further discussion.

**2. POLICIES AND PROCEDURES**

Director Kohtz asked for any discussion pertaining to personnel policies and procedures. There was no discussion.

**3. CONFERENCES/TRAINING**

**a. Fall/Spring AARO Conference**

Director Kohtz reported that he plans to continue attending both the Fall and Spring AARO Conferences and asked for any questions or comments. There was no further discussion.

#### **4. BOARD STRUCTURE**

Director Kohtz asked for any discussion pertaining to the Board's structure. There was no discussion.

#### **5. SHORT- AND LONG-TERM GOALS AND OBJECTIVES**

Director Kohtz presented a short-term and a long-term goal for the Board's consideration.

- Hire Administrative Specialist classified employee (short-term).
- Continue updating the policies and procedures documents as needed to ensure compliance with state policy changes, NAPE/ASFCME contract changes, and to address general work environment needs and/or changes (long-term).

The Board agreed with the goals as presented.

Break from 3:33 p.m. to 3:38 p.m.

#### **K. PUBLIC INFORMATION**

##### **1. GENERAL**

Director Kohtz asked for any general discussion on public information matters. There was no discussion.

##### **a. Short- and Long-Term Goals**

Director Kohtz presented three long-term goals for the Board's consideration.

- Encourage development of Memos from the Board and Facebook posts that contain facts that may interest the appraiser community (long-term).
- Continue utilizing the NRPAB website, NRPAB Facebook page, The Nebraska Appraiser, and Memos from the Board to disseminate relevant and important information to the appraisal business community and the general public in a timely manner. This includes information related to state and federal regulations, credentialing and registration requirements, renewal information, education information, Board policies and procedures, and other information that affects the industry (long-term).
- Explore the development and implementation of an updated NRPAB logo (long-term).

Board Member Gerdes asked when the last update to the Board's logo took place. Director Kohtz responded that the logo has been the same since he started, and, likely, since the Board's creation. The Director added that in 2012 the agency color scheme was defined, and the number of logos was reduced to the current logo and the seal. Director Kohtz indicated that branding recognition was something that needed to be established at that time. Director Kohtz was asked if any work has been done on this to date. The Director responded, "Not really, the office has been so busy that there has not been enough time to look into it; it is not a high priority."

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BLPM Nespor mentioned that the design process could be costly. Director Kohtz indicated that there are programs that could be used to complete the redesign. The Director asked if there were any other questions or comments regarding the presented goals. There was no further discussion.

## **2. NRPAB WEBSITE**

Director Kohtz asked for any general discussion on the NRPAB website. Board Member Gerdes expressed satisfaction with the Facebook message addition to the website. According to Gerdes, it keeps real property appraisers in the know and gives time-stamped information to the public. Gerdes also expressed satisfaction with the restructured Real Property Appraiser Search and added that it is easy to follow and easy to find real property appraisers by name, type, or location. The Board agreed with Board Member Gerdes. Director Kohtz asked for any other discussion. Board Member Hermsen asked Director Kohtz what the plan is to populate the Disciplinary Action Search. Director Kohtz acknowledged that he has not gotten that far since the search function was just completed. Board Member Hermsen asked if no information is populated in the NRPAB database, would the website only report that there is no disciplinary action for the real property appraiser. Director Kohtz responded, "yes." Director Kohtz was then asked if the Disciplinary Action Search will only be populated with the ten-year history for real property appraisers. The Director indicated that, as of now, that is the plan. Title 298 requires the Board to publish disciplinary history for the past ten years, but there may be some interpretation room to add those disciplinary actions beyond ten years. According to the Director, if the ten-year history is all that can be added, then a rule change is required to add the remaining disciplinary action history. A short-term goal was recommended to hide the public side of the Disciplinary Action Search and populate the Disciplinary History Search with the ten-year real property appraiser and AMC disciplinary action history for active credential and registration holders by December 31, 2023, and a long-term goal was recommended to complete the process for all active real property appraisers and AMCs. Director Kohtz asked if there was any other discussion. There was no additional discussion.

**a. Processes and Procedures:** No discussion.

### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- Continue to monitor the effectiveness of current NRPAB website; repair bugs, make improvements, and add enhancements needed to address functionality or use (long-term).

The Board agreed with the long-term goal as presented, and established the following goals as well:

- Populate the Disciplinary History Search with ten-year real property appraiser and AMC disciplinary action history for active credential and registration holders before December 31, 2023 (short-term).

- Populate the Disciplinary History Search with all real property appraiser and AMC disciplinary action history for active credential and registration holders (long-term).

### **3. MEMOS FROM THE BOARD**

Director Kohtz asked for any general discussion on Memos from the Board. There was no discussion.

**a. Processes and Procedures:** No discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- 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 (long-term).

The Board agreed with the long-term goal as presented. No new short-term goals were presented.

### **4. THE NEBRASKA APPRAISER NEWSLETTER**

Director Kohtz asked for any discussion on The Nebraska Appraiser newsletter. There was no discussion.

**a. Processes and Procedures:** No discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- 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 (long-term).

The Board agreed with the long-term goal as presented. No new short-term goals were presented.

### **5. FACEBOOK PAGE**

Director Kohtz asked for any discussion on the NRPAB Facebook Page. There was no discussion.

**a. Processes and Procedures:** No discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- Continue utilization of the NRPAB Facebook page to disseminate important information in a timely manner that the appraiser community and general public would not otherwise be aware of, such as documents posted to the NRPAB website, meeting information, and NRPAB policy and business information (long-term).

The Board agreed with the long-term goal as presented. No new short-term goals were presented.

## **L. ADMINISTRATION**

### **1. POLICIES AND PROCEDURES**

Director Kohtz asked for any discussion pertaining to policies and procedures not already on the agenda. There was no discussion.

**a. NRPAB Meetings:** No discussion.

**b. Request Forms:** No discussion.

#### **c. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- Continue to monitor the effectiveness of current processes and procedures and update the processes and procedures as needed to maintain effectiveness and efficiency of the administration of the Board's programs (long-term).

The Board agreed with the long-term goal as presented. No new short-term goals were presented.

### **2. NRPAB RECORDS MANAGEMENT**

Director Kohtz asked for any discussion pertaining to records management. There was no discussion.

**a. Retention Schedule 71:** No discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz asked if the Board had any short- or long-term goals related to records management. There was no discussion.

### **3. NRPAB DATABASE**

Director Kohtz asked for any discussion pertaining to the NRPAB Database. There was no discussion.

#### **a. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one short-term and two long-term goals for the Board's consideration.

- Continue to monitor the effectiveness of current NRPAB database; repair bugs, make improvements, and add enhancements needed to address program or use changes (long-term).
- Explore online real property appraiser initial applications (Reciprocity; EE&E; Temporary), AMC initial applications, education activity applications, and other services that require payment of a fee (long-term).
- Explore use of Federal grant money to pursue development of a translator system between the NRPAB Database and the ASC Federal Registry system (short-term).

Director Kohtz brought attention to the short-term goal to explore use of Federal grant money to pursue development of a translator system between the NRPAB Database and the ASC registry system and reminded the Board of the minimal progress made by CIO in establishing a method to carry out this goal during the past three years. The Director recommended that the Board move this goal to a long-term goal. The Board can reengage in this process if CIO presents a translation method that works. The Board agreed to move this goal to the long-term goals.

#### **4. APPRAISAL REVIEW SERVICES CONTRACTOR PROGRAM**

**a. Processes and Procedures:** No discussion.

**b. Contractor Agreements:** No discussion.

**c. Appraisal Services Contractor USPAP Compliance Review Report Summary**

BLPM Nesper brought attention to past issues that the Board has had with phrasing used on the Appraisal Services Contractor USPAP Compliance Review Report Summaries and asked if the Board would like to change the wording on these documents to be more easily understood. Board Member Hermsen commented that the wording is awkward as the intent is to identify that the contractor met the contract obligations, but it feels like it is stating that the subject report is USPAP compliant. Hermsen suggested amending the language, “USPAP Compliance Review Report Meets Pre-Board Review Contact Requirements” to , “Does the review report meet contract requirements?” The Board agreed with this recommendation. Vice-Chairperson Downing also recommended that “USPAP Compliance Review” be removed from the staff section of the summaries as well. Director Kohtz recommended, “Staff Comments on Contractor Performance.” The Board agreed that this would be easier to understand. The Director informed the Board that there is no need to set a goal as staff can have these summary updates ready for the July meeting for the Board’s consideration.

**d. USPAP Compliance Review Report Forms:** No discussion.

**e. USPAP Compliance Review Report Check Sheets:** No discussion.

#### **M. APPRAISAL SUBCOMMITTEE**

Director Kohtz asked for any discussion pertaining to the Appraisal Subcommittee. There was no discussion.

**N. APPRAISAL FOUNDATION**

Director Kohtz asked for any discussion pertaining to The Appraisal Foundation. There was no discussion.

**O. AARO**

Director Kohtz asked for any discussion pertaining to AARO. There was no discussion.

**P. LAWS, RULES, AND GUIDANCE DOCUMENTS**

**1. LAWS**

**a. Real Property Appraiser Act**

Director Kohtz asked for any general discussion pertaining to the Real Property Appraiser Act. There was no discussion.

**i. Real Property Appraiser Act\_June 1, 2023 Draft**

Director Kohtz reminded the Board that the changes presented are not final, so if the Board does not agree with a change, it can be removed, but there is no need to address the details. The Director informed the Board that all of the changes that were in the draft reviewed by the Board last fall are still present and that only the changes since then will be covered. The Director guided the Board to page P.28 and informed the Board that the random background check language for real property appraiser renewals is stricken. The Director next moved to page P.30 and indicated that the requirements for the use of qualifying education as continuing education have been simplified. Many real property appraisers, and often staff, have a difficult time determining the specific requirements for a specific situation.

**ii. PAVE Dashboard Statute Review**

Director Kohtz opened by informing the Board that after the meeting he had with Policy Manager Tidwell and an ASC legal counsel in mid-May, where he was told that many changes were going to be made to the PAVE Dashboard, he received a phone call from the same ASC legal counsel the day before the PAVE Dashboard was to go live, in which he was informed that none of the changes that were agreed to during the mid-May meeting were going to be implemented. Director Kohtz indicated that he has nothing else to offer regarding this situation, except that the Pave Dashboard results for Nebraska are the same as they were when first provided by Policy Manger Tidwell. The Director presented the statutes that he identified as exceeding the Real Property Appraiser Qualifications Criteria to the Board. Director Kohtz asked that the Board determine whether the following statutes should be removed, modified, or remain the same as at present:

- Neb. Rev. Stat § 76-2227(4)(d)(i) – The Director informed the Board that a felony conviction is automatically disqualifying. A discussion took place regarding the importance of background history to become a real property appraiser and agreed that this statute should remain unchanged. BLPM Nespov brought attention to the fact that if the applicant’s civil rights are restored, the felony conviction is no longer disqualifying.
- Neb. Rev. Stat. § 76-2228.01(1)(d) – Director Kohtz informed the Board that an applicant for credentialing as a trainee real property appraiser has a one-year time frame for completion of the Supervisory Appraiser and Trainee Course. The Board agreed to make not change to this statute as the timeframe in place emphasizes the importance of this course.
- Neb. Rev. Stat. §§ 76-2228.01, 76-2230, 76-2231.01, 76-2232 – The Director brought attention to the statutes that require that an applicant for credentialing must complete the national exam within twelve-months. Director Kohtz informed the Board that the Real Property Appraiser Qualifications Criteria is very clear regarding the exam requirements, which allows for up to twenty-four months for completion of the exam, and the results are valid for twenty-four months after completion. These statutes exceed the Criteria. A discussion took place regarding the time frame requirement. BLPM Nespov pointed out the number of real property appraiser applicants that are denied for failing to pass the exam within twelve months. Vice-Chairperson Downing added that the applicant gets three attempts to pass the exam as well. BLPM Nespov confirmed that this is correct. Director Kohtz informed the Board that the three-attempt requirement is found in the rules and will be discussed further down on the agenda. The Board agreed that this requirement should be in line with the minimum found in the Real Property Appraiser Qualifications Criteria.

**iii. 2024 USPAP Update**

Director Kohtz reminded the Board that a new edition of USPAP goes into effect on January 1, 2024. The next update to the Real Property Appraiser Act must also include changes to address the latest edition of USPAP. There was no further discussion.

**iv. ASC SOA Statute Updates (ASC Appraiser Registry)**

Director Kohtz reminded the Board that the draft of the Real Property Appraiser Act on the strategic planning meeting agenda already includes the ASC SOA statute updates. There was no further discussion.

**v. Qualifying Education for Continuing Education Acceptance**

Director Kohtz informed the Board that this item was already discussed during review of the draft of the Real Property Appraiser Act. There was no further discussion.

**vi. Directory of Appraisers Content Changes**

Director Kohtz informed the Board he had no discussion on this item at this time. There was no further discussion.

**vii. Real Property Appraiser Renewal Due Date (October 31<sup>st</sup> – November 30<sup>th</sup>)**

Director Kohtz informed the Board that this item was already discussed under Section H of the agenda. There was no further discussion.

**b. Appraisal Management Company Registration Act**

Director Kohtz asked for any general discussion pertaining to the AMC Registration Act. There was no discussion.

**i. AMC Registration Act\_June 1, 2023 Draft**

Director Kohtz once again reminded the Board that the changes presented are not final, so if the Board does not agree with a change, it can be removed, but there is no need to address the details. The Director informed the Board that all of the changes that were in the draft reviewed by the Board last fall are still present and that only the changes since then will be covered. The Director guided the Board to page P.101 and informed the Board that the definition of real property appraiser has been added to cross-reference the Real Property Appraiser Act. Currently this is not a defined term in the AMC Registration Act as a Real Property Appraiser has a different meaning than an AMC Appraiser. The Director next moved to page P.105 and indicated that CHRC requirements are changed to only require AMC owners of 10% or more that have not had a previous CHRC conducted by the Nebraska State Patrol submit to a CHRC at AMC renewal. Language is also added authorizing the Board to carry out a CHRC when a new AMC owner of 10% or more is identified outside of the AMC renewal process. The Board was then directed to pages P.106 and P.107. Director Kohtz informed the Board that Neb. Rev. Stat. §76-3209 and N.R.S. § 76-3211 are stricken as these statutes were relevant pre-AMC Rule update, but are no longer needed. Finally, the Director guided the Board to P.110 and indicated that the civil and criminal immunity language remains in this draft. If it becomes a problem as the legislative session approaches, it can be removed, but as of now, the goal is to get this done.

**ii. ASC SOA Statute Updates (AMC Rule, ASC AMC Registry)**

Director Kohtz reminded the Board that the draft of the AMC Registration Act on the strategic planning meeting agenda already includes the ASC SOA statute updates. There was no further discussion.

**iii. Criminal and Civil Immunity in AMC Registration Act**

Director Kohtz informed the Board that this item was already discussed during review of the draft of the AMC Registration Act. There was no further discussion.

**iv. Owner of More than 10% of an AMC CHRC Requirements**

Director Kohtz informed the Board that this item was already discussed during review of the draft of the AMC Registration Act. There was no further discussion.

**c. Processes and Procedures**

Director Kohtz asked for any discussion pertaining to processes and procedures. There was no discussion.

**d. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term and two short-term goals for the Board's consideration.

- Address changes to USPAP, Real Property Appraiser Qualifications Criteria, ASC Policy Statements, AQB CAP Program Guidelines, and Title XI as required (long-term).
- 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 include but are not limited to the USPAP changes, Real Property Appraiser Qualifications Criteria changes, ASC SOA recommendations, and the Board's PAVE Dashboard statute review (short-term).
- 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 include but are not limited to the ASC SOA recommendations, changes to the CHRC requirements for owners of more than 10% of an AMC, and inclusion of criminal and civil immunity language (short-term).

The Board agreed with the long-term and short-term goals as presented.

**2. RULES**

**a. Title 297**

Director Kohtz asked for any discussion pertaining to Title 297. There was no discussion.

**b. Title 298**

Director Kohtz asked for any general discussion pertaining to Title 298. There was no discussion.

**i. PAVE Dashboard Regulations Review**

The Director presented the regulations that he identified as exceeding the Real Property Appraiser Qualifications Criteria to the Board. Director Kohtz asked that the Board determine whether the following regulations should be removed, modified, or remain the same as at present:

- 298 NAC Chapter 2, § 002.02 – Director Kohtz informed the Board that, at the Board's discretion, up to 50% of the real property appraisal practice experience required for credentialing as a licensed residential, certified residential, or certified general real property appraiser may be obtained in another jurisdiction. Board Member Gerdes indicated that he struggles with this one.

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On one side, he doesn't want to restrict potential real property appraisers from entering the profession, but on the other side, not all experience is the same. Board Member Hermsen agreed that Nebraska has some unique properties that real property appraisal practice experience in another state cannot duplicate. Board Member Downing agreed with this statement and added that residential properties in rural Nebraska and agriculture-based appraisals can have many features unique to Nebraska. Gerdes also brought attention to the opposite side of the discussion, and indicated that real property appraisal practice experience that is all high-rises in Chicago or New York would not translate very well to real property appraisal practice in Nebraska. Gerdes added that the person could gain competency, but that also takes time. Gerdes then recommended that the Board keep this regulation as is, but change 50% to 100%. This would allow all of an applicant's out of state real property appraisal practice experience to be accepted, but also maintains the Board's discretion to deny a percentage of experience if it is not applicable to Nebraska. Board Member Hermsen responded that he is fine with moving the percentage to 100% as he understands Gerdes's position but would prefer to leave it at 50% to avoid any confusion as to what acceptable real property appraisal experience is. The Board agreed to change 50% to 100%.

- 298 NAC Chapter 2, § 002.07 – The Director informed the Board that mass appraisal, appraisal review, appraisal consulting, or restricted appraisal report experience that may be accepted for credit is restricted to 25% of allowable experience. The Real Property Appraiser Qualifications Criteria does not put a limit on what qualifies as experience. Director Kohtz then asked that when the Board is discussing this matter, it take into consideration the fact that mass appraisal is exempt from the Real Property Appraiser Act in Nebraska. A few years ago, the assessment community got an exemption for mass appraisal from the Real Property Appraiser Act, so that counties no longer needed to contract with real property appraisers for mass appraisal work. At this time, anybody could do this work for the counties. When this contracted work was still under the Board's jurisdiction, real property appraisal practice experience logs would sometimes include mass appraisal. Since the exemption went into place, the Board has not seen any mass appraisal experience submitted for credit. Director Kohtz opined that if the Board were to receive an application with mass appraisal real property appraisal experience, unless the applicant obtained that experience in Douglas, Lancaster, or Sarpy County, the experience would likely not be USPAP compliant. Gerdes commented that he does not believe that the Lancaster County Assessor's Office has any credentialed appraisers now. The Board agreed to keep this regulation as it is.

- 298 NAC Chapter 2, § 003.04 – The Director reported that an applicant for credentialing has three attempts to complete the exam. Director Kohtz once again informed the Board that the Real Property Appraiser Qualifications Criteria is very clear regarding the exam requirements. This regulation exceeds the Criteria as there is no limit on the number of exam attempts. The Board agreed that this requirement should be removed from this rule.
- Neb. Rev. Stat. §§ 76-2228.01(1)(b) and 76-2230(1)(b) – Director Kohtz apologized and informed the Board that this should have been covered under the statute review. The Director continued by saying that the trainee real property appraiser and licensed residential real property appraiser credentials require a high school diploma or a certificate of high school equivalency, or education acceptable to the Board. The Real Property Appraiser Qualifications Criteria is silent on high school level education requirements for the trainee and licensed residential classifications. Although education acceptable to the Board is included, the ASC still considers these statutes as exceeding the Criteria. The Board agreed to remove this requirement from the Real Property Appraiser Act.
- 298 NAC Chapter 6, § 004.04A.2f – Director Kohtz reported that the Supervisory Appraiser and Trainee Course has a closed-book final exam. The Real Property Appraiser Qualifications Criteria does not require a final exam. The Director was asked if the “closed-book” language is causing the issue. Director Kohtz reported that there is no final exam requirement at all. Board Member Hermsen commented that the final exam does serve a purpose, even if it is a small part of the course. It indicates that this is important, and something should be taken away from the completion of this course. The Board agreed with Hermsen and agreed to keep the final exam requirement for this course.

**c. Processes and Procedures**

Director Kohtz asked for any discussion pertaining to processes and procedures. There was no discussion.

**d. Short- and Long-Term Goals and Objectives**

Director Kohtz presented two long-term and one short-term goals for the Board’s consideration.

- Harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act and Appraisal Management Company Registration Act as needed (long-term).
- 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, maintain an effective enforcement program, and provide for better clarification and administration (long-term).

- Implement updated Real Property Appraiser Qualifications Criteria, CAP Policies and Procedures, and address the Board's PAVE Dashboard regulations review (short-term).

The Board agreed with the long-term and short-term goals as presented.

### **3. GUIDANCE DOCUMENTS**

Director Kohtz asked for discussion pertaining to Guidance Documents. There was no discussion.

#### **a. Processes and Procedures**

Director Kohtz asked for any discussion pertaining to processes and procedures. There was no discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- Continue to adopt Guidance Documents for public advisement concerning interpretation of statutes and rules, and retire Guidance Documents that are no longer relevant (long-term).

The Board agreed with the long-term goals as presented. No new short-term goals were presented.

### **4. INTERNAL PROCEDURAL DOCUMENT**

Director Kohtz asked for discussion pertaining to the Internal Procedural Document. There was no discussion.

#### **a. Processes and Procedures**

Director Kohtz asked for any discussion pertaining to processes and procedures. There was no discussion.

#### **b. Short- and Long-Term Goals and Objectives**

Director Kohtz presented one long-term goal for the Board's consideration.

- 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 (long-term).

The Board agreed with the long-term goals as presented. No new short-term goals were presented.

## **Q. FINANCIAL**

### **1. REVIEW OF CURRENT FISCAL YEAR**

The Board reviewed the expenses and revenues for the current fiscal year as of May 31, 2023. Director Kohtz informed the Board that he would not provide specific details because this information will be covered at the Board's regular June meeting, and will be covered in detail at the July meeting after the fiscal year ends. The Director indicated that expenditures are far below budget, and due to lower-than-expected renewal rates for real property appraisers and AMCs, the revenues are below projected. The cash balances are healthy and, overall, the Board is financially in a good place with revenues currently exceeding expenditures. There was no further discussion concerning the current fiscal year.

### **2. 2023-26 PROJECTIONS**

Director Kohtz presented four charts showing the 2023-26 financial projections. The Director informed the Board that when preparing the FY23-24 budget, one thing that surprised him was the effect of moving funding from general operations to PSL. When funding is moved to PSL it becomes a fixed expenditure, which greatly reduces the liquid funding allocated to certain expenditure accounts that can freely move between operating budget accounts. Because of this, the projected expenditures were figured at 90% for the Appraiser Fund and 95% for the AMC Fund, compared to the historic 80% for the Appraiser Fund and 90% for the AMC Fund. As a result, expenditures are projected to exceed revenues for both the Appraiser Fund and the AMC Fund. According to the Director, the majority of revenue comes from renewal fees, as application fees, and temporary permit fees. Director Kohtz noted that revenue projections were figured conservatively after the low real property appraiser renewal rate for this fiscal year. The Director added that the projected revenues include the Director's anticipation that the decline in the number of AMCs will stabilize during the next year. If this does not happen, there will be a significant effect on the AMC Fund. Director Kohtz informed the Board that it has not increased fees during his twelve years as Director. The Director stated, "In fact, the Board reduced the renewal fee by \$25.00 annually for appraisers in 2016." Director Kohtz then informed the Board that it will need to consider fee increases in the future. The Director indicated that returning real property appraiser renewal rates to the pre-2016 amount, increasing temporary credential fees to the federal minimum of \$250.00, charging trainee real property appraisers a renewal fee, and increasing AMC renewal fees are all possibilities. Board Member Hermsen asked if the Board should be making fee changes now. Director Kohtz responded that the current fund balance for the Appraiser Fund and AMC Fund far exceed the Board's policy for minimum fund balance, so nothing needs to be done right now as these balances should be drawn down a bit. Once they get close to the fund balance policy limits, the Board will want to increase fees as needed to make up the expenditure-to-revenue deficit for each program. The Director projected that this point would occur in a couple of years for the Appraiser Fund and in anywhere from six to eight years for the AMC Fund, depending on whether the rate of AMC decline stabilizes. Vice-Chairperson Downing expressed hesitation for charging a renewal fee to trainee real property appraisers.

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BLPM Nespore informed the Board that trainee real property appraisers currently pay \$10.00 for the random CHRC program for real property appraiser renewals, so when this program is retied, a fee could easily be moved from this program to a renewal fee and increased just a little. The Board agreed that this would limit financial burden on trainee real property appraisers. There was no further discussion with regard to the 2023-26 financial projections.

### **3. FY 2023-24 BUDGET**

Director Kohtz presented the proposed FY 2023-24 budget to the Board for review and highlighted the following items:

- Projected Appraiser and AMC Fund expenditures are \$396,895.00, and the projected Appraiser and AMC Fund revenues are \$362,910.00.
- Projected Appraiser Fund expenditures are \$267,552.00, and projected Appraiser Fund revenues are \$235,360.00.
- Projected AMC Fund expenditures are \$129,343.00, and projected AMC Fund revenues are \$127,550.00.
- Teammate Salary and Benefits (\$304,816.00) – Includes funding for one additional full-time equivalent Administrative Specialist classified teammate.
- Board Member Per Diem Payments (\$7,600.00)
- Travel – AARO Travel (1 Fall and 1 Spring Conference trip) and board member meeting travel (\$14,195.00)
- Legal Services (\$20,000.00)
- Other Contractual Services for CHRC and Appraisal Review Services (\$30,000.00)
- CIO – IM Services expenditures, Network Services expenditures, software, and technology projects (\$31,870.00)
- Other Operating Expenses (Overage Coverage of \$2,065.00)
- Budget includes the following changes from the FY 2022-23 appropriations:
  - Salary and Benefits (\$58,070.00)
  - Operating Expenses (-\$83,511.00)
  - Travel Expenses (-\$4,543.00)

- Applicant Standard 3 Reviewer Fees/SME Fees are set at:

Applicant Reviews

Residential: 4 Hours x \$125.00 = \$500.00

2-4 Family: 5 Hours x \$125.00 = \$625.00

Agricultural: 7 Hours x \$125.00 = \$875.00

Commercial: 7 Hours x \$125.00 = \$875.00

SME

Residential: 5 Hours x \$125.00 = \$625.00

2-4 Family: 5 Hours x \$125.00 = \$625.00

Agricultural: 12 Hours x \$125.00 = \$1500.00

Commercial: 12 Hours x \$125.00 = \$1500.00

The Director then guided the Board through the changes in the proposed budget to accommodate one additional full-time equivalent Administrative Specialist classified teammate. Director Kohtz informed the Board that PSL increases by \$37,126.25. In addition, overtime payments, comp time payments, and employee bonuses were removed within PSL. Comp time and overtime will no longer be needed unless there is a staff shortage. In this case, the freed PSL will be moved to the appropriate expenditure account. The Director then turned attention to the operations expenditures and informed the Board that many of the accounts with small allocations were moved to Other Operating Expenses to provide for more flexibility in the use of these funds. Currently, the funds are dedicated to accounts that are rarely if ever utilized. Director Kohtz guided the Board to Legal Services and informed the Board that this account is being reduced by \$15,000.00 and Legal Related Expenses are being reduced by \$4,000.00. Director Kohtz explained that the rationale for this reduction is found in the historic expenditures for these accounts. According to the Director, between FY11 and FY17, expenditures averaged approximately \$28,000.00 in legal services and \$3,150.00 in legal related expenses. When the Board switched its enforcement program to be educational in nature and utilize evidence-based investigations, the expenditures between FY18 and FY22 averaged approximately \$2,300.00 for legal services and \$15.00 for legal related expenses. Because the Board will not file formal charges on a grievance unless it has clear and convincing evidence of a violation of the Real Property Appraiser Act or the AMC Registration Act, there is less need for legal services. This being said, the last hearing cost the Board around \$50,000.00, so even if Legal Services and Legal Related Expenses were funded at the FY22 levels, a Budget Deficit Request would be required. The difference between the funding levels for these accounts between FY 23 and FY22 is that the Budget Deficit Request would be much higher if a hearing were to take place. Also, the Board would want to be more mindful of the timelines as it progresses through this process. For example, the Board would want to avoid, if possible, high legal expenditures in November or December. Director Kohtz then moved to Other Contractual Services and reported this account is being reduced by \$11,000.00. This reduction is attributed to a reduction in costs related to changes made to CHRCs for both real property appraisers and AMC owners of more than 10%, and better estimation of investigation-related contractual services.

*(Continued on page 28)*

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The Director finished by informing the Board that the Travel Expenditures account will be reduced by \$4,542.64. This reduction is the result of deeper analysis of the exact expenditures. Now that virtual conferencing is available for up to six meetings of the Board, funding is not needed for the full number of meetings. More detailed analysis was completed for the Director's AARO travel expenditures as well. Director Kohtz reported that he anticipates travel expenditures to come in around \$11,000.00 to \$12,000.00 for FY23.

**a. Policies and Procedures**

Director Kohtz asked for any general discussion pertaining to policies and procedures. There was no discussion.

**i. AMC Fund/Appraiser Fund Split**

Director Kohtz presented a memo regarding the FY 2023-24 Appraiser/AMC Funds Allocation to the Board for review. Director Kohtz informed the Board that the quarterly workload review of the first full work week in July, October, January, and April for each employee indicates that 33% of time was spent on AMC-related functions, and 67% of time was spent on Appraiser-related functions. During analysis of the proposed budget for FY2023-24, past, present, and projected numbers and trends for appraiser credentialing, AMC registrations, education activities, and compliance were taken into consideration. The Director reported that the allocation will remain 65% Appraiser Fund and 35% AMC Fund for FY 2023-24. Director Kohtz asked for any questions or comments. There was no further discussion.

**b. Goals and Objectives**

Director Kohtz asked for discussion pertaining to short and long-term goals and objectives. There was no discussion.

**4. FEES**

Director Kohtz asked for discussion pertaining to Fees. There was no discussion.

**R. SWOT ANALYSIS**

Director Kohtz informed the Board that it was time to review the SWOT Analysis. Director Kohtz reminded the Board that the analysis lists the strengths, weaknesses, and opportunities of, and threats to the agency. The Board reviewed the items from last year:

**STRENGTHS**

- Customer service
- Organization
- Board Member Knowledge
- Staff Knowledge
- Adaptability
- Professional Diversity of Board
- Modernization of Accessibility

#### WEAKNESSES

- Inability to Grow the Industry
- Efficiency Loss due to Database
- Size of Agency Staff
- Regulatory and Statutory Regulations

#### OPPORTUNITIES

- Growth in Appraiser Field
- Continually Evaluate how the Board and Agency Operate

#### THREATS

- Agency Turnover
- Federal Agency Oversight
- State Economic Climate
- Aging Appraiser Population
- Inadequate Supervisory Appraiser Knowledge

The Director asked for any discussion pertaining to the SWOT Analysis. Board Member Gerdes indicated that the inability to grow is not a weakness of the Board, but that the profession is difficult to enter. Director Kohtz asked if the wording should be changed for the weakness, "Inability to Grow the Industry" to "Industry's Inability to Grow." The Board agreed with this recommendation. A recommendation was made to add a new weakness, "Difficulty Obtaining New Board Members." Board Member Gerdes commented that the congressional district representative positions always fill quickly, but that the broker and financial institutions representative positions are very difficult to fill. Director Kohtz agreed with this statement and added that even though the Board reduced the requirements for the broker position, the problem persists. The Board agreed that to add the recommendation to weaknesses. BLPM Nespor commented that several people have inquired about online credit card payments. According to the Director, adding a credit card payment option is possible, but handling of credit card information requires a significant amount of time put into the compliance side of it. Once the Business Programs Manager is on board and integrated, this is something that can be explored. Board Member Gerdes suggested adding a new opportunity, "Embrace Available Technology". The Board agreed with this addition. Board Member Hermsen brought attention to all of the changes taking place at the Federal level and mentioned that the amount of work available to real property appraisers is being reduced. Director Kohtz recommended a new threat, "Deemphasis on appraisals at the Federal level." The Board agreed to add this language to the existing threats. The Director asked for any other discussion. There was no further discussion.

#### **S. ADJOURNMENT**

Board Member Gerdes moved to adjourn the meeting. Board Member Hermsen seconded the motion. Motion carried with Hermsen, Gerdes, and Downing voting aye.

At 5:47 p.m., Vice-Chairperson Downing adjourned the June 21, 2023 meeting of the Real Property Appraiser Board.



Respectfully submitted,

Tyler N. Kohtz  
Director

These minutes were available for public inspection on June 30, 2023, in compliance with Nebraska Revised Statutes §84-1413 (5).

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

**June 22, 2023 Meeting Minutes**

**A. OPENING**

Vice-Chairperson Downing called to order the June 22, 2023 meeting of the Nebraska Real Property Appraiser Board at 9:00 a.m. in the Nebraska Real Property Appraiser Board meeting room located on the first floor of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

**B. NOTICE OF MEETING**

Vice-Chairperson Downing announced the notice of the meeting was duly given, posted, published, and tendered in compliance with the Open Meetings Act, and all board members received notice simultaneously by email. Publication of official notice of the meeting appeared on the State of Nebraska Public Calendar found at [www.nebraska.gov](http://www.nebraska.gov) on June 16, 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/](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 Bonnie Downing of Dunning, Nebraska, Cody Gerdes of Lincoln, Nebraska, and Kevin Hermsen of Gretna, Nebraska were present. Thomas Luhrs of Imperial, Nebraska and Wade Walkenhorst of Lincoln, Nebraska were absent and excused. Also present were Director Tyler Kohtz, Business and Licensing Program Manager Allison Nesper, and Business and Education Program Manager Kashinda Sims, who are headquartered in Lincoln, Nebraska.

**ADOPTION OF THE AGENDA**

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

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

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

Break 10:00 a.m. to 10:09 a.m.

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

Vice-Chairperson Downing welcomed all to the June 22, 2023 meeting of the Nebraska Real Property Appraiser Board, thanked everyone for attending, and thanked everyone for two days of hard work. There were no members of the public present.

#### **H. BOARD MEETING MINUTES**

##### **1. APPROVAL OF MAY 25, 2023 MEETING MINUTES**

Vice-Chairperson Downing asked for any additions or corrections to the May 25, 2023 meeting minutes. With no discussion, Vice-Chairperson Downing called for a vote. Board Member Gerdes moved to approve the May 25, 2023 meeting minutes as presented. Board Member Hermsen seconded the motion. The motion carried with Hermsen, Gerdes, and Downing voting aye.

#### **I. DIRECTORS REPORT**

##### **1. REAL PROPERTY APPRAISER AND AMC COUNTS AND TRENDS**

###### **a. Real Property Appraiser Report**

Director Kohtz presented seven charts outlining the number of real property appraisers as of June 22, 2023 to the Board for review. The Director indicated that he had no specific comments on this report and asked for any questions or comments. There was no further discussion.

###### **b. Temporary Real Property Appraiser Report**

Director Kohtz presented three charts outlining the number of temporary credentials issued as of May 31, 2023 to the Board for review. The Director indicated that he had no specific comments on this report and 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 June 22, 2023 to the Board for review. The Director indicated that he had no specific comments on this report and asked for any questions or comments. There was no discussion.

**d. Appraisal Management Company Report**

Director Kohtz presented two charts outlining the number of AMCs as of June 22, 2023 to the Board for review. The Director reported that the trends are maintaining and asked for any questions or comments. Board Member Gerdes brought attention to the strategic planning meeting discussion regarding AMC consolidation and asked Director Kohtz if he thought that the trend will continue with a few AMCs purchasing all of the smaller AMCs, which adversely affects the Board's revenues. Director Kohtz responded that he hoped that the number of AMCs would stabilize soon, but if the trends continue into the future, it will require some significant changes in the program. A discussion then took place regarding the expanding services provided by AMCs.

**2. DIRECTOR APPROVAL OF APPLICANTS**

**a. Real Property Appraisal 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 May 17, 2023 and June 6, 2023. The Director asked for any questions or comments. Board Member Gerdes noted that two approved trainee real property appraisers do not have supervisory real property appraisers. Director Kohtz commented that trainee real property appraisers without supervisory real property appraisers seem to occur in waves. There will be a period where all trainee real property appraiser applicants have supervisory real property appraisers, then there will be short periods where very few have supervisory real property appraisers. The Director finished by saying that there is no logic or trends that he can find in his observation of this matter. There was no further discussion.

**b. Appraisal Management Company Report**

Director Kohtz presented the Appraisal Management Company Report to the Board for review showing appraisal management company applicants approved for registration by the Director for the period between May 17, 2023 and June 6, 2023. The Director asked for any questions or comments. There was no further discussion.

Director Kohtz finished his report by thanking the Board for its hard work at the strategic planning meeting on June 21, 2023. The Director indicated that the Board did an excellent job establishing its priorities and goals for the next fiscal year.

**J. FINANCIAL REPORT AND CONSIDERATIONS**

**1. APPROVAL OF MAY RECEIPTS AND EXPENDITURES**

The receipts and expenditures for May were presented to the Board for review in the Budget Status Report. Director Kohtz brought attention to the Personal Services Subtotal and benefits expenditures in the amount of \$25,831.63 and informed the Board that these expenditures are higher than typical due to three pay periods in the month of May. The Director then guided the Board to the Data Processing Expense in the amount of \$6,155.91 and indicated that this expense is primarily due to work on the AMC Online Application and NRPAB Database AMC Interface that is set to launch on July 1, 2023.

*(Continued on page 4)*

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Director Kohtz noted that this project is approximately \$10,000.00 below budget. The Director then moved to the Publication and Print Expense of \$468.77 and noted that this expense includes the January to March quarterly copy services expense. Director Kohtz indicated that the expenditures for the month of May totaled \$35,300.81, and the year-to-date expenditures for the fiscal year are \$350,360.37, which amounts to 72.37 percent of the budgeted expenditures for the fiscal year; 91.78 percent of the fiscal year has passed. The Director asked for any questions or comments. There was no further discussion.

The Director turned the Board's attention to revenues and informed the Board that the May revenues were very good for new certified general real property appraiser credentials and AMC registration renewals. For the month of May, the total revenues were \$15,130.96, and the year-to-date revenues for the fiscal year are \$386,491.12, which amounts to 91.02 percent of the projected revenues for the fiscal year. The Director reiterated that 91.78 percent of the fiscal year has passed. Director Kohtz asked for any questions or comments. There was no further discussion.

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

The Director presented four graphs showing expenses, revenues, and cash balances. Director Kohtz once again pointed out the expenditures and revenues for the month of May for the Real Property Appraiser Program, which includes both the Appraiser Fund and the AMC Fund. The Director reported that the Real Property Appraiser Fund revenues for the month of May totaled \$6,602.50, the Real Property Appraiser Fund expenses totaled \$20,407.72, the AMC fund revenues totaled \$8,528.46, and the AMC expenses totaled \$14,893.09. Director Kohtz remarked that the cash balance for the AMC fund is \$325,077.92, the Appraiser Fund is \$424,719.91, and the overall cash balance for both funds is \$749,797.83. The Director asked for any questions or comments. There was no further discussion.

Board Member Gerdes moved to accept and file the May 2023 financial reports for audit. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With no discussion, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing 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.

## **K. GENERAL PUBLIC COMMENTS**

Vice-Chairperson Downing asked for any public comments. No members of the public were present. With no comments, Vice-Chairperson Downing moved on to Consideration of Education/Instructor Requests.

## L. CONSIDERATION OF EDUCATION/INSTRUCTOR REQUESTS

### 1. NEW CONTINUING EDUCATION ACTIVITIES

#### a. Appraiser eLearning “Appraiser’s Guide to Appraisal Inspections – Online” (2232434.33)

BEPM Sims presented a Memo to the Board concerning the Application for Approval as a Continuing Education Activity in Nebraska titled, “Appraiser’s Guide to Appraisal Inspections – Online” and informed the Board that the learning objectives fail to meet the 298 NAC Chapter 6, § 003.02A.2d. A written notice of deficiency was sent to the education provider on May 16, 2023 after multiple attempts to obtain compliant materials. Board Member Gerdes asked if this application was submitted with other applications. BEPM Sims responded, yes, they were sent in a batch and the classroom version of this activity is already approved. Board Member Gerdes moved to deny the application as submitted due to failure by the education provider to submit adequate learning objectives as required in 298 NAC Chapter 6, § 003.02A.2. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With no discussion, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

#### b. Appraiser eLearning “Diversifying Your Practice – Inside and Out” (2233436.33)

BEPM Sims presented a Memo to the Board concerning the Application for Approval as a Continuing Education Activity in Nebraska titled, “Diversifying Your Practice – Inside and Out” and informed the Board that, the same as the previously reviewed education activity, the learning objectives fail to meet the 298 NAC Chapter 6, § 003.02A.2d. A written notice of deficiency was sent to the education provider on May 16, 2023 after multiple attempts to obtain compliant materials. Board Member Gerdes moved to deny the application as submitted due to failure by the education provider to submit adequate learning objectives as required in 298 NAC Chapter 6, § 003.02A.2. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

### 2. NEW SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE REAL PROPERTY APPRAISER COURSES

#### a. Appraisal Institute “Supervisory Appraiser/Trainee Appraiser Course” (3231312.02 and 3233340.02)

BEPM Sims then presented a Memo to the Board concerning the Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska for two courses titled, “Supervisory Appraiser/Trainee Appraiser Course,” received at the Board office on March 13, 2023. BEPM Sims reminded the Board that it discussed these applications at its May 25, 2023 regular meeting and moved to request that the education provider resubmit these education activities on the correct "Application for Approval as a Supervisory Real Property Appraiser and Trainee Course in Nebraska" form by June 16, 2023. On June 15, 2023, the correct application was submitted for the classroom version of this activity and staff is working with the education provider to obtain additional materials as required in Title 298. BEPM Sims reported that a five-hour Supervisory Real Property Appraiser and Trainee Course was approved for classroom presentation. Board Member Downing asked how close these applications are to being complete.

*(Continued on page 6)*

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BEPM Sims responded that the classroom application is still missing some materials, and that the application for synchronous delivery has many deficiencies, still including the incorrect application. Director Kohtz offered to reach out to Craig Steinley to inform him of the matter to see if it spurs any progress. The Director added that since the Board already has a five-hour version approved, it should not be difficult for Appraisal Institute to provide the materials for a four-hour version. The Board agreed to give Director Kohtz time to reach out to Craig Steinley assist with rectifying the deficiencies. No action was taken by the Board.

### **3. OTHER EDUCATION MATTERS**

#### **a. ASFMRA “Appraising Ag Facilities Swine Confinement Seminar” (2201443.01)**

BEPM Sims presented a Memo to the Board concerning the Board-approved education activity titled, “Appraising Ag Facilities Swine Confinement Seminar.” BEPM Sims informed the Board that upon the Director’s review of a current application, it was discovered that this activity was approved with the same name, for the same number of hours, and the same presentation method on October 27, 2020. BEPM Sims indicated that the education provider was contacted to clarify if the application submitted is a new continuing education activity or a resubmission of the existing activity. Deanna Ilk with ASFMRA responded that this submission is a massive rewrite of the previously approved activity. The Board was informed by Ilk that it may rescind approval of the 2020 education activity. BEPM Sims recommended that the Board rescind approval for the activity titled, “Appraising Ag Facilities Swine Confinement Seminar” approved on October 27, 2020. Board Member Gerdes moved to rescind approval of activity 2201443.01 titled, “Appraising Ag Facilities Swine Confinement Seminar” as the materials, theories, and/or methodologies are not current. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With no discussion, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

### **M. UNFINISHED BUSINESS**

#### **1. OPEN AT-LARGE LICENSED REAL ESTATE BROKER POSITION**

Director Kohtz informed the Board that he had no updates for the open At-Large Licensed Real Estate Broker position. There was no further discussion.

### **N. NEW BUSINESS: No discussion.**

### **O. LEGISLATIVE REPORT AND BUSINESS**

#### **1. TITLE 298**

##### **a. Governor Pillen Approval Letter\_May 31, 2023**

The Director presented a letter from the Governor’s Policy Research Office stating that the Title 298 NAC 1-7 – Title XI Updates have been approved by the Governor. The Board thanked Director Kohtz for the hard work put into getting the adopted rules approved. The Director asked for any other questions or comments. There was no further discussion.

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

**P. ADMINISTRATIVE BUSINESS**

**1. GUIDANCE DOCUMENTS**

**a. 23-01: CHRC Carried Out by the Board for 10% or More Owners of AMC at Renewal Registration**

The Director presented Guidance Document 23-01 titled, “CHRC Carried Out by the Board for More than 10% Owners of AMC at Renewal Registration” to the Board for consideration. Director Kohtz informed the Board that the intent of this guidance document is to express the Board’s interpretation or application of Neb. Rev. Stat. § 76-3207(2) as it pertains to criminal history records checks carried out by the Board for more than 10% owners of AMC at registration renewal as discussed by the Board at its May 25, 2023 meeting. As of July 1, 2023, the Board will no longer carry out a criminal history record check for any individual owner of more than ten percent of an AMC that has had a criminal history record check previously completed for the purpose of AMC ownership. Rapback reports issued by the Nebraska State Patrol and answers to questions on the application will be utilized to ensure that N.R.S. § 76-3207(1)(b) is met for any owner of more than 10% of an AMC that has previously had a CHRC completed. Board Member Gerdes moved to approve Guidance Document 23-01 as presented. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**b. 22-01: Education Activity Instructor Application Requirements (Retire)**

Director Kohtz presented Guidance Document 22-01 titled, “Education Activity Instructor Application Requirements” to the Board for consideration and stated that this guidance document may be retired as the content is already addressed in the rules. The Director asked for any questions or comments. There were none.

**c. 21-04: Certification by the International Distance Education Certification Center for Correspondence Activities (Retire)**

Director Kohtz presented Guidance Document 21-04 titled, “Certification by the International Distance Education Certification Center for Correspondence Activities” to the Board for consideration and stated that this guidance document may be retired as the content is already addressed in the rules. The Director asked for any questions or comments. There were none.

**d. 21-02: Real Property Appraiser Applicant to Sit for Exam (Retire)**

Director Kohtz presented Guidance Document 21-02 titled, “Real Property Appraiser Applicant to Sit for Exam” to the Board for consideration and stated that this guidance document may be retired as the content is already addressed in the rules. The Director asked for any questions or comments. There were none.



Board Member Gerdes moved to retire Guidance Documents 22-01, 21-04, and 21-02. Board Member Hermsen seconded the motion. Vice-Chair Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

## **2. INTERNAL PROCEDURAL DOCUMENTS**

### **a. 202301: Real Property Appraiser Applicant Experience Review Subcommittees**

Director Kohtz presented Internal Procedure 202301 titled, “Real Property Appraiser Applicant Experience Review Subcommittees” to the Board for consideration. The Director informed the Board that this procedure defines the establishment and use of the Real Property Appraiser Applicant Experience Review Subcommittees for the purpose of 298 NAC Chapter 2 § 002.13. The Real Property Appraiser Applicant Experience Review Subcommittee assignments will be established at the time any new board member is appointed by the Governor, or at the request of a board member or the Director. The number of subcommittees established will be determined by the Board and a board member may participate on one or more subcommittees. If applicable, the Director will assign a real property appraiser applicant to a subcommittee based on that subcommittee’s experience review. If a subcommittee rejects a review assignment, the Director will assign the real property appraiser applicant to another subcommittee utilizing the same criteria. If no subcommittee accepts the real property appraiser applicant experience review, the Director will place the applicant before the Board for consideration. Board Member Gerdes moved to approve Internal Procedure 202301 as presented. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

## **3. FORMS, APPLICATIONS, AND PROCEDURES:**

### **a. Selection Procedures for Random CHRC for Real Property Appraiser Credential Renewal**

Director Kohtz presented an amended document titled, “Selection Procedures for Random CHRC for Real Property Appraiser Credential Renewal” to the Board for consideration. The Director informed the Board that, in accordance with Neb. Rev. Stat. § 76-2233.02, the Board must establish a number of credential holders to be selected at random for CHRC. This procedure is amended to set the number of credential holders at 2% of the total number of real property appraisers whose credential expires on December 31<sup>st</sup> in a given year.

### **b. Real Property Appraiser Renewal Application Procedures**

Director Kohtz presented the amended document titled, “Real Property Appraiser Renewal Application Procedures” to the Board for consideration. The Director reported that updates include State personnel terminology changes, the SOA terminology changes, and changes required due to updated Title 298 effective on June 5, 2023.

**c. 2024-25 Application for Renewal of Real Property Appraiser Credential**

Director Kohtz presented the proposed 2024-25 Application for Renewal of Nebraska Real Property Appraiser Credential to the Board for consideration. The Director informed the Board that updates include the standard year-to-year changes, the SOA terminology changes, and changes required due to updated Title 298 effective on June 5, 2023.

**d. 2024-25 Application for Renewal of Trainee Credential**

The Director presented the 2024-25 Application for Two-Year Renewal of Nebraska Trainee Real Property Appraiser Credential to the Board for consideration. The Director informed the Board that updates include the standard year-to-year changes, the SOA terminology changes, and changes required due to updated Title 298 effective on June 5, 2023.

Board Member Gerdes moved to approve the documents titled, "Selection Procedures for Random CHRC for Real Property Appraiser Credential Renewal," "Real Property Appraiser Renewal Application Procedures," "2024-25 Application for Renewal of Nebraska Real Property Appraiser Credential," and "2024-25 Application for Two-Year Renewal of Nebraska Trainee Real Property Appraiser Credential" as presented. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**4. Real Property Appraiser Applicant Experience Review Subcommittee Assignments**

Director Kohtz informed the Board that it must now establish Real Property Appraiser Applicant Experience Review Subcommittee Assignments in accordance with Internal Procedure 202301. Director Kohtz indicated that he has made recommendations for each subcommittee; however, the Board is free to establish the makeup of the subcommittees however it sees fit. Vice-Chairperson Downing asked for nominations for the Real Property Appraiser Applicant Experience Review Subcommittees 2023A through 2023F

**a. 2023A**

Board Member Gerdes nominated Downing and himself for the Real Property Appraiser Applicant Experience Review Subcommittee 2023A. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**b. 2023B**

Board Member Gerdes nominated Downing and Hermsen for the Real Property Appraiser Applicant Experience Review Subcommittee 2023B. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**c. 2023C**

Board Member Gerdes nominated Downing and Luhrs for the Real Property Appraiser Applicant Experience Review Subcommittee 2023C. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**d. 2023D**

Board Member Gerdes nominated Hermsen and himself for the Real Property Appraiser Applicant Experience Review Subcommittee 2023D. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**e. 2023E**

Board Member Gerdes nominated Hermsen and Luhrs for the Real Property Appraiser Applicant Experience Review Subcommittee 2023E. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**f. 2023F**

Board Member Gerdes nominated Luhrs and himself for the Real Property Appraiser Applicant Experience Review Subcommittee 2023F. Board Member Hermsen seconded the motion. Vice-Chairperson Downing recognized the motion and asked for any discussion. With none, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**Q. OTHER BUSINESS**

**1. BOARD MEETINGS**

**a. Reschedule October 19, 2023 meeting to October 26, 2023**

Director Kohtz requested consideration for rescheduling the October 19, 2023 scheduled meeting for October 26, 2023 to accommodate his travel schedule for the Fall AARO Conference in Salt Lake City, Utah. Board Member Hermsen indicated that he may have a conflict on October 26th. Vice-Chairperson Downing recommended that the Board not take action until the July meeting to give the other board members the opportunity to participate in the discussion. This discussion was tabled until the July meeting.

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

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

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

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

## 6. THE APPRAISAL FOUNDATION

### a. The Appraisal Foundation June Newsletter

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

### b. The Appraisal Foundation Seeks Candidates for the AQB and ASB

Director Kohtz presented an announcement from The Appraisal Foundation seeking candidates for the Appraiser Qualifications Board and Appraisal Standards Board. The Director reported that he had no comments and asked for any questions or comments. There was no further discussion.

## 7. ASSOCIATION OF APPRAISER REGULATORY OFFICIALS

### a. AARO Quarterly Update – June 2023

Director Kohtz presented the AARO Quarterly Update to the Board for review. The Director reported that he had no specific comments and asked for any questions or comments. There was no discussion.

## 8. IN THE NEWS: No discussion.

## C. CREDENTIALING AS A NEBRASKA REAL PROPERTY APPRAISER

The Board reviewed applicants CG23011, CG22009, CG23006, CR23002, and CR23003. Vice-Chairperson Downing asked for motions on CG23011, CG22009, CG23006, CR23002, and CR23003.

Board Member Gerdes moved to take the following action:

**CG23011 / Approve to sit for exam and authorize Director to issue a credential as a certified general real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing the necessary fees, and provide redacted copy of the USPAP Compliance Review Report to applicant and advise applicant to take notice of the findings.**

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

Board Member Gerdes moved to take the following action:

**CG22009 / Approve to sit for exam and authorize Director to issue a credential as a certified general real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing the necessary fees.**

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

Board Member Gerdes moved to take the following action:

**CG23006 / Provide redacted copy of two USPAP Compliance Review Reports obtained by the Board to applicant and request that the applicant take note of the findings and rewrite the two subject reports to adequately meet the minimum requirements of USPAP and to achieve credible assignment results.**

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

Board Member Gerdes moved to take the following action:

**CR23002 / Approve to sit for exam and authorize Director to issue credential as a certified residential real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing the necessary fees.**

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

Board Member Gerdes moved to take the following action:

**CR23003 / Approve to sit for exam and authorize Director to issue credential as a certified residential real property appraiser upon providing evidence of successful completion of the National Uniform Licensing and Certification Examination and providing the necessary fees.**

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

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

**E. CONSIDERATION OF COMPLIANCE MATTERS**

The Board reviewed Grievance 23-01.

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

**1. 2023.08**

The Board reviewed a matter in which a Nebraska real property appraiser failed to complete the 7-Hour USPAP Update Course at least once every two years as required by Neb. Rev. Stat. 76-2236(2) for a second time. Board Member Gerdes moved to issue a written advisory, sent by certified mail, informing real property appraiser of the requirement to complete the 7-Hour USPAP Update Course at least once every two years and that the next 7-Hour USPAP Update Course is due before January 1, 2025; and if the real property appraiser fails to submit evidence of the successful completion of the 7-Hour USPAP Update Course in a timely manner, the next Application for Renewal of Nebraska Real Property Appraiser Credential shall go before the Board for consideration. This motion was seconded by Hermsen. Vice-Chairperson Downing recognized the motion and asked for any discussion. With no discussion, Vice-Chairperson Downing called for a vote. The motion carried with Gerdes, Hermsen, and Downing voting aye.

**2. PERSONNEL MATTERS:** No discussion.

**R. ADJOURNMENT**

Board Member Gerdes moved to adjourn the meeting. Board Member Hermsen seconded the motion. Motion carried with Gerdes, Hermsen, and Downing voting aye. At 10:54 a.m., Vice-Chairperson Downing adjourned the June 22, 2023 meeting of the Nebraska Real Property Appraiser Board.

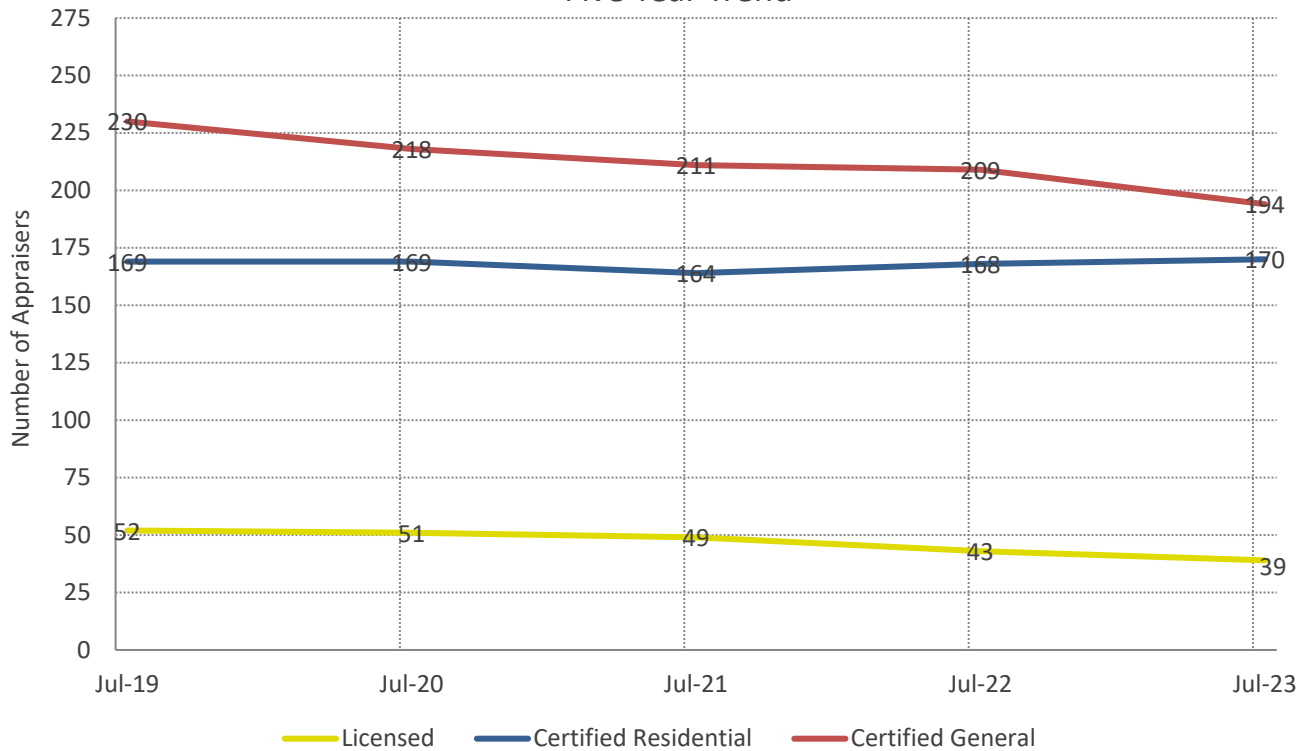
Respectfully submitted,

Tyler N. Kohtz  
Director

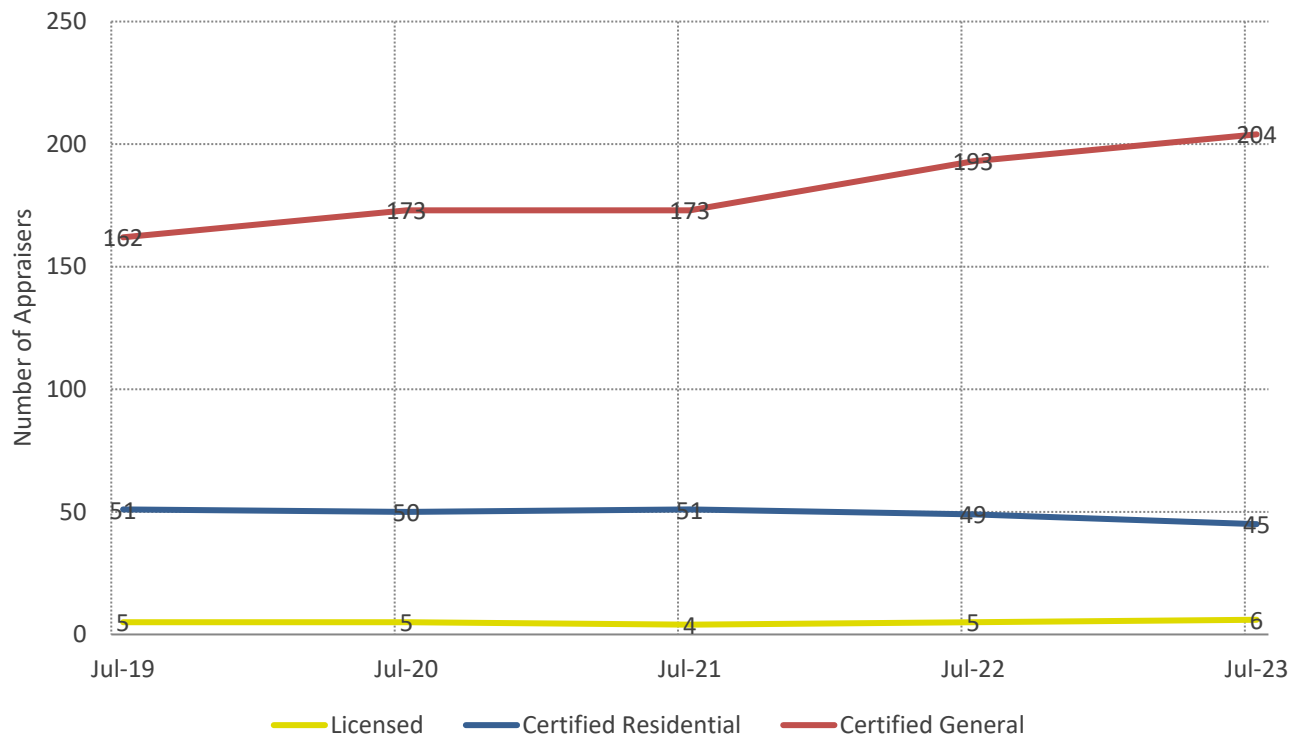
These minutes were available for public inspection on July 7, 2023, in compliance with Nebraska Revised Statute § 84-1413 (5).

# Real Property Appraiser Report

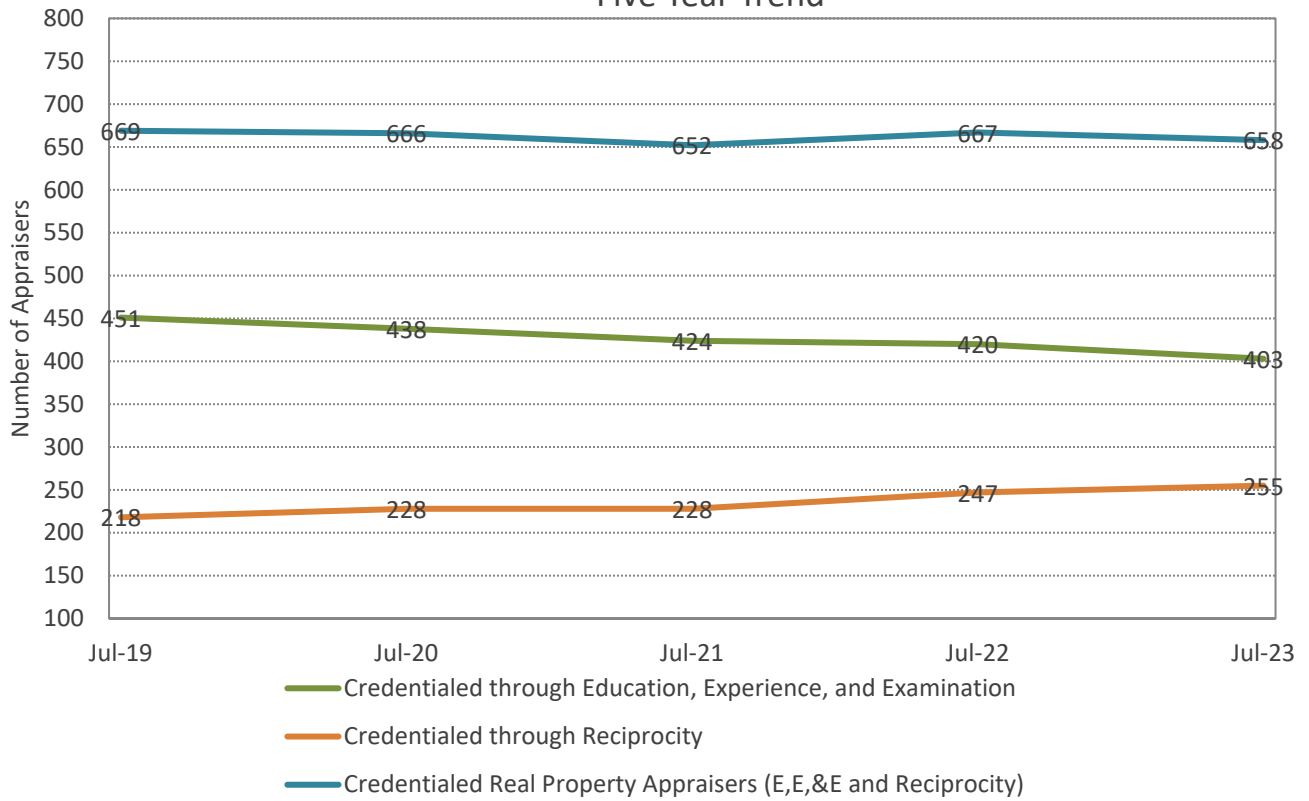
## Real Property Appraisers Credentialed through Education, Experience, and Examination (not including Trainee) - Five Year Trend



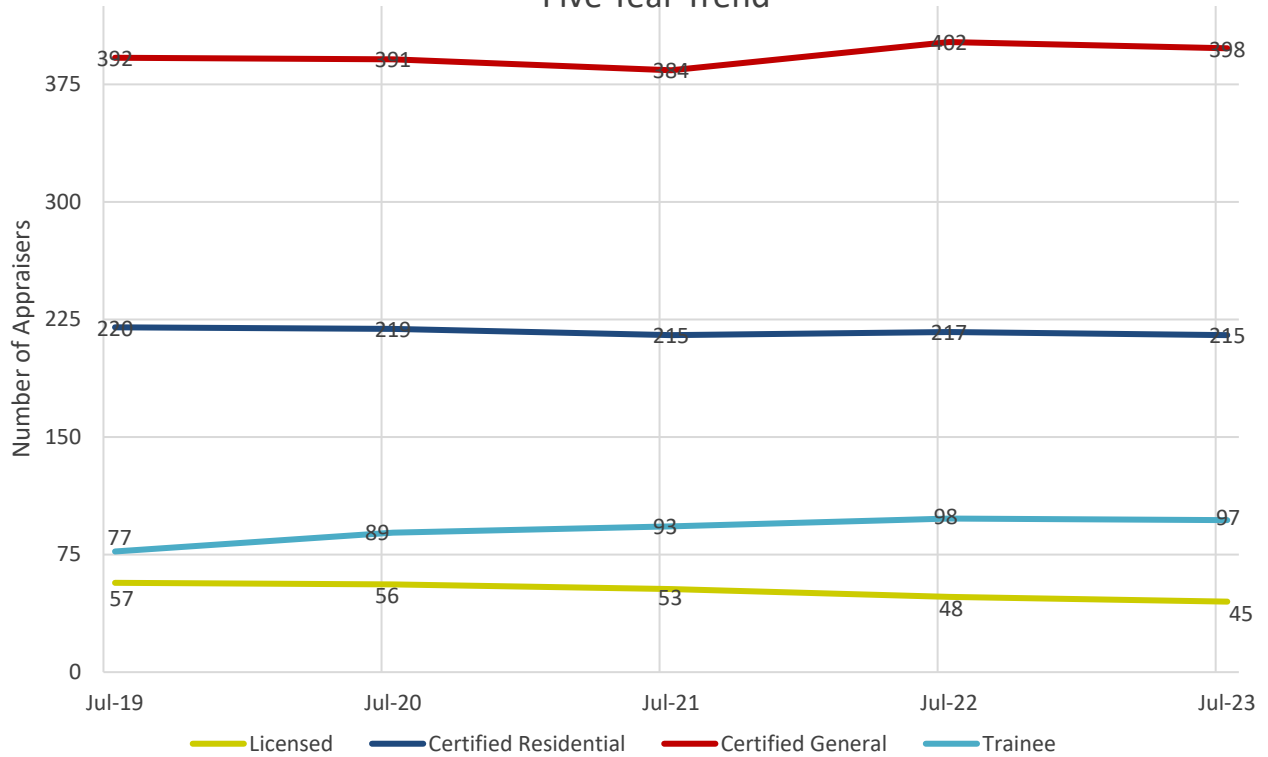
## Real Property Appraisers by Classification Credentialed through Reciprocity - Five Year Trend



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

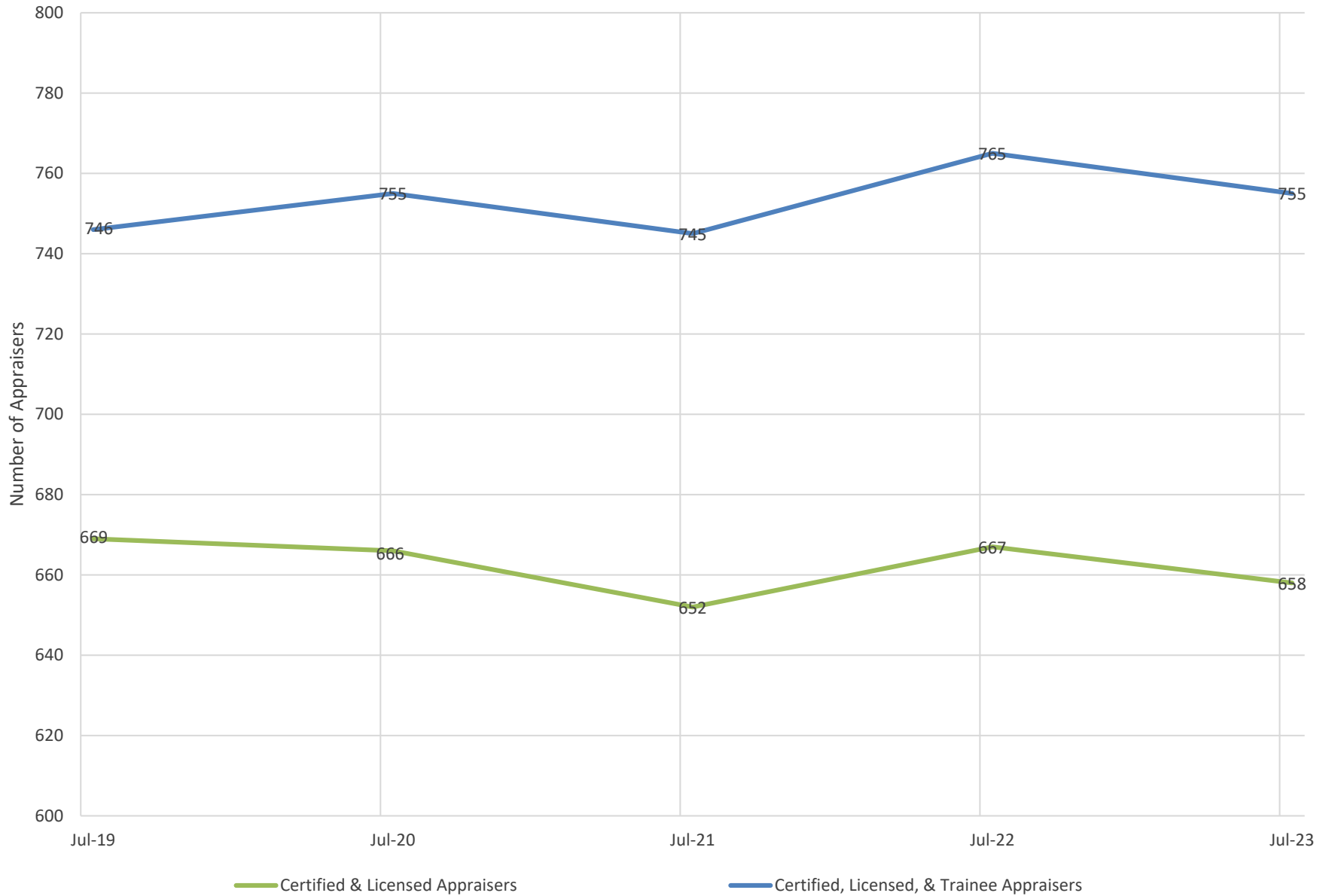


Total Real Property Appraisers by Classification -  
Five Year Trend

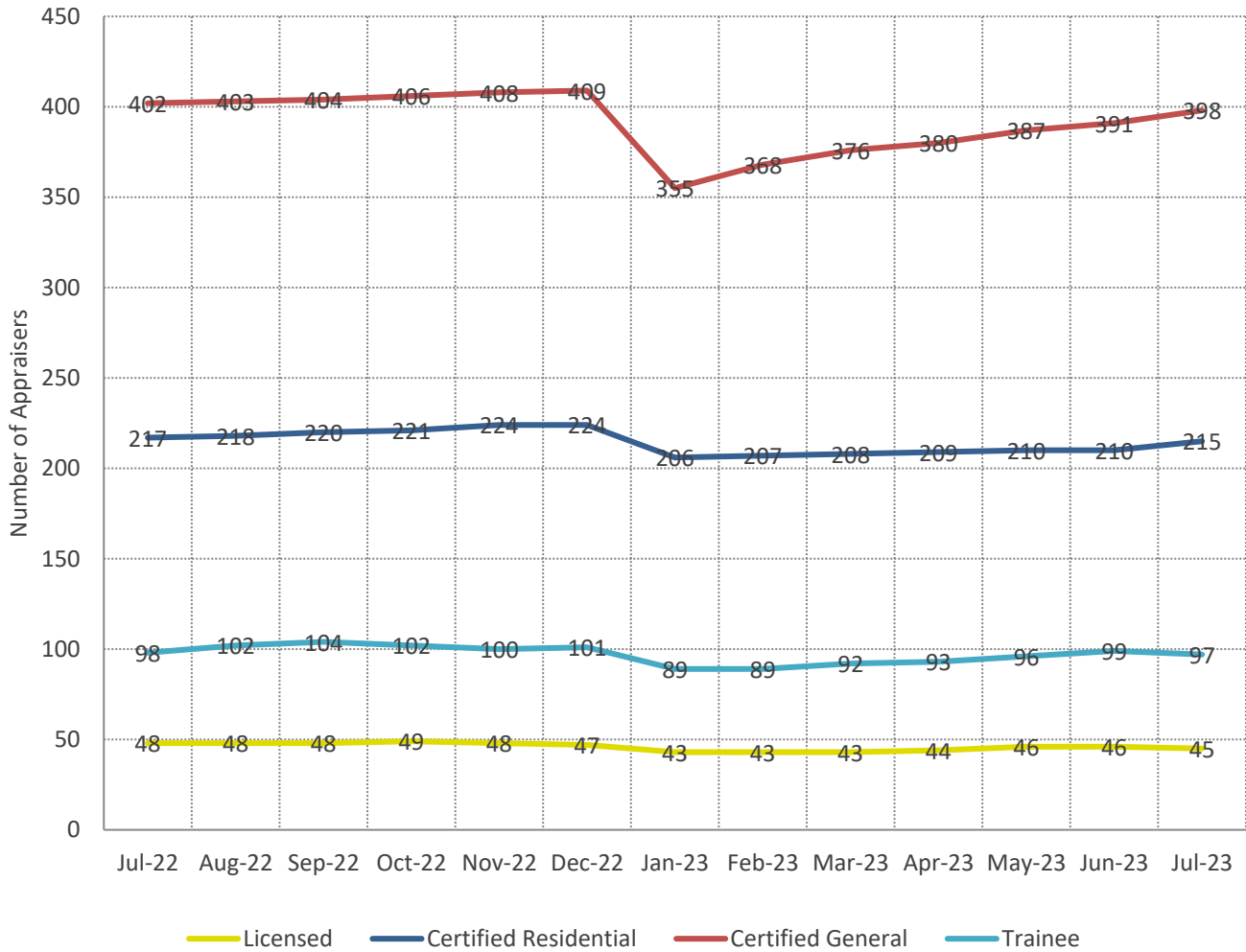




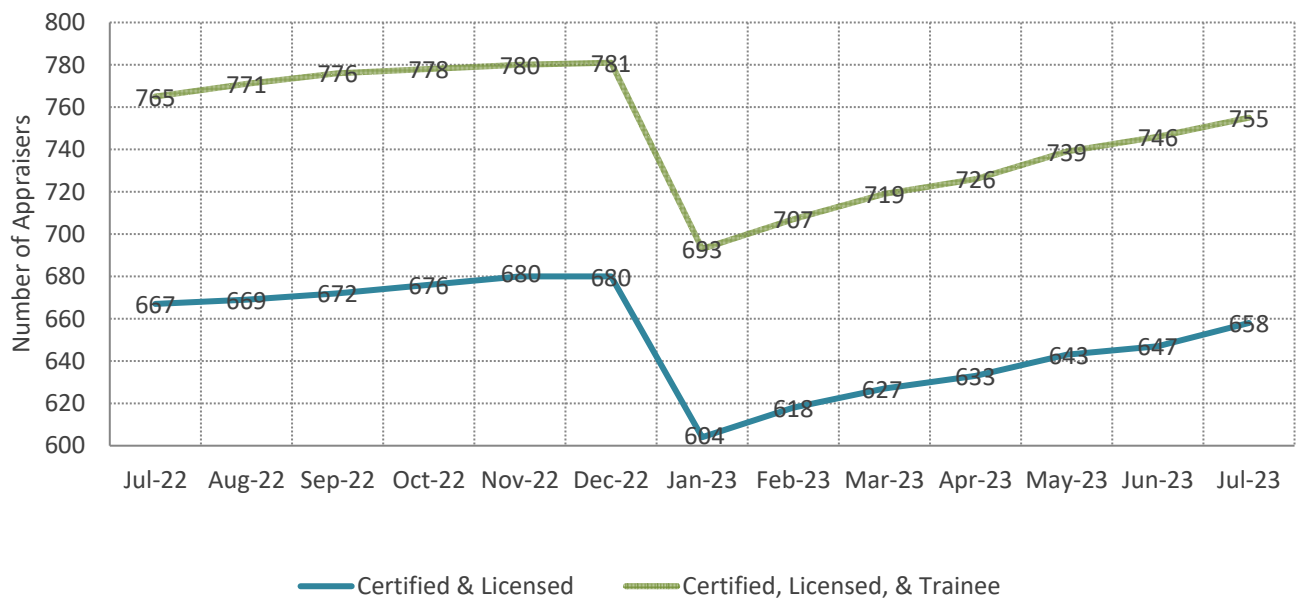
### Total Real Property Appraisers - Five Year Trend



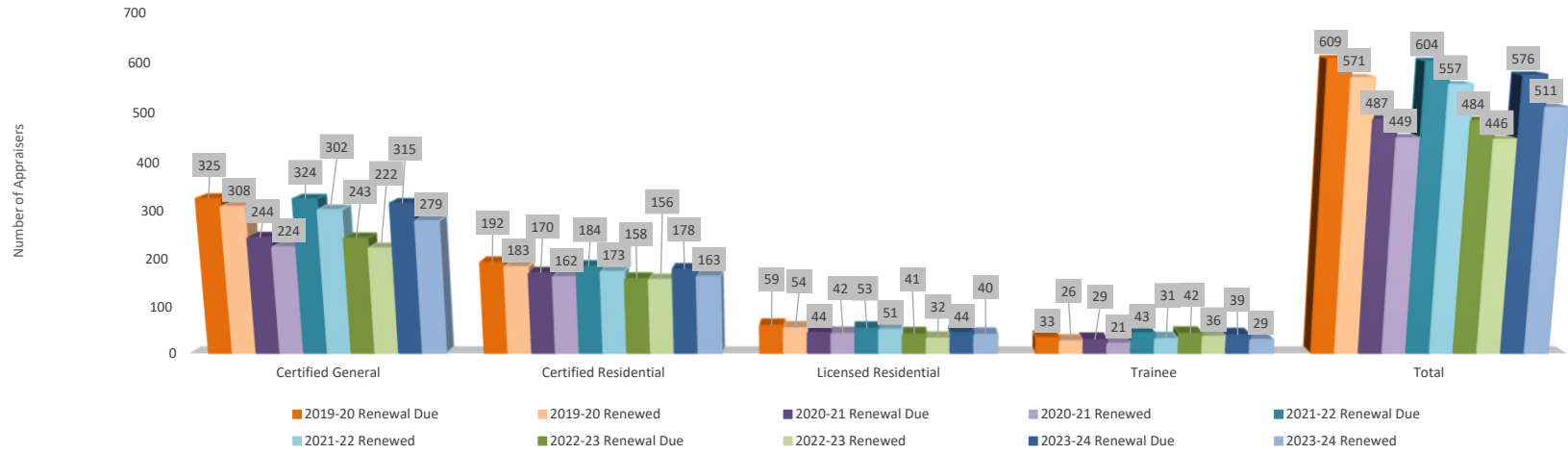
### Real Property Appraisers by Classification - Thirteen Month Trend



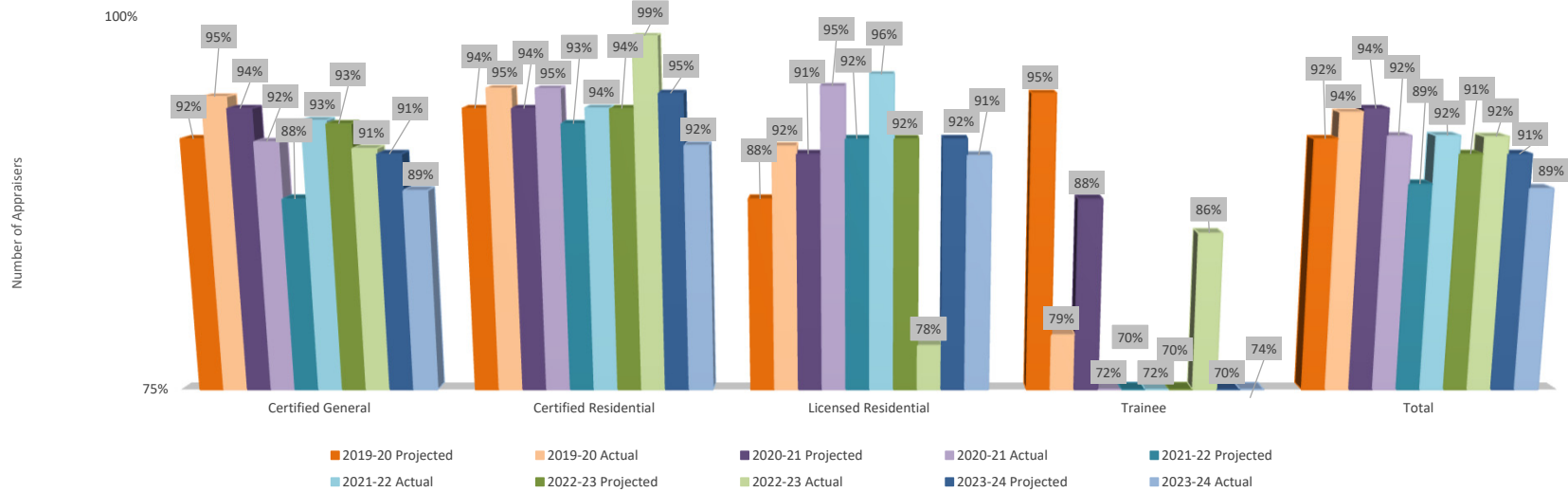
### Total Real Property Appraisers - Thirteen Month Trend



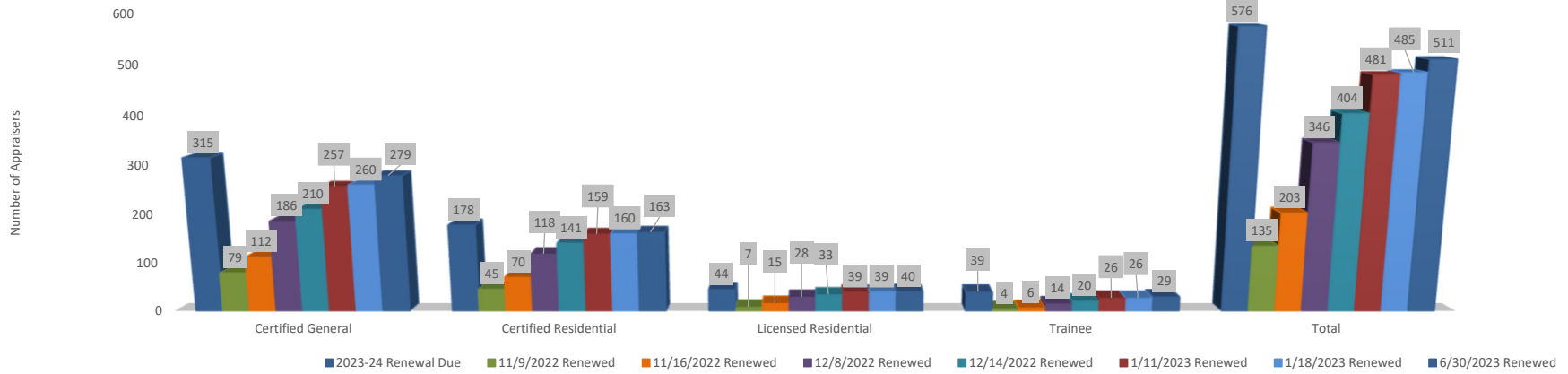
### 2023-24 REAL PROPERTY APPRAISER RENEWAL PROGRESS REPORT - 6/30/2023



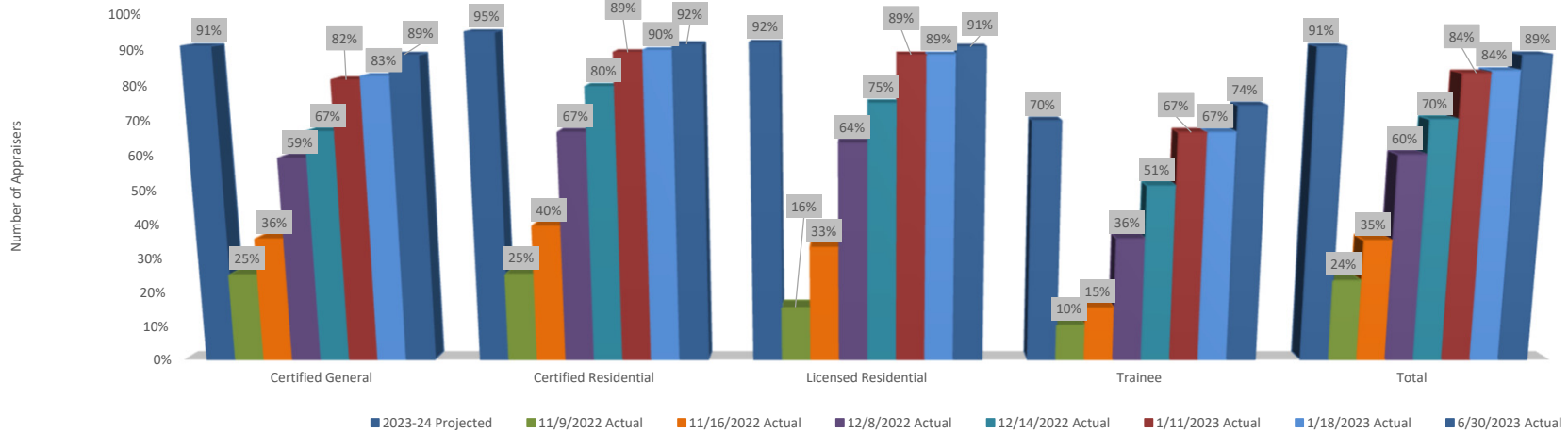
### 2023-24 PERCENTAGE PROJECTIONS/ACTUALS RENEWAL PROGRESS REPORT - 6/30/2023



### 2023-24 APPRAISER COUNT RENEWAL PROGRESS REPORT - 6/30/2023

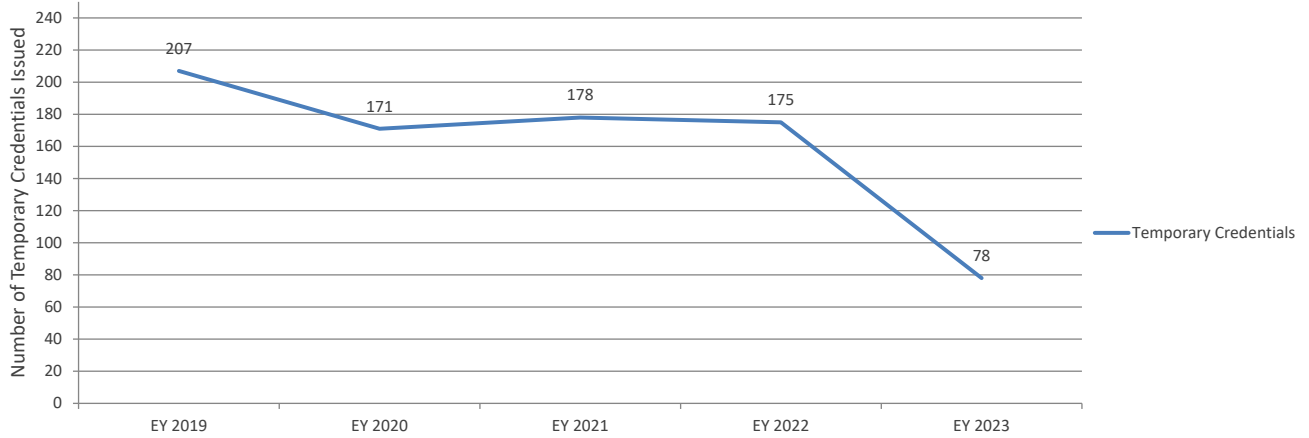


### 2023-24 PERCENTAGE PROJECTIONS/ACTUALS RENEWAL PROGRESS REPORT - 6/30/2023

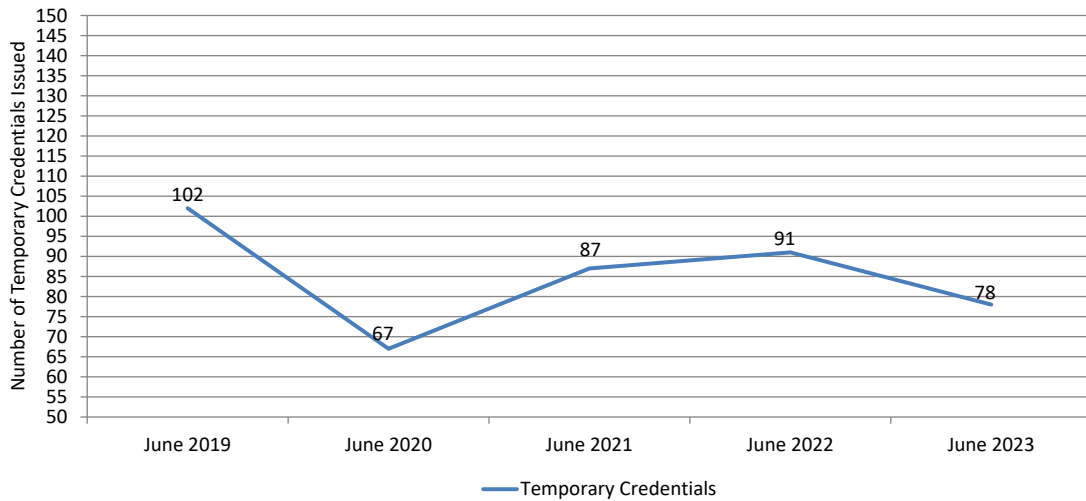


## Temporary Real Property Appraiser Report

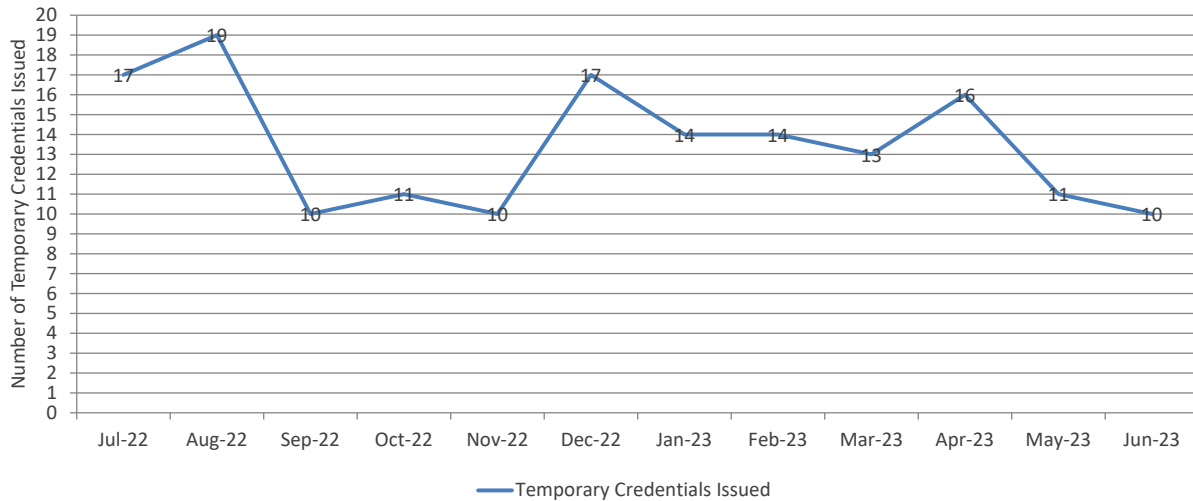
Temporary Real Property Appraiser Credentials Issued by Calendar Year - Five Year Trend



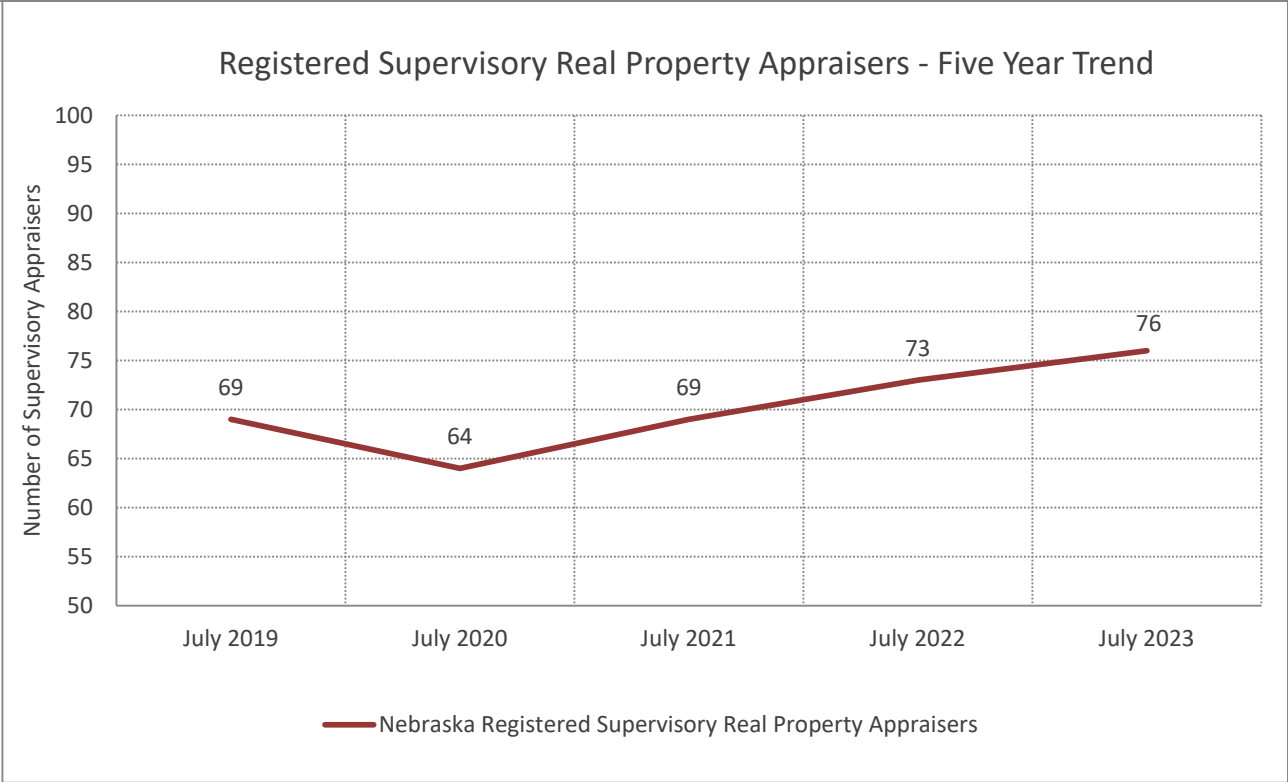
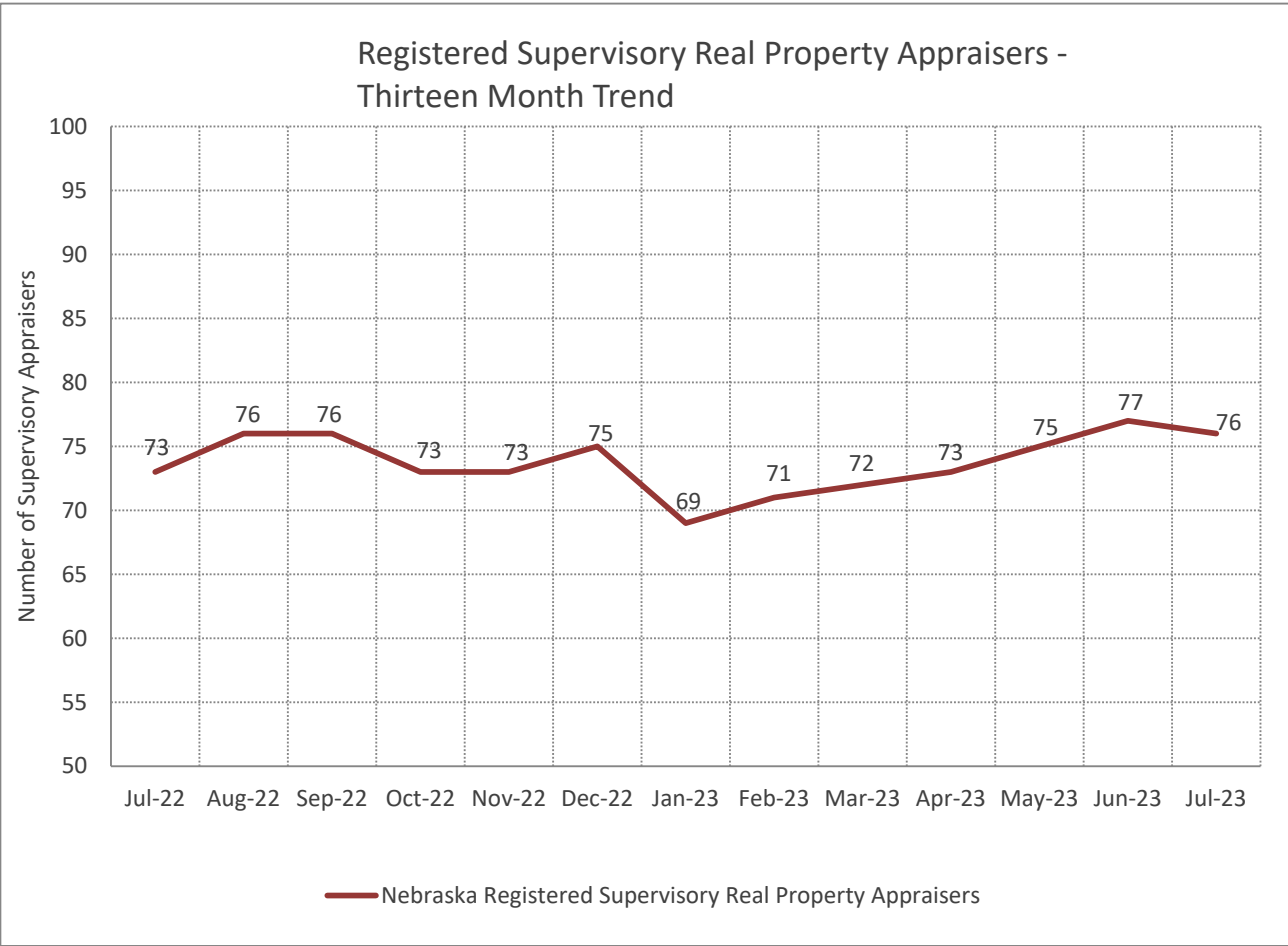
Year-to-date Temporary Real Property Appraiser Credentials Issued - Five Year Trend



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

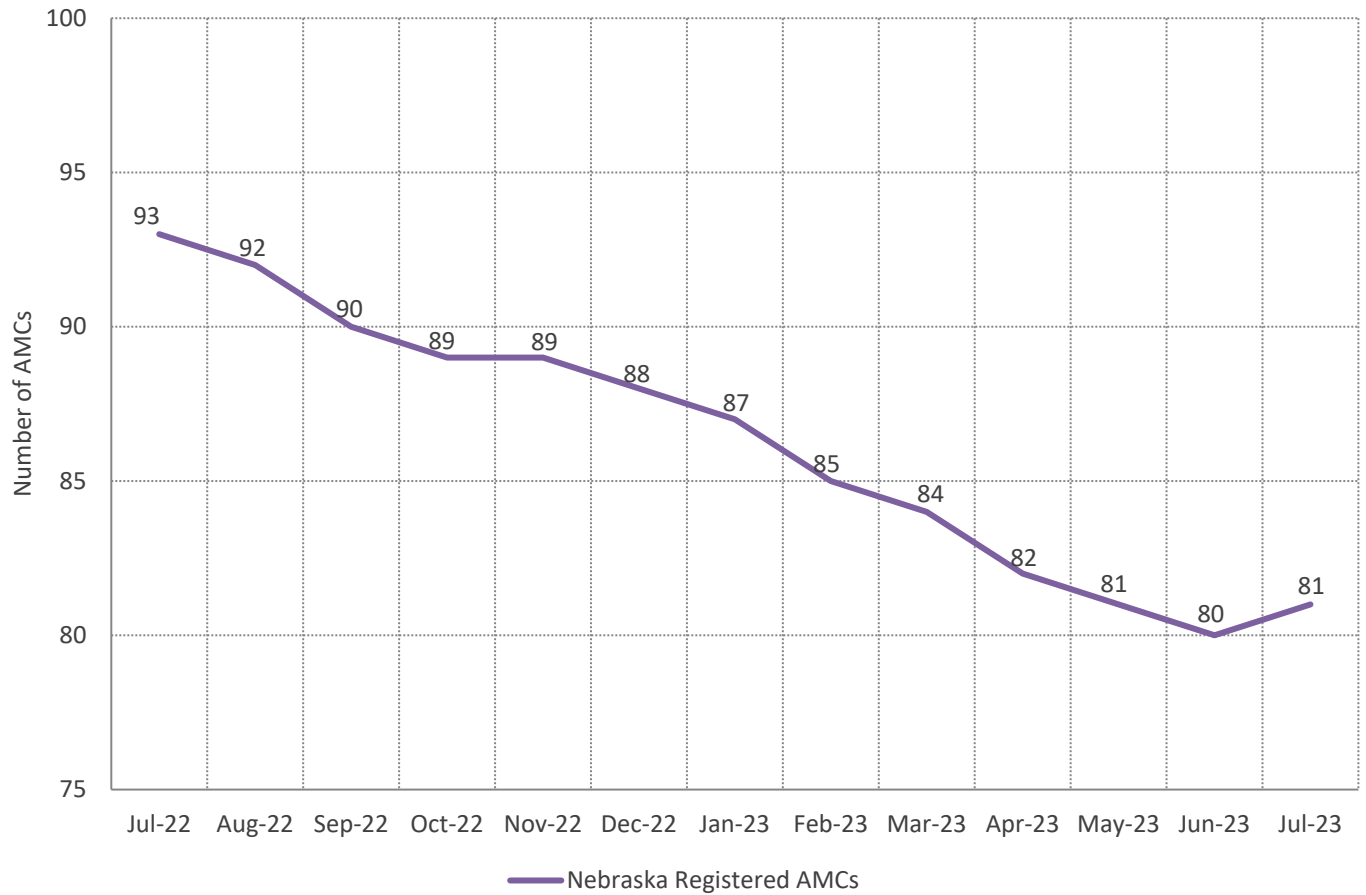


# Supervisory Real Property Appraiser Report

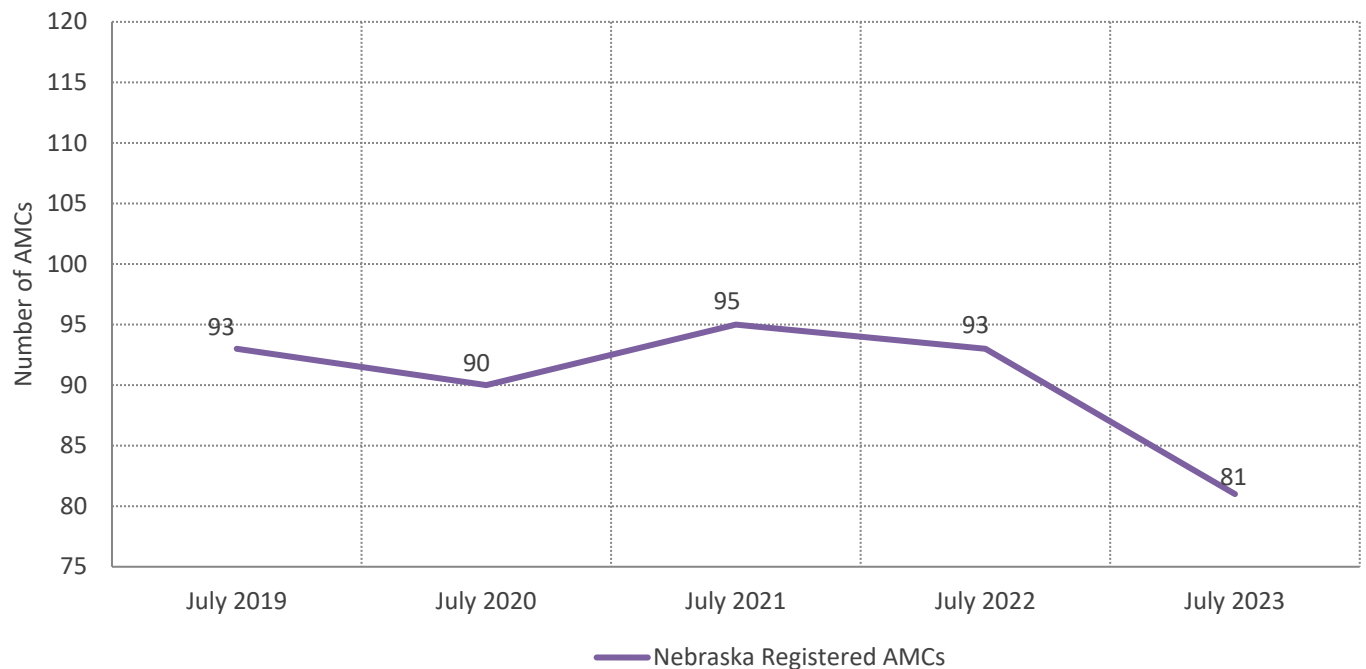


# Appraisal Management Company Report

## Appraisal Management Companies - Thirteen Month Trend



## Appraisal Management Companies - Five Year Trend



# NEBRASKA REAL PROPERTY APPRAISER BOARD

## DIRECTOR APPROVAL OF REAL PROPERTY APPRAISER APPLICANTS

June 7, 2023 – July 11, 2023

<i>New Certified Residential Real Property Appraisers through Reciprocity</i>		
CR2023003R	Seth Epling	Approved June 15, 2023
CR2023004R	Tracy Pomerson	Approved June 23, 2023
<i>New Certified General Real Property Appraisers through Reciprocity</i>		
CG2023025R	Steven Romer	Approved June 7, 2023
CG23021R	Joshua Wagner	Approved June 8, 2023
CG2023026R	Robert Grace	Approved June 29, 2023



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

June 7, 2023 – July 11, 2023

Provider	Activity Number	Hours	Title	Instructor(s)	Approval Date
<i>New Continuing Education Activities and Instructors</i>					
McKissock, LLC	2233462.03	7	Live Webinar: Appraising Complex and Stigmatized Residential Properties	Alexander Gilbert, Alan Hummel, Josh Walitt, Mel Black, Robert Abelson, Charles Fisher, Robert Frazier, Robert McClelland, Charles Huntoon, Dan Bradley, Philicia Lloyd, Pam Teel, Steve Maher, Sam Martin, Julie Molendrop, Jo Traut, Diana Jacob, Greg Stephens, Kevin Hecht	6/9/2023
McKissock, LLC	2233463.03	3	Live Webinar: Appraising Condominium Units	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/12/2023
McKissock, LLC	2233464.03	4	Live Webinar: Appraising Small Apartment Properties	Dan Bradley, Robert Frazier, Robert Abelson, Charles Fisher, Alan Hummel, Philicia Lloyd, Julie Molendrop, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/12/2023
McKissock, LLC	2233465.03	3	Live Webinar: Diversify Your Appraisal Practice with Estate Appraisals	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/12/2023
McKissock, LLC	2233466.03	4	Live Webinar: Diversify Your Practice with Assessment Appeals	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/12/2023

ASFMRA	2233458.01	8	Appraising Ag Facilities Swine Confinement Seminar	Tyler Fitterer	6/15/2023
ASFMRA	2231459.01	8	Appraising Ag Facilities Swine Confinement Seminar	Tyler Fitterer	6/15/2023
McKissock, LLC	2233467.03	4	Live Webinar: Fundamentals of Expert Witness Testimony	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Mel Black, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/20/2023
McKissock, LLC	2233468.03	5	Live Webinar: Land and Site Valuation	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Sam Martin, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/20/2023
McKissock, LLC	2233469.03	4	Live Webinar: Measuring 1-4 Unit Residential Properties-with ANSI Z765 Standard	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, John Dingeman, Kevin Hecht	6/20/2023
McKissock, LLC	2233470.03	3	Live Webinar: New Construction Essentials: Luxury Homes	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/20/2023
McKissock, LLC	2233471.03	4	Live Webinar: REO Appraisal Guidelines and Best Practices	Dan Bradley, Steve Maher, Robert McClelland, Josh Walitt, Robert Abelson, Charles Fisher, Alexander Gilbert, Charles Huntoon, Alan Hummel, Philicia Lloyd, Julie Molendrop, Jo Traut, Robert Frazier, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht,	6/20/2023

McKissock, LLC	2233472.03	4	Live Webinar: Supporting Adjustments: The Journey from Analysis to Adjusting	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, John Dingeman, Kevin Hecht	6/20/2023
McKissock, LLC	2233473.03	7	Live Webinar: The Appraiser's Guide to HUD Handbook 4000.1	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, John Dingeman, Kevin Hecht	6/20/2023
McKissock, LLC	2233474.03	4	Live Webinar: The Fundamentals of Appraising Luxury Homes	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/20/2023
McKissock, LLC	2233475.03	3	Live Webinar: Valuation of Residential Solar	Robert Abelson, Dan Bradley, Charles Fisher, Robert Frazier, Charles Huntoon, Philicia Lloyd, Steve Maher, Robert McClelland, Julie Molendrop, Jo Traut, Josh Walitt, Alexander Gilbert, Alan Hummel, Diana Jacob, Greg Stephens, Pam Teel, Kevin Hecht	6/20/2023
McKissock, LLC	2232477.03	7	GSE Appraisal Requirements and Guidelines	Dan Bradley	7/5/2023
McKissock, LLC	2232479.03	7	VA Appraisal Requirements and Guidelines	Dan Bradley	7/10/2023

**2023-24 Nebraska Real Property Appraiser Board Goals and Objectives**  
**June 21, 2023 Strategic Planning Meeting**

	SHORT TERM GOALS / OBJECTIVES	EXPECTED COMPLETION DATE	STATUS/GOAL MET	LONG TERM GOALS / OBJECTIVES	EXPECTED COMPLETION DATE	NOTES
<b>LAWS, RULES, AND GUIDANCE DOCUMENTS</b>	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 USPAP changes, Real Property Appraiser Qualifications Criteria changes, ASC SOA recommendations, the Board's PAVE Dashboard statute review, and removal of the Real Property Appraiser Renewal Random CHRC Program.	12/31/2023		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, inclusion of criminal and civil immunity language, changes to the CHRC requirements for owners of more than 10% of an AMC.	12/31/2023		Harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act and Appraisal Management Company Registration Act as needed.	Ongoing.	
	Draft Title 298 changes to harmonize Title 298 with the changes made to the Nebraska Real Property Appraiser Act and Appraisal Management Company Registration Act in 2024, address the Board's PAVE Dashboard regulations review, and incorporate changes made to the Real Property Appraiser Qualification Criteria Effective January 1, 2026 and CAP Guidelines effective September 17, 2023.	12/31/2024		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. 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. Ongoing.	
<b>COMPLIANCE</b>	None.			None		
<b>CREDENTIALING AND REGISTRATION</b>				Explore opportunities to increase the number of Nebraska resident real property appraisers.	Ongoing.	
				Monitor real property appraiser credential renewal dates.	Ongoing.	
<b>EDUCATION</b>	None.			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.	
				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.	
<b>PERSONNEL</b>	Hire 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.	12/31/2023		Continue updating the policies and procedures documents as needed to ensure compliance with state policy changes, NAPE/ASFCME contract changes and to address general work environment needs and/or changes.	Ongoing.	
<b>PUBLIC INFORMATION</b>	Populate the Disciplinary History Search with ten year real property appraiser and AMC disciplinary action history for active credential and registration holders.	12/31/2023		Encourage development of Memos from the Board and Facebook posts that contain facts of interest to the appraiser community.	Ongoing.	
				Continue utilizing the NRPAB website, NRPAB Facebook page, The Nebraska Appraiser, and Memos from the Board to disseminate relevant and important information to the appraisal business community and the general public in a timely manner. This includes information related to state and federal regulations, credentialing and registration requirements, renewal information, education information, Board policies and procedures, documents posted to the NRPAB website, meeting information, and other information that affects the industry.	Ongoing.	
				Continue utilization of Memos from the Board to disseminate important information in a timely manner that should not be held for the next release of The Nebraska Appraiser.	Ongoing.	
				Continue releasing new issues of The Nebraska Appraiser on a quarterly basis to disseminate important information to the appraisal business community and the general public in an effective and efficient manner.	Ongoing.	
				Continue 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.	
				Populate the Disciplinary History Search with all real property appraiser and AMC disciplinary action history for active credential and registration holders.	None.	
<b>ADMINISTRATION</b>				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.	
				Continue to monitor the effectiveness of current NRPAB database, repair bugs, and make improvements and add enhancements needed to address program or use changes.	Ongoing.	
				Explore use of Federal grant money to pursue development of a translator system between the NRPAB Database and the ASC Federal Registry system.	Ongoing.	
				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.	
<b>FINANCIALS</b>	None.			None.		

**2023-24 NRPAB SWOT Analysis**

<p><b>STRENGTHS:</b></p> <ul style="list-style-type: none"> <li>* Customer Service</li> <li>* Organization</li> <li>* Board member knowledge</li> <li>* Staff knowledge</li> <li>* Adaptability</li> <li>* Professional Diversity of Board</li> <li>* Modernization of Accessibility</li> </ul>	<p><b>WEAKNESSES:</b></p> <ul style="list-style-type: none"> <li>* Industry's inability to grow</li> <li>* Efficiency loss due to database not meeting potential</li> <li>* Size of Agency staff</li> <li>* Regulatory and statutory barriers</li> <li>* Difficulty obtaining new board members</li> </ul>	<p><b>OPPORTUNITIES:</b></p> <ul style="list-style-type: none"> <li>* Growth in real property appraiser field</li> <li>* Continued evaluation of Board and Agency operations</li> <li>* Embrace of available technology</li> </ul>	<p><b>THREATS:</b></p> <ul style="list-style-type: none"> <li>* Agency turnover</li> <li>* Federal agency oversight</li> <li>* State economic climate</li> <li>* Aging appraiser population</li> <li>* Inadequate supervisory appraiser knowledge</li> <li>* Deemphasis on appraisals at the Federal level</li> </ul>
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STATE OF NEBRASKA  
Department of Administrative Services  
Accounting Division  
Budget Status Report  
As of 06/30/23

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

Percent of Time Elapsed = 100.00

ACCOUNT CODE DESCRIPTION	BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
<b>BUDGETED FUND TYPES - EXPENDITURES</b>						
<b>510000 PERSONAL SERVICES</b>						
511100 PERMANENT SALARIES-WAGES	154,777.63	11,200.84	145,560.64	94.05		9,216.99
511300 OVERTIME PAYMENTS	1,633.48		4,156.16	254.44		2,522.68-
511600 PER DIEM PAYMENTS	9,100.00	400.00	4,900.00	53.85		4,200.00
511700 EMPLOYEE BONUSES	1,000.00		500.00	50.00		500.00
511800 COMP TIME PAYMENT	1,633.48		379.28	23.22		1,254.20
512100 VACATION LEAVE EXPENSE	13,100.54	1,301.03	13,082.59	99.86		17.95
512200 SICK LEAVE EXPENSE	824.88	9.51	1,533.93	185.96		709.05-
512300 HOLIDAY LEAVE EXPENSE	8,556.05	658.50	8,551.88	99.95		4.17
512500 FUNERAL LEAVE EXPENSE			851.55			851.55-
<b>Personal Services Subtotal</b>	<b>190,626.06</b>	<b>13,569.88</b>	<b>179,516.03</b>	<b>94.17</b>	<b>0.00</b>	<b>11,110.03</b>
515100 RETIREMENT PLANS EXPENSE	13,637.41	986.16	13,037.72	95.60		599.69
515200 FICA EXPENSE	14,565.37	951.94	12,654.76	86.88		1,910.61
515500 HEALTH INSURANCE EXPENSE	36,686.00	2,741.90	35,139.70	95.79		1,546.30
516300 EMPLOYEE ASSISTANCE PRO	37.08		37.08	100.00		
516500 WORKERS COMP PREMIUMS	1,528.00		1,528.00	100.00		
<b>Major Account 510000 Total</b>	<b>257,079.92</b>	<b>18,249.88</b>	<b>241,913.29</b>	<b>94.10</b>	<b>0.00</b>	<b>15,166.63</b>
<b>520000 OPERATING EXPENSES</b>						
521100 POSTAGE EXPENSE	3,091.70	122.57	2,416.27	78.15		675.43
521300 FREIGHT	100.00					100.00
521400 DATA PROCESSING EXPENSE	82,794.28	5,685.40	76,784.23	92.74		6,010.05
521500 PUBLICATION & PRINT EXPENSE	5,531.36		4,571.39	82.64		959.97
521900 AWARDS EXPENSE	100.00		28.00	28.00		72.00
522100 DUES & SUBSCRIPTION EXPENSE	600.00		600.00	100.00		
522200 CONFERENCE REGISTRATION	1,100.00		1,100.00	100.00		
524600 RENT EXPENSE-BUILDINGS	11,754.62	972.07	11,716.86	99.68		37.76
524900 RENT EXP-DUPR SURCHARGE	3,859.00	321.59	3,859.08	100.00		.08-
527100 REP & MAINT-OFFICE EQUIP	500.00					500.00
531100 OFFICE SUPPLIES EXPENSE	2,072.18	135.78	732.53	35.35		1,339.65
532100 NON CAPITALIZED EQUIP PU	500.00					500.00
532260 VOICE EQUIP			60.19			60.19-
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 06/30/23

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

Percent of Time Elapsed = 100.00

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	80.00	80.00	.23		34,920.00
541700	LEGAL RELATED EXPENSE	7,000.00		45.00	.64		6,955.00
542100	SOS TEMP SERV-PERSONNEL	7,830.00		2,232.65	28.51		5,597.35
547100	EDUCATIONAL SERVICES	1,500.00					1,500.00
554900	OTHER CONTRACTUAL SERVICE	42,629.00	5,318.30	25,059.13	58.78		17,569.87
556100	INSURANCE EXPENSE	47.00		48.34	102.85		1.34-
559100	OTHER OPERATING EXP	82.77		80.00	96.65		2.77
<b>Major Account 520000 Total</b>		<b>207,503.91</b>	<b>12,635.71</b>	<b>130,601.67</b>	<b>62.94</b>	<b>0.00</b>	<b>76,902.24</b>
<b>570000 TRAVEL EXPENSES</b>							
571100	BOARD & LODGING	4,938.00	981.40	3,672.84	74.38		1,265.16
571600	MEALS-NOT TRAVEL STATUS	100.00					100.00
571800	TAXABLE TRAVEL EXPENSES	2,113.26	225.42	1,188.40	56.24		924.86
572100	COMMERCIAL TRANSPORTATION	1,950.00					1,950.00
573100	STATE-OWNED TRANSPORT	200.00					200.00
574500	PERSONAL VEHICLE MILEAGE	9,199.56	1,167.88	6,056.66	65.84		3,142.90
575100	MISC TRAVEL EXPENSES	1,059.65	13.75	201.55	19.02		858.10
<b>Major Account 570000 Total</b>		<b>19,560.47</b>	<b>2,388.45</b>	<b>11,119.45</b>	<b>56.85</b>	<b>0.00</b>	<b>8,441.02</b>
<b>BUDGETED EXPENDITURES TOTAL</b>		<b>484,144.30</b>	<b>33,274.04</b>	<b>383,634.41</b>	<b>79.24</b>	<b>0.00</b>	<b>100,509.89</b>
<b>SUMMARY BY FUND TYPE - EXPENDITURES</b>							
2	CASH FUNDS	484,144.30	33,274.04	383,634.41	79.24		100,509.89
<b>BUDGETED EXPENDITURES TOTAL</b>		<b>484,144.30</b>	<b>33,274.04</b>	<b>383,634.41</b>	<b>79.24</b>	<b>0.00</b>	<b>100,509.89</b>

**BUDGETED FUND TYPES - REVENUES**

**470000 REVENUE - SALES AND CHARGES**

471100	SALE OF SERVICES	400.00-	125.00-	450.00-	112.50		50.00
471120	QUALIFYING ED COURSE FEES	750.00-	25.00-	1,675.00-	223.33		925.00
471121	CONTINUING ED NEW FEES	1,250.00-	150.00-	3,175.00-	254.00		1,925.00
471122	CONTINUING ED RENEWAL FEES	150.00-	10.00-	190.00-	126.67		40.00

STATE OF NEBRASKA  
Department of Administrative Services  
Accounting Division  
Budget Status Report  
As of 06/30/23

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

Percent of Time Elapsed = 100.00

ACCOUNT CODE DESCRIPTION	BUDGETED AMOUNT	CURRENT MONTH ACTIVITY	YEAR-TO-DATE ACTUALS	PERCENT OF BUDGET	ENCUMBERANCES	VARIANCE
475150 CERTIFIED GENERAL NEW FEES	9,000.00-	900.00-	9,900.00-	110.00		900.00
475151 LICENSED NEW FEES	1,200.00-		900.00-	75.00		300.00-
475152 FINGERPRINT FEES	3,077.00-	181.00-	3,529.50-	114.71		452.50
475153 CERTIFIED RESIDENTIAL NEW	3,000.00-	900.00-	3,600.00-	120.00		600.00
475154 CERTIFIED GENERAL RENEWAL	122,375.00-	2,200.00-	118,525.00-	96.85		3,850.00-
475155 LICENSED RENEWAL	15,950.00-		14,025.00-	87.93		1,925.00-
475156 FINGERPRINT AUDIT PROGRAM FEES	3,960.00-	45.00-	3,835.00-	96.84		125.00-
475157 CERTIFIED RESIDENTIAL RENEWAL	64,625.00-	275.00-	63,525.00-	98.30		1,100.00-
475161 TEMPORARY CERTIFIED GENERAL	9,000.00-	450.00-	8,150.00-	90.56		850.00-
475163 AMC REGISTERED NEW FEES	12,000.00-	2,000.00-	4,000.00-	33.33		8,000.00-
475164 AMC APPLICATION FEES	2,100.00-		1,050.00-	50.00		1,050.00-
475165 AMC REGISTERED RENEWAL	129,000.00-	10,500.00-	123,000.00-	95.35		6,000.00-
475167 CERTIFIED RESIDENTIAL INACTIVE	300.00-					300.00-
475168 CERTIFIED GENERAL INACTIVE	300.00-					300.00-
475234 APPLICATION FEES	28,200.00-	1,500.00-	28,000.00-	99.29		200.00-
476101 LATE PROCESSING FEES	4,500.00-	1,250.00-	4,400.00-	97.78		100.00-
<b>Major Account 470000 Total</b>	<b>411,137.00-</b>	<b>20,511.00-</b>	<b>391,929.50-</b>	<b>95.33</b>	<b>0.00</b>	<b>19,207.50-</b>
<b>480000 REVENUE - MISCELLANEOUS</b>						
481100 INVESTMENT INCOME	6,000.00-	1,615.08-	16,306.47-	271.77		10,306.47
481101 AMC INVESTMENT INCOME	5,000.00-					5,000.00-
484500 REIMB NON-GOVT SOURCES	2,500.00-		381.23-	15.25		2,118.77-
<b>Major Account 480000 Total</b>	<b>13,500.00-</b>	<b>1,615.08-</b>	<b>16,687.70-</b>	<b>123.61</b>	<b>0.00</b>	<b>3,187.70</b>
<b>BUDGETED REVENUE TOTAL</b>	<b>424,637.00-</b>	<b>22,126.08-</b>	<b>408,617.20-</b>	<b>96.23</b>	<b>0.00</b>	<b>16,019.80-</b>
<b>SUMMARY BY FUND TYPE - REVENUE</b>						
2 CASH FUNDS	424,637.00-	22,126.08-	408,617.20-	96.23		16,019.80-
<b>BUDGETED REVENUE TOTAL</b>	<b>424,637.00-</b>	<b>22,126.08-</b>	<b>408,617.20-</b>	<b>96.23</b>	<b>0.00</b>	<b>16,019.80-</b>



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.		505252	06/02/23	RC	RB	NRPAB DEPOSIT 230602	7132899		50.00-
25310	079	000	53105018.471100.		506412	06/09/23	RC	RB	NRPAB DEPOSIT 230609	7141426		50.00-
25310	079	000	53105018.471100.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		25.00-
Total for Object			471100 SALE OF SERVICES									125.00-
25310	079	000	53105018.471120.		505252	06/02/23	RC	RB	NRPAB DEPOSIT 230602	7132899		25.00-
Total for Object			471120 QUALIFYING ED COURSE FEES									25.00-
25310	079	000	53105018.471121.		505252	06/02/23	RC	RB	NRPAB DEPOSIT 230602	7132899		50.00-
25310	079	000	53105018.471121.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		25.00-
25310	079	000	53105018.471121.		506889	06/13/23	RC	RB	NRPAB DEPOSIT 230613	7145627		75.00-
Total for Object			471121 CONTINUING ED NEW FEES									150.00-
25310	079	000	53105018.471122.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		10.00-
Total for Object			471122 CONTINUING ED RENEWAL FEES									10.00-
25310	079	000	53105018.475150.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		300.00-
25310	079	000	53105018.475150.		506889	06/13/23	RC	RB	NRPAB DEPOSIT 230613	7145627		600.00-
Total for Object			475150 CERTIFIED GENERAL NEW FEES									900.00-
25310	079	000	53105018.475152.		505252	06/02/23	RC	RB	NRPAB DEPOSIT 230602	7132899		45.25-
25310	079	000	53105018.475152.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		45.25-
25310	079	000	53105018.475152.		506412	06/09/23	RC	RB	NRPAB DEPOSIT 230609	7141426		45.25-
25310	079	000	53105018.475152.		507143	06/14/23	RC	RB	NRPAB DEPOSIT 230614	7146845		45.25-
Total for Object			475152 FINGERPRINT FEES									181.00-
25310	079	000	53105018.475153.		509597	06/27/23	RC	RB	NRPAB DEPOSIT 230627	7161582		600.00-
25310	079	000	53105018.475153.		509885	06/28/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230621	7164187		300.00-
Total for Object			475153 CERTIFIED RESIDENTIAL NEW									900.00-
25310	079	000	53105018.475154.		505139	06/01/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230601	7130739		550.00-
25310	079	000	53105018.475154.		505251	06/02/23	RC	RB	NRPAB RENEWALS DEPOSIT 230602	7132891		275.00-
25310	079	000	53105018.475154.		507570	06/16/23	RC	RB	NRPAB DEPOSIT 230616	7150084		550.00-
25310	079	000	53105018.475154.		508772	06/21/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230621	7154385		550.00-
25310	079	000	53105018.475154.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		275.00-
Total for Object			475154 CERTIFIED GENERAL RENEWAL									2,200.00-
25310	079	000	53105018.475156.		505139	06/01/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230601	7130739		10.00-
25310	079	000	53105018.475156.		505251	06/02/23	RC	RB	NRPAB RENEWALS DEPOSIT 230602	7132891		5.00-

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.		507465	06/14/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230614	7147627		5.00-
25310	079	000	53105018.475156.		507570	06/16/23	RC	RB	NRPAB DEPOSIT 230616	7150084		10.00-
25310	079	000	53105018.475156.		508772	06/21/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230621	7154385		10.00-
25310	079	000	53105018.475156.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		5.00-
Total for Object			475156	FINGERPRINT AUDIT PROGRAM FEES								45.00-
25310	079	000	53105018.475157.		507465	06/14/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230614	7147627		275.00-
Total for Object			475157	CERTIFIED RESIDENTIAL RENEWAL								275.00-
25310	079	000	53105018.475161.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		50.00-
25310	079	000	53105018.475161.		506412	06/09/23	RC	RB	NRPAB DEPOSIT 230609	7141426		50.00-
25310	079	000	53105018.475161.		507570	06/16/23	RC	RB	NRPAB DEPOSIT 230616	7150084		200.00-
25310	079	000	53105018.475161.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		100.00-
25310	079	000	53105018.475161.		509597	06/27/23	RC	RB	NRPAB DEPOSIT 230627	7161582		50.00-
Total for Object			475161	TEMPORARY CERTIFIED GENERAL								450.00-
25310	079	000	53105018.475234.		505252	06/02/23	RC	RB	NRPAB DEPOSIT 230602	7132899		150.00-
25310	079	000	53105018.475234.		505644	06/06/23	RC	RB	NRPAB DEPOSIT 230606	7136171		250.00-
25310	079	000	53105018.475234.		506412	06/09/23	RC	RB	NRPAB DEPOSIT 230609	7141426		250.00-
25310	079	000	53105018.475234.		507143	06/14/23	RC	RB	NRPAB DEPOSIT 230614	7146845		150.00-
25310	079	000	53105018.475234.		507570	06/16/23	RC	RB	NRPAB DEPOSIT 230616	7150084		400.00-
25310	079	000	53105018.475234.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		200.00-
25310	079	000	53105018.475234.		509597	06/27/23	RC	RB	NRPAB DEPOSIT 230627	7161582		100.00-
Total for Object			475234	APPLICATION FEES								1,500.00-
25310	079	000	53105018.476101.		505139	06/01/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230601	7130739		150.00-
25310	079	000	53105018.476101.		505251	06/02/23	RC	RB	NRPAB RENEWALS DEPOSIT 230602	7132891		175.00-
25310	079	000	53105018.476101.		507465	06/14/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230614	7147627		175.00-
25310	079	000	53105018.476101.		507570	06/16/23	RC	RB	NRPAB DEPOSIT 230616	7150084		175.00-
25310	079	000	53105018.476101.		508772	06/21/23	RC	RB	NRPAB RENEW EFW DEPOSIT 230621	7154385		175.00-
25310	079	000	53105018.476101.		508857	06/23/23	RC	RB	NRPAB DEPOSIT 230623	7157319		175.00-
Total for Object			476101	LATE PROCESSING FEES								1,025.00-
25310	079	000	53105018.481100.		21296941	06/16/23	JE	G	OIP May 23 2.49486%	7151797		916.90-
Total for Object			481100	INVESTMENT INCOME								916.90-
25310	079	000	53105018.511100.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		3,196.63
25310	079	000	53105018.511100.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		4,083.89
Total for Object			511100	PERMANENT SALARIES-WAGES								7,280.52

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	53105018.511600.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		295.00
25310	079	000	53105018.511600.		21230026	06/08/23	JE	G	NRPAB CORRECT PAYROLL 230614	7141742		35.00-
Total for Object			511600 PER DIEM PAYMENTS									260.00
25310	079	000	53105018.512100.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		655.55
25310	079	000	53105018.512100.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		190.23
Total for Object			512100 VACATION LEAVE EXPENSE									845.78
25310	079	000	53105018.512200.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		6.09
Total for Object			512200 SICK LEAVE EXPENSE									6.09
25310	079	000	53105018.512300.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		428.02
Total for Object			512300 HOLIDAY LEAVE EXPENSE									428.02
25310	079	000	53105018.515100.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		320.48
25310	079	000	53105018.515100.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		320.50
Total for Object			515100 RETIREMENT PLANS EXPENSE									640.98
25310	079	000	53105018.515200.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		322.00
25310	079	000	53105018.515200.		21230026	06/08/23	JE	G	NRPAB CORRECT PAYROLL 230614	7141742		2.68-
25310	079	000	53105018.515200.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		299.42
Total for Object			515200 FICA EXPENSE									618.74
25310	079	000	53105018.515500.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		891.12
25310	079	000	53105018.515500.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		891.12
Total for Object			515500 HEALTH INSURANCE EXPENSE									1,782.24
25310	079	000	53105018.521100.		21296925	06/16/23	JE	G	POSTAGE DUE MAY 2023	7151690		122.57
25310	079	000	53105018.521100.		21314242	06/20/23	JE	G	NRPAB POSTAGE MAY 2023	7153688		42.90-
Total for Object			521100 POSTAGE EXPENSE									79.67
25310	079	000	53105018.521400.		52566129	06/01/23	PV	V	AS - OCIO - COMMUNICATIONS	7132499		136.69
25310	079	000	53105018.521400.		52619647	06/12/23	PV	V	AS - OCIO - IMSERVICES	7145580		2,642.24
Total for Object			521400 CIO CHARGES									2,778.93
25310	079	000	53105018.524600.		21181632	06/07/23	JE	G	RENT & LB530 JUNE 2023 - OTHER	7134142		939.94
25310	079	000	53105018.524600.		21252066	06/12/23	JE	G	NRPAB RENT JUNE 2023	7145593		328.98-
25310	079	000	53105018.524600.		52652682	06/20/23	PV	V	SECRETARY OF STATE	7153909		

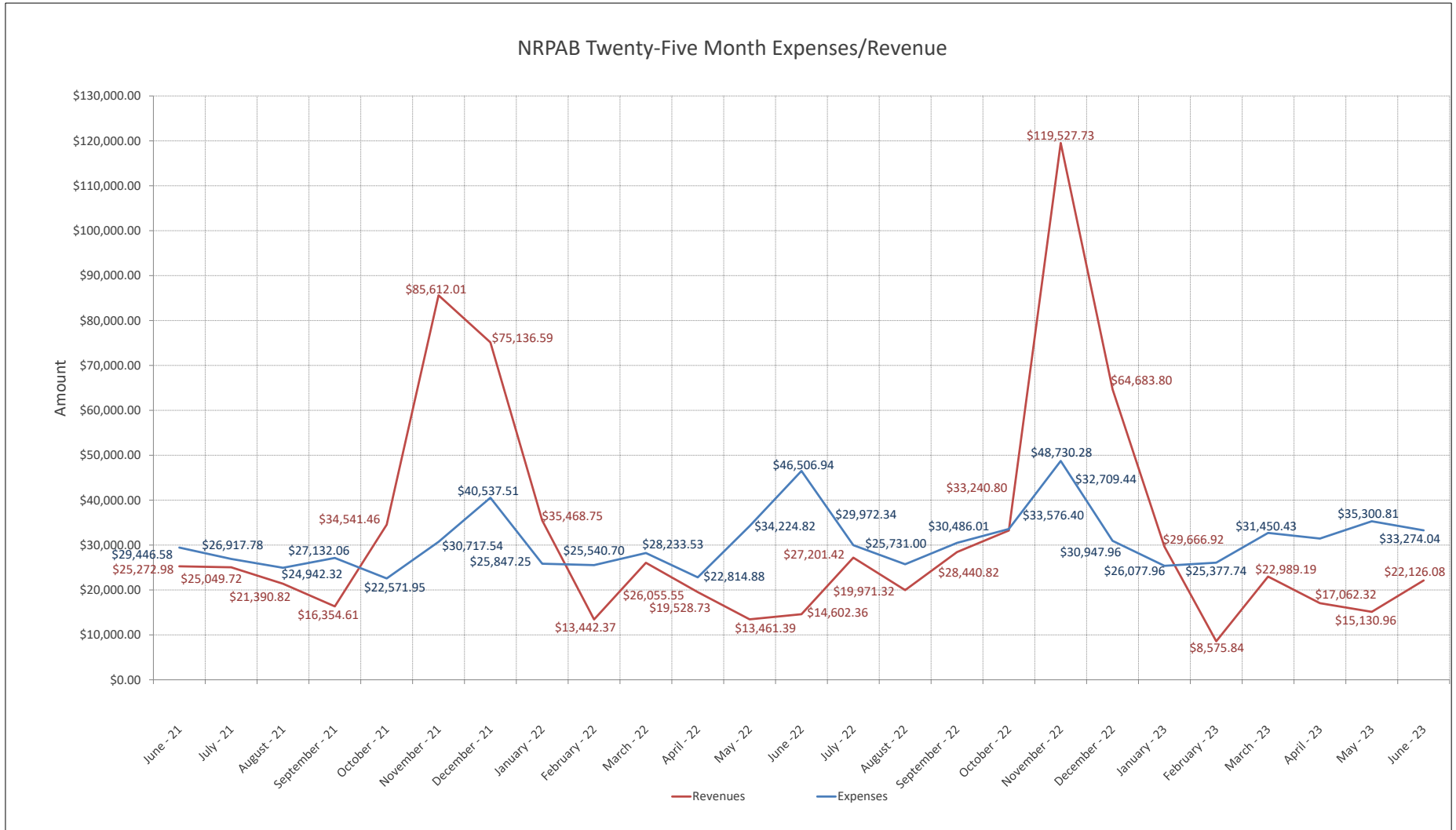
Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date
Total for Object			524600	RENT EXPENSE-BUILDINGS								631.84
25310	079	000	53105018.524900.		21181632	06/07/23	JE	G	RENT & LB530 JUNE 2023 - OTHER	7134142		321.59
25310	079	000	53105018.524900.		21252066	06/12/23	JE	G	NRPAB RENT JUNE 2023	7145593		112.56-
Total for Object			524900	RENT EXP-DEPR SURCHARGE								209.03
25310	079	000	53105018.531100.		20929276	06/01/23	JE	G	OFFICE DEPOT APR 2023	7094582		135.78
25310	079	000	53105018.531100.		21211251	06/07/23	JE	G	NRPAB ODP BUS SOL 4/2023	7138917		47.52-
Total for Object			531100	OFFICE SUPPLIES EXPENSE								88.26
25310	079	000	53105018.541500.		52566160	06/01/23	PV	V	BLAKE LAW	7132517		80.00
Total for Object			541500	LEGAL SERVICES EXPENSE								80.00
25310	079	000	53105018.554900.		52472262	06/01/23	PV	V	APPRAISAL CONSULTANTS INC	7118780		500.00
25310	079	000	53105018.554900.		52483760	06/01/23	PV	V	DATASHIELD CORPORATION	7120957		72.80
25310	079	000	53105018.554900.		52566779	06/01/23	PV	V	C MUSTOE APPRAISALS LLC	7132915		875.00
25310	079	000	53105018.554900.		52566787	06/01/23	PV	V	C MUSTOE APPRAISALS LLC	7132922		875.00
25310	079	000	53105018.554900.		52567147	06/01/23	PV	V	APPRAISAL CONSULTANTS INC	7133378		625.00
25310	079	000	53105018.554900.		52582175	06/05/23	PV	V	C MUSTOE APPRAISALS LLC	7136492		875.00
25310	079	000	53105018.554900.		52624427	06/13/23	PV	V	PATROL, NEBRASKA STATE	7147187		543.00
25310	079	000	53105018.554900.		52652659	06/20/23	PV	V	REALCORP	7153872		500.00
Total for Object			554900	OTHER CONTRACTUAL SERVICES								4,865.80
25310	079	000	53105018.571100.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		637.91
Total for Object			571100	LODGING								637.91
25310	079	000	53105018.571800.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		106.25
25310	079	000	53105018.571800.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		40.27
Total for Object			571800	MEALS - TRAVEL STATUS								146.52
25310	079	000	53105018.574500.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		552.20
25310	079	000	53105018.574500.		52567160	06/01/23	PV	V	WALKENHORST, WADE	7133384		6.81
25310	079	000	53105018.574500.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		200.11
Total for Object			574500	PERSONAL VEHICLE MILEAGE								759.12
25310	079	000	53105018.575100.		52567160	06/01/23	PV	V	WALKENHORST, WADE	7133384		1.63
25310	079	000	53105018.575100.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		7.31
Total for Object			575100	MISC TRAVEL EXPENSE								8.94

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 Business Unit		53105018	NE REAL PROPERTY APPRAISER									13,445.49
25320	079	000	53105200.475163.		505642	06/06/23	RC	RB	NRPAB AMC DEPOSIT 230606	7136160		2,000.00-
Total for Object		475163	AMC REGISTERED NEW FEES									2,000.00-
25320	079	000	53105200.475165.		505642	06/06/23	RC	RB	NRPAB AMC DEPOSIT 230606	7136160		3,000.00-
25320	079	000	53105200.475165.		506890	06/13/23	RC	RB	NRPAB AMC DEPOSIT 230613	7145484		4,500.00-
25320	079	000	53105200.475165.		507571	06/16/23	RC	RB	NRPAB AMC DEPOSIT 230616	7150074		1,500.00-
25320	079	000	53105200.475165.		508933	06/23/23	RC	RB	NRPAB AMC DEPOSIT 230623	7157289		1,500.00-
Total for Object		475165	AMC REGISTERED RENEWAL									10,500.00-
25320	079	000	53105200.476101.		505642	06/06/23	RC	RB	NRPAB AMC DEPOSIT 230606	7136160		75.00-
25320	079	000	53105200.476101.		21201767	06/05/23	JE	G	NRPAB CORRECT DEPOSIT DISTRIB	7136559		25.00-
25320	079	000	53105200.476101.		506890	06/13/23	RC	RB	NRPAB AMC DEPOSIT 230613	7145484		75.00-
25320	079	000	53105200.476101.		508933	06/23/23	RC	RB	NRPAB AMC DEPOSIT 230623	7157289		25.00-
25320	079	000	53105200.476101.		509598	06/27/23	RC	RB	NRPAB AMC DEPOSIT 230627	7161577		25.00-
Total for Object		476101	LATE PROCESSING FEES									225.00-
25320	079	000	53105200.481100.		21296941	06/16/23	JE	G	OIP May 23 2.49486%	7151797		698.18-
Total for Object		481100	INVESTMENT INCOME									698.18-
25320	079	000	53105200.511100.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		1,721.45
25320	079	000	53105200.511100.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		2,198.87
Total for Object		511100	PERMANENT SALARIES-WAGES									3,920.32
25320	079	000	53105200.511600.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		105.00
25320	079	000	53105200.511600.		21230026	06/08/23	JE	G	NRPAB CORRECT PAYROLL 230614	7141742		35.00
Total for Object		511600	PER DIEM PAYMENTS									140.00
25320	079	000	53105200.512100.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		352.81
25320	079	000	53105200.512100.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		102.44
Total for Object		512100	VACATION LEAVE EXPENSE									455.25
25320	079	000	53105200.512200.		3173997	06/28/23	T2	7	PAYROLL LABOR DISTRIBUTION	7153765		3.42
Total for Object		512200	SICK LEAVE EXPENSE									3.42
25320	079	000	53105200.512300.		3173795	06/14/23	T2	7	PAYROLL LABOR DISTRIBUTION	7139046		230.48
Total for Object		512300	HOLIDAY LEAVE EXPENSE									230.48

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	53105200.515100.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		172.60
25320	079	000	53105200.515100.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		172.58
Total for Object			515100 RETIREMENT PLANS EXPENSE									345.18
25320	079	000	53105200.515200.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		169.28
25320	079	000	53105200.515200.		21230026	06/08/23	JE	G	NRPAB CORRECT PAYROLL 230614	7141742		2.68
25320	079	000	53105200.515200.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		161.24
Total for Object			515200 FICA EXPENSE									333.20
25320	079	000	53105200.515500.		3173796	06/14/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7139046		479.83
25320	079	000	53105200.515500.		3173998	06/28/23	T3	7	ACTUAL BURDEN JOURNAL ENTRIES	7153765		479.83
Total for Object			515500 HEALTH INSURANCE EXPENSE									959.66
25320	079	000	53105200.521100.		21314242	06/20/23	JE	G	NRPAB POSTAGE MAY 2023	7153688		42.90
Total for Object			521100 POSTAGE EXPENSE									42.90
25320	079	000	53105200.521400.		52566129	06/01/23	PV	V	AS - OCIO - COMMUNICATIONS	7132499		73.60
25320	079	000	53105200.521400.		52619647	06/12/23	PV	V	AS - OCIO - IMSERVICES	7145580		2,832.87
Total for Object			521400 CIO CHARGES									2,906.47
25320	079	000	53105200.524600.		21252066	06/12/23	JE	G	NRPAB RENT JUNE 2023	7145593		328.98
25320	079	000	53105200.524600.		52652682	06/20/23	PV	V	SECRETARY OF STATE	7153909		11.25
Total for Object			524600 RENT EXPENSE-BUILDINGS									340.23
25320	079	000	53105200.524900.		21252066	06/12/23	JE	G	NRPAB RENT JUNE 2023	7145593		112.56
Total for Object			524900 RENT EXP-DEPR SURCHARGE									112.56
25320	079	000	53105200.531100.		21211251	06/07/23	JE	G	NRPAB ODP BUS SOL 4/2023	7138917		47.52
Total for Object			531100 OFFICE SUPPLIES EXPENSE									47.52
25320	079	000	53105200.554900.		52624427	06/13/23	PV	V	PATROL, NEBRASKA STATE	7147187		452.50
Total for Object			554900 OTHER CONTRACTUAL SERVICES									452.50
25320	079	000	53105200.571100.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		343.49
Total for Object			571100 LODGING									343.49
25320	079	000	53105200.571800.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		57.21
25320	079	000	53105200.571800.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		21.69
Total for Object			571800 MEALS - TRAVEL STATUS									78.90

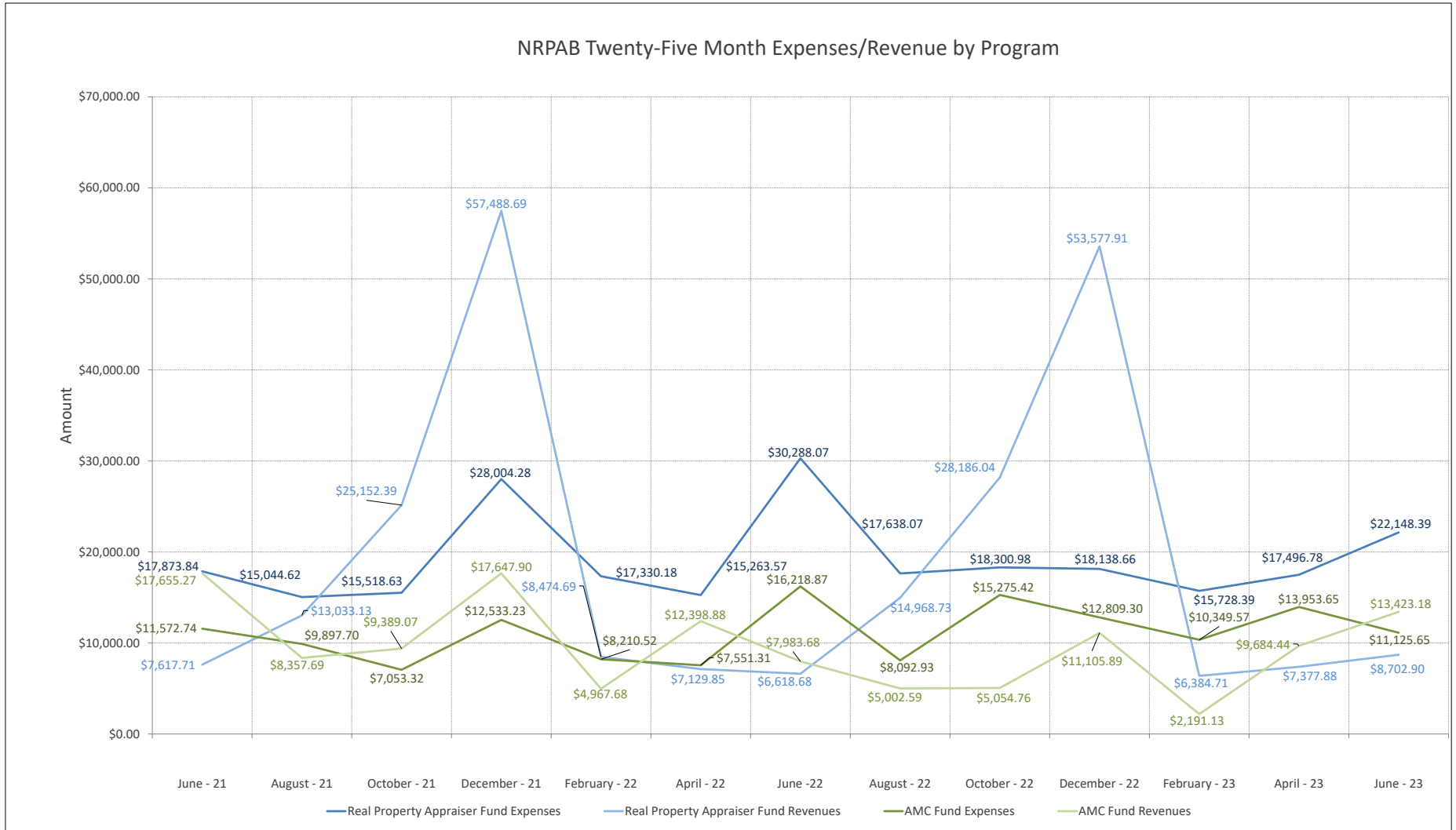
Fund	Program	Sub-Program	Account Number	Sub-ledger	Doc Number	Tran Date	Tran Type	Batch Type	Payee/Explanation	Batch Number	Posted Code	Month to Date	
25320	079	000	53105200.574500.		52472238	06/01/23	PV	V	KOHTZ, TYLER N	7118747		297.34	
25320	079	000	53105200.574500.		52567160	06/01/23	PV	V	WALKENHORST, WADE	7133384		3.67	
25320	079	000	53105200.574500.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		107.75	
Total for Object			574500	PERSONAL VEHICLE MILEAGE									408.76
25320	079	000	53105200.575100.		52567160	06/01/23	PV	V	WALKENHORST, WADE	7133384		.87	
25320	079	000	53105200.575100.		52567165	06/01/23	PV	V	DOWNING, BONNIE M	7133394		3.94	
Total for Object			575100	MISC TRAVEL EXPENSE									4.81
Total for Business Unit		53105200	AMC LICENSING										2,297.53-
Total for Division		000											11,147.96
Total for Agency		053	REAL PROPERTY APPRAISER BD										11,147.96

# Financial Report and Considerations - Financial Charts

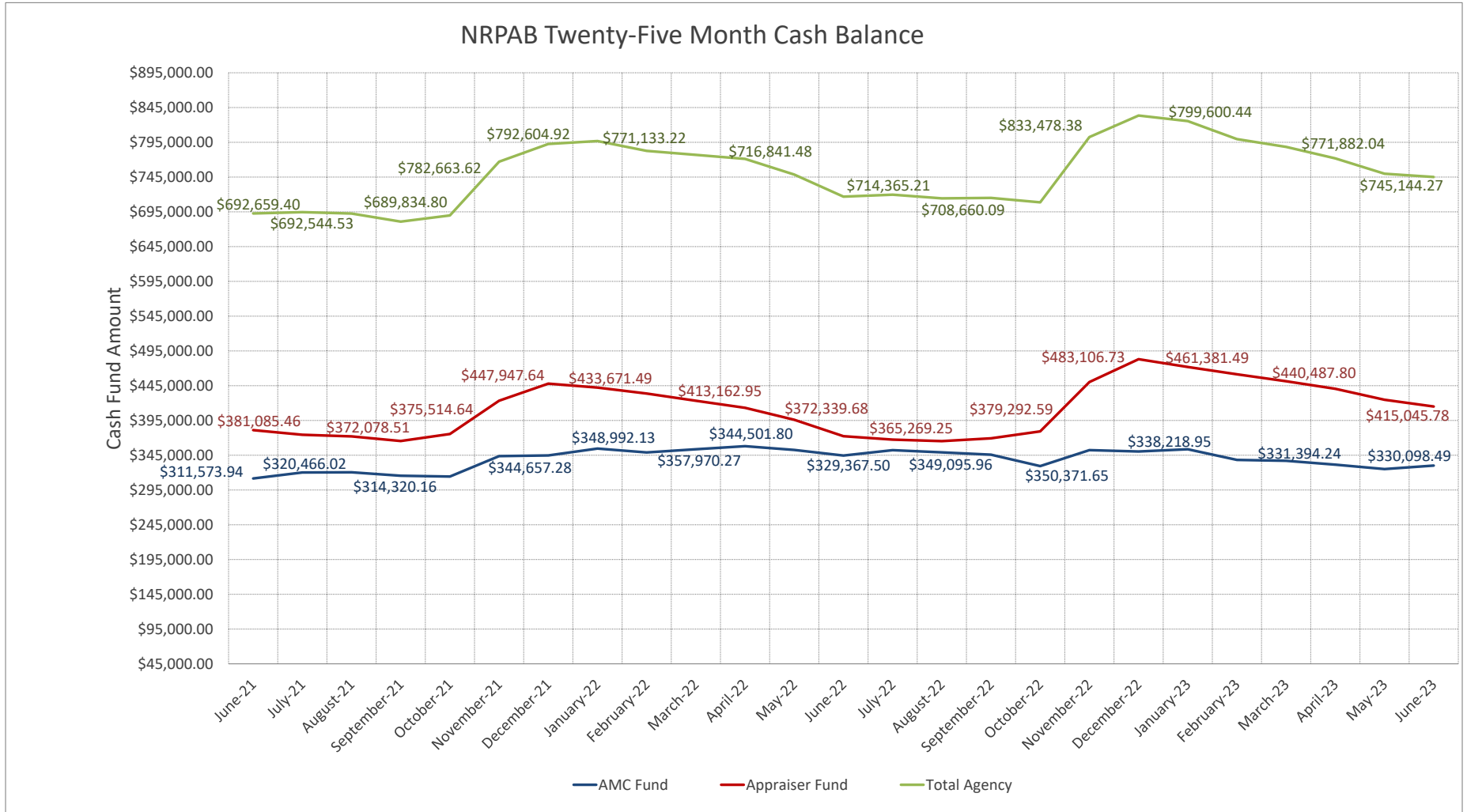




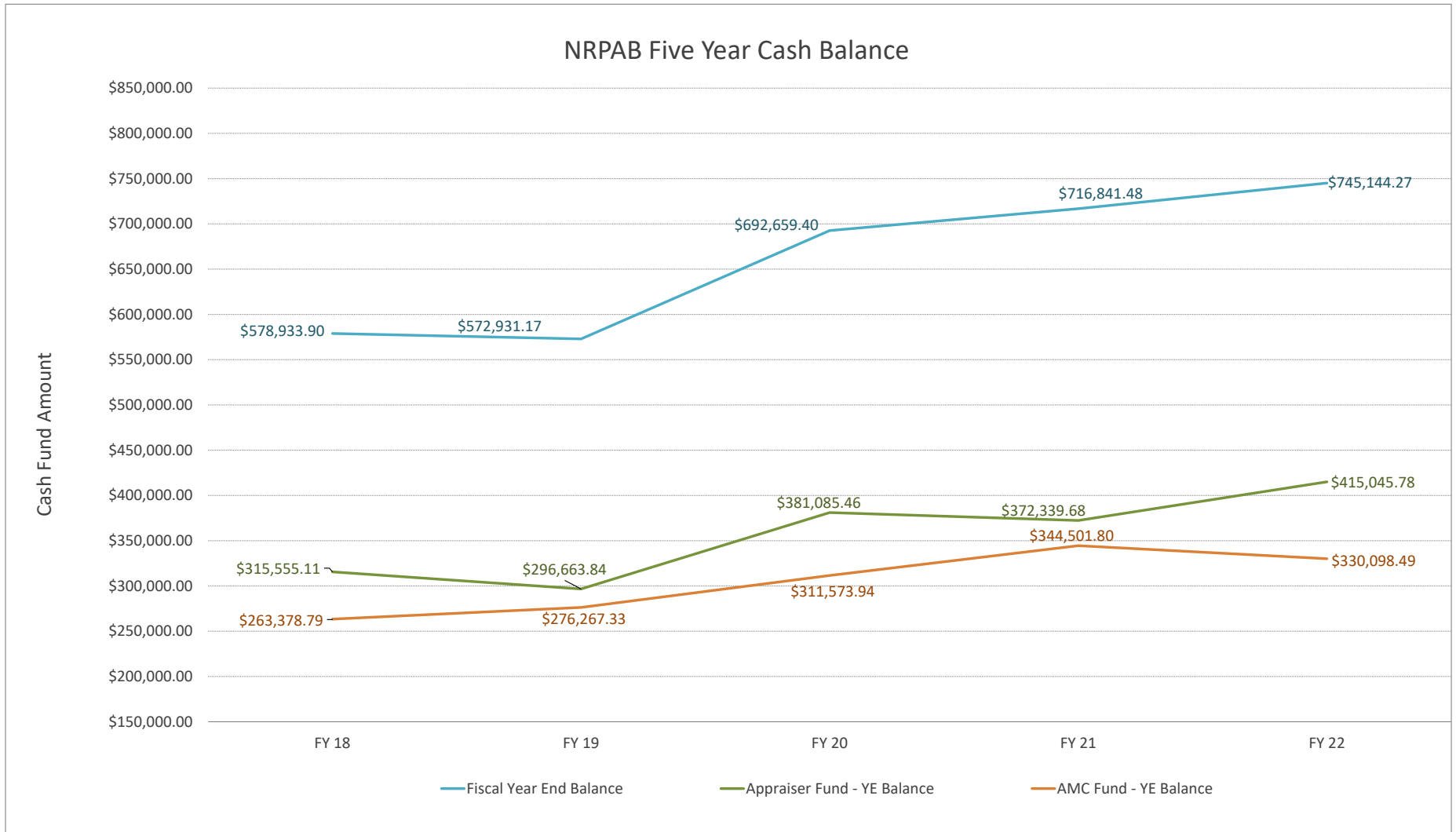
# Financial Report and Considerations - Financial Charts



# Financial Report and Considerations - Financial Charts



# Financial Report and Considerations - Financial Charts





## FY 2023-24 Budget Highlights

### Appropriations

	FY2023-24	FY2024-25
CASH FUND	433,431	444,738
PROGRAM TOTAL	433,431	444,738
SALARY LIMIT	233,044	243,592

### Projected Expenditures and Revenues

- Appraiser and AMC Fund Expenditures: \$396,895.00  
Appraiser and AMC Fund Revenues: \$365,580.00
  
- Appraiser Fund Expenditures: \$267,552.00
- Appraiser Fund Revenues: \$238,030.00
  
- AMC Fund Expenditures: \$129,343.00  
AMC Fund Revenues: \$127,550.00

### Proposed Budget Bullet Points

- Proposed Budget includes general expenditure allocation of 65% to Appraiser Fund and 35% to AMC Fund.
- Teammate Salaries and Benefits (\$297,500.00) – Includes funding for one additional full-time equivalent Administrative Specialist classified teammate (July and August salary and benefits not included for new teammate).
  - Board Member Per Diem Payments (\$7,600.00)
  - Teammate Overtime (\$500.00)
- Travel - AARO Travel (1 Fall and 1 Spring Conference trip) and board member meeting travel (\$14,195.00)
- Legal Services (\$20,000.00); Legal Related (\$3,000.00)
- Other Contractual Services - CHRC and Appraisal Review Services (\$30,00.00), and office remodel project (\$500.00)
- CIO – IM Services expenditures, Network Services expenditures, and software (\$31,870.00)
- Other Operating Expenses (overage coverage of \$8,227.00)
- Office Workstation Remodel Project – one time expenditure (\$1,154.00)

- Budget includes the following changes from the FY 2022-23 appropriations:
  - Salary and Benefits (\$50,753.00)
    - Permanent Salaries (\$43,386.00), Overtime (-\$1,133.00), Per Diem (-\$1,500.00), Employee Bonuses (-\$1,000.00), Comp Time (-\$1,634.00), Retirement Plan (\$2,972.00), FICA (\$2,916.00), Health Insurance (\$6,765.00), EAP (-\$37.00), Workers Comp Premiums (\$18.00)
  - Operating Expenses (-\$76,196.00)
    - Freight (-\$100.00), Awards (-\$50.00), Household & Inst. (-\$235.00), Non-Capitalized Eq Purchase (\$154.00) Legal Services (-\$15,000.00), Legal Related (-\$4,000.00), Temp Services (-\$7,830.00), Education Services (-\$1,500.00), Other Contractual Services (-\$10,500.00).
    - Other Operating Expenses (\$8,144.00): Includes reduction in Rep & Maint and Misc Supplies (-\$550.00)
    - CIO Expenses (-\$46,244.00): AMC Renewal Online Application and Interface completed; no additional projects requiring one-time expenditure scheduled. Legislature approved increase of \$1,608.00 added.
    - Rent and Depreciation Surcharge (\$1,473.00)
    - DAS Assessment and Insurance (\$42.00)
  - Travel Expenses (-\$4,543.00)

**Applicant Standard 3 Reviewer Fees/SME Fees**

Applicant Reviews

Residential: 4 Hours x \$125.00 = \$500.00  
 2-4 Family: 5 Hours x \$125.00 = \$625.00  
 Agricultural: 7 Hours x \$125.00 = \$875.00  
 Commercial: 7 Hours X \$125.00 = \$875.00

SME

Residential: 5 Hours x \$125.00 = \$625.00  
 2-4 Family: 5 Hours x \$125.00 = \$625.00  
 Agricultural: 12 Hours x \$125.00 = \$1500.00  
 Commercial: 12 Hours X \$125.00 = \$1500.00

Account	Object Code	Budgeted Fund Types	Budgeted Amount		FY 22 Encumbrances			New W/ Enc.	FY 20 Expenditures	FY 21 Expenditures	FY 22 Expenditures	FY 23 Budget	
			Original Budgeted	% of PSL	% of Budget	Total	Appraiser		AMC	Deficit Appropriations	Budgeted Amount	Budgeted Amount	
<b>Personal Service Expenditures</b>													48,929 x 2080 hours = 101,772.32 (7% + BLP - 20.371 x 2080 hours = 42,371.68 (A01014 - 5% + 2 steps) + BEPM - 18.442 x 2080 = 38,359.36 (A01014 - 5% - No step increase due to probation period) + NEW - 18.442 x 2080 = 38,359.36 [1,233.11 exists from PSL Allocation] (A01014 - 5% - No step increase due to probation period) = 59,901.44 (Two months salary for no employee \$32,457.92 = \$214,961.28 - vacation, sick, and holiday leave).
25310	51100	Permanent Salaries - Wages	\$150,067.69	81.14%	32.38%	\$4,709.94	\$3,061.50	\$1,648.44	\$154,777.63	\$144,790.07	\$144,900.34	\$145,560.64	\$186,486.00
25310	51120	Temporary Salaries - Wages	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	51130	Overtime Payments	\$1,633.48	0.88%	0.35%				\$1,633.48	\$2,327.94	\$5,314.04	\$4,156.16	\$500.00
25310	51160	Per Diem Payments	\$9,100.00	4.92%	1.96%				\$9,100.00	\$4,000.00	\$6,600.00	\$4,900.00	\$7,600.00
25310	51170	Employee Bonuses	\$1,000.00	0.54%	0.22%				\$1,000.00	\$1,000.00	\$1,000.00	\$500.00	\$0.00
25310	51180	Comp Time Payments	\$1,633.48	0.88%	0.35%				\$1,633.48	\$0.00	\$0.00	\$379.28	\$0.00
25310	51210	Vacation Leave Expenses	\$12,763.62	6.90%	2.75%	\$336.92	\$218.95	\$117.97	\$13,100.54	\$11,416.62	\$11,969.87	\$13,082.59	\$16,241.00
25310	51220	Sick Leave Expenses	\$824.88	0.45%	0.18%				\$824.88	\$658.75	\$653.38	\$1,533.93	\$2,189.00
25310	51230	Holiday Leave Expenses	\$7,918.85	4.28%	1.71%	\$637.20	\$414.18	\$223.02	\$8,556.05	\$8,592.79	\$7,836.48	\$8,551.88	\$10,046.00
25310	51250	Funeral Leave Expenses	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$851.55	\$0.00
<b>Personal Service Subtotals</b>			\$184,942.00	100.00%	39.91%	\$5,684.06	\$3,694.63	\$1,989.43	\$190,626.06	\$172,786.17	\$178,074.11	\$179,516.03	\$223,062.00
<b>Employee Benefit Expenditures</b>													
25310	51510	Retirement Plan Expenses	\$13,188.15	4.74%	2.85%	\$449.26	\$292.03	\$157.23	\$13,637.41	\$12,563.80	\$12,764.89	\$13,037.72	\$16,160.00
25310	51520	FICA Expenses	\$14,148.06	5.08%	3.05%	\$417.31	\$271.26	\$146.05	\$14,565.37	\$12,173.21	\$12,606.09	\$12,654.76	\$17,064.00
25310	51540	Life & Accident Ins Expenses	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	51550	Health Insurance Expenses	\$32,903.00	11.82%	7.10%				\$36,686.00	\$31,637.76	\$32,902.80	\$35,139.70	\$39,668.00
25310	51630	Employee Assistance Pro	\$37.08	0.01%	0.01%				\$37.08	\$37.08	\$37.08	\$37.08	\$0.00
25310	51640	Unemployment Comp Ins Exp	\$0.00	0.01%	0.01%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	51650	Workers Comp Premiums	\$1,528.00	0.55%	0.33%				\$1,528.00	\$1,352.00	\$1,528.00	\$1,528.00	\$1,546.00
<b>Employee Benefit Subtotals</b>			\$61,804.29	22.19%	13.34%	\$866.57	\$63.29	\$303.28	\$66,453.86	\$57,763.85	\$59,838.86	\$62,397.26	\$74,438.00
<b>Operating Expenses</b>													
25310	52110	Postage Expenses	\$2,500.00	0.90%	0.54%	\$591.70	\$340.19	\$251.51	\$3,091.70	\$2,077.07	\$2,309.32	\$2,416.27	\$2,500.00
25310	52120	Comm Exp-Voice/Data	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	52130	Freight	\$100.00	0.04%	0.02%				\$100.00	\$0.00	\$0.00	\$0.00	\$0.00
25320	52140	CIO Charges	\$78,113.65	28.05%	16.86%	\$4,680.63	\$3,201.86	\$1,478.77	\$82,794.28	\$25,235.56	\$37,756.36	\$76,784.23	\$31,870.00
25310	52150	Publication & Print Expense	\$3,000.00	1.08%	0.65%	\$5,531.36	\$2,355.36	\$176.00	\$5,531.36	\$2,143.37	\$6,282.98	\$4,571.39	\$3,000.00
25310	52190	Awards Expense	\$100.00	0.04%	0.02%				\$100.00	\$28.00	\$28.00	\$28.00	\$50.00
25310	52210	Dues & Subscription Expense	\$600.00	0.22%	0.13%				\$600.00	\$350.00	\$698.66	\$600.00	\$600.00
25310	52220	Conference Registration	\$1,100.00	0.40%	0.24%				\$1,100.00	\$0.00	\$1,065.00	\$1,100.00	\$1,100.00
25310	53950	Purchasing Card Suspense	\$0.00	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25320	52460	Rent Expense - Buildings	\$11,687.30	4.20%	2.52%	\$67.32	\$43.76	\$23.56	\$11,754.62	\$13,066.95	\$11,731.65	\$11,716.86	\$12,832.00
25310	53220	Personal Computing Equip	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25320	52490	Rent Exp - Dupr Surcharge	\$3,859.00	1.39%	0.83%				\$3,859.00	\$4,872.36	\$3,859.08	\$3,859.08	\$4,187.00
25310	52790	Personal Comput Equip R & M	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25320	52710	Rep & Maint - Office Equip	\$500.00	0.18%	0.11%				\$500.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	53260	Voice Equip	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$60.19	\$0.00
25310	53280	Video Equip	\$0.00	0.00%	0.00%				\$0.00	\$408.30	\$0.00	\$0.00	\$0.00
25310	53110	Office Supplies Expense	\$2,000.00	0.72%	0.43%	\$72.18	\$46.92	\$25.26	\$2,072.18	\$475.71	\$3,182.42	\$732.53	\$2,000.00
25310	53210	Non-Capitalized Equip PU	\$500.00	0.18%	0.11%				\$500.00	\$0.00	\$0.00	\$0.00	\$654.00
25310	53310	Household & Instt Expense	\$235.00	0.08%	0.05%				\$235.00	\$67.00	\$74.40	\$68.00	\$0.00
25310	53490	Misc Supplies Expense	\$50.00	0.02%	0.01%				\$50.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	52790	Voice Equip Repair & Maint	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	54110	Acctg & Auditing Services	\$1,037.00	0.37%	0.22%				\$1,037.00	\$1,013.00	\$1,037.00	\$1,037.00	\$1,128.00
25310	54120	Purchasing Assessment	\$90.00	0.03%	0.02%				\$90.00	\$174.00	\$83.00	\$83.00	\$39.00
25310	54140	HRMS Assessment	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	54150	Legal Services Expense	\$35,000.00	12.57%	7.55%				\$35,000.00	\$200.00	\$3,500.00	\$80.00	\$20,000.00
25310	54170	Legal Related Expense	\$7,000.00	2.51%	1.51%				\$7,000.00	\$15.00	\$13.50	\$45.00	\$3,000.00
25310	54190	Settlements	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	54210	SOS Temp Serv - Personnel	\$7,830.00	2.81%	1.69%				\$7,830.00	\$8,769.35	\$4,440.16	\$2,232.65	\$0.00
25310	54710	Educational Services	\$1,500.00	0.54%	0.32%				\$1,500.00	\$19.00	\$95.00	\$0.00	\$0.00
25310	55490	Other Contractual Service	\$41,000.00	14.72%	8.85%	\$1,629.00	\$633.50	\$995.50	\$42,629.00	\$15,134.20	\$29,150.00	\$25,059.13	\$30,500.00
25310	55520	Non-Capitalized Software	\$0.00	0.00%	0.00%				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25310	55610	Insurance Expense	\$47.00	0.02%	0.01%				\$47.00	\$20.40	\$47.76	\$48.34	\$49.00
25310	55630	Surety & Notary Bonds	\$0.00	0.00%	0.00%				\$0.00	\$20.19	\$0.00	\$0.00	\$0.00
25310	55910	Other Operating Expenses	\$82.77	0.03%	0.02%				\$82.77	\$0.00	\$120.00	\$80.00	\$8,227.00



Account	Object Code	Budgeted Fund Types	Budgeted Amount	65.00%	35.00%	
<i>Personal Service Expenditures</i>			<i>FY 23-24 Budgeted Amount</i>	Appraiser	AMC	Verification
25310	511100	Permanent Salaries - Wages	\$186,486.00	\$121,215.90	\$65,270.10	\$186,486.00
25310	511200	Temporary Salaries - Wages	\$0.00	\$0.00	\$0.00	\$0.00
25310	511300	Overtime Payments	\$500.00	\$325.00	\$175.00	\$500.00
25310	511600	Per Diem Payments	\$7,600.00	\$4,940.00	\$2,660.00	\$7,600.00
25310	511700	Employee Bonuses	\$0.00	\$0.00	\$0.00	\$0.00
25310	511800	Comp Time Payments	\$0.00	\$0.00	\$0.00	\$0.00
25310	512100	Vacation Leave Expenses	\$16,241.00	\$10,556.65	\$5,684.35	\$16,241.00
25310	512200	Sick Leave Expenses	\$2,189.00	\$1,422.85	\$766.15	\$2,189.00
25310	512300	Holiday Leave Expenses	\$10,046.00	\$6,529.90	\$3,516.10	\$10,046.00
25310	512500	Funeral Leave Expenses	\$0.00	\$0.00	\$0.00	\$0.00
<b>Personal Service Subtotals</b>			<b>\$223,062.00</b>	<b>\$144,990.30</b>	<b>\$78,071.70</b>	<b>\$223,062.00</b>
<b>Employee Benefit Expenditures</b>						
25310	515100	Retirement Plan Expenses	\$16,160.00	\$10,504.00	\$5,656.00	\$16,160.00
25310	515200	FICA Expenses	\$17,064.00	\$11,091.60	\$5,972.40	\$17,064.00
25310	515400	Life & Accident Ins Expenses	\$0.00	\$0.00	\$0.00	\$0.00
25310	515500	Health Insurance Expenses	\$39,668.00	\$25,784.20	\$13,883.80	\$39,668.00
25310	516300	Employee Assistance Pro	\$0.00	\$0.00	\$0.00	\$0.00
25310	516400	Unemployment Comp Ins Exp	\$0.00	\$0.00	\$0.00	\$0.00
25310	516500	Workers Comp Premiums	\$1,546.00	\$1,004.90	\$541.10	\$1,546.00
<b>Employee Benefit Subtotals</b>			<b>\$74,438.00</b>	<b>\$48,384.70</b>	<b>\$26,053.30</b>	<b>\$74,438.00</b>
<b>Operating Expenses</b>						
25310	521100	Postage Expenses	\$2,500.00	\$1,625.00	\$875.00	\$2,500.00
25310	521200	Comm Exp-Voice/Data	\$0.00	\$0.00	\$0.00	\$0.00
25310	521300	Freight	\$0.00	\$0.00	\$0.00	\$0.00
25320	521400	CIO Charges	\$31,870.00	\$20,715.50	\$11,154.50	\$31,870.00
25310	521500	Publication & Print Expense	\$3,000.00	\$1,950.00	\$1,050.00	\$3,000.00
25310	521900	Awards Expense	\$50.00	\$32.50	\$17.50	\$50.00
25310	522100	Dues & Subscription Expense	\$600.00	\$390.00	\$210.00	\$600.00
25310	522200	Conference Registration	\$1,100.00	\$715.00	\$385.00	\$1,100.00
25310	539500	Purchasing Card Suspense	\$0.00	\$0.00	\$0.00	\$0.00
25320	524600	Rent Expense - Buildings	\$12,832.00	\$8,340.80	\$4,491.20	\$12,832.00
25310	532200	Personal Computing Equip	\$0.00	\$0.00	\$0.00	\$0.00
25320	524900	Rent Exp - Dupr Surcharge	\$4,187.00	\$2,721.55	\$1,465.45	\$4,187.00
25310	527900	Personal Comput Equip R & M	\$0.00	\$0.00	\$0.00	\$0.00
25320	527100	Rep & Maint - Office Equip	\$0.00	\$0.00	\$0.00	\$0.00
25310	532260	Voice Equip	\$0.00	\$0.00	\$0.00	\$0.00
25310	532280	Video Equip	\$0.00	\$0.00	\$0.00	\$0.00
25310	531100	Office Supplies Expense	\$2,000.00	\$1,300.00	\$700.00	\$2,000.00
25310	532100	Non-Capitalized Equip PU	\$654.00	\$425.10	\$228.90	\$654.00
25310	533100	Household & Instit Expense	\$0.00	\$0.00	\$0.00	\$0.00
25310	534900	Misc Supplies Expense	\$0.00	\$0.00	\$0.00	\$0.00
25310	527960	Voice Equip Repair & Maint	\$0.00	\$0.00	\$0.00	\$0.00
25310	541100	Acctg & Auditing Services	\$1,128.00	\$733.20	\$394.80	\$1,128.00
	541200	Purchasing Assessment	\$39.00	\$25.35	\$13.65	\$39.00
25310	541400	HRMS Assessment	\$0.00	\$0.00	\$0.00	\$0.00
25310	541500	Legal Services Expense	\$20,000.00	\$18,000.00	\$2,000.00	\$20,000.00
25310	541700	Legal Related Expense	\$3,000.00	\$2,700.00	\$300.00	\$3,000.00
25310	541900	Settlements	\$0.00	\$0.00	\$0.00	\$0.00
25310	542100	SOS Temp Serv - Personnel	\$0.00	\$0.00	\$0.00	\$0.00
25310	547100	Educational Services	\$0.00	\$0.00	\$0.00	\$0.00
25310	554900	Other Contractual Service	\$30,500.00	\$29,625.00	\$875.00	\$30,500.00
25310	555200	Non-Capitalized Software	\$0.00	\$0.00	\$0.00	\$0.00
25310	556100	Insurance Expense	\$49.00	\$31.85	\$17.15	\$49.00
25310	556300	Surety & Notary Bonds	\$0.00	\$0.00	\$0.00	\$0.00
25310	559100	Other Operating Expenses	\$8,227.00	\$5,347.55	\$2,879.45	\$8,227.00



<b>Operating Expenses Subtotals</b>			<b>\$121,736.00</b>	<b>\$94,678.40</b>	<b>\$27,057.60</b>	<b>\$121,736.00</b>
<b>Travel Expenses</b>						
25310	571100	Lodging	\$4,000.00	\$2,600.00	\$1,400.00	\$4,000.00
25310	571600	Meals - Taxable	\$0.00	\$0.00	\$0.00	\$0.00
25310	571800	Meals - Travel Status	\$1,600.00	\$1,040.00	\$560.00	\$1,600.00
25310	572100	Commercial Transportation	\$1,700.00	\$1,105.00	\$595.00	\$1,700.00
25310	573100	State-Owned Transportation	\$200.00	\$130.00	\$70.00	\$200.00
25310	574500	Personal Vehicle Mileage	\$6,145.00	\$3,994.25	\$2,150.75	\$6,145.00
25310	574600	Contractual Serv - Travel Exp	\$0.00	\$0.00	\$0.00	\$0.00
25310	575100	Misc Travel Expenses	\$550.00	\$357.50	\$192.50	\$550.00
<b>Travel Expenses Subtotals</b>			<b>\$14,195.00</b>	<b>\$9,226.75</b>	<b>\$4,968.25</b>	<b>\$14,195.00</b>
<b>Capital Outlay</b>						
25310	583000	Furniture & Office Equipment	\$0.00	\$0.00	\$0.00	\$0.00
25310	583300	Computer Equip & Software	\$0.00	\$0.00	\$0.00	\$0.00
<b>Capital Outlay Subtotals</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>Operating Expenditures Subtotals</b>			<b>\$210,369.00</b>			
<b>Expenditures Subtotals</b>			<b>\$433,431.00</b>	<b>\$297,280.15</b>	<b>\$136,150.85</b>	<b>\$433,431.00</b>
<b>Budget Funds Revenues</b>						
25310	471100	Sale of Services	\$425.00	\$425.00		
25310	472200	Reproduction & Publications	\$0.00	\$0.00		
25310	471120	Qualifying Ed Course Fees	\$750.00	\$750.00		
25310	471121	Continuing Ed New Fees	\$2,500.00	\$3,000.00		
25310	471122	Continuing Ed Renewal Fees	\$200.00	\$200.00		
25310	475150	Certified General New Fees	\$10,200.00	\$10,200.00		
25310	475151	Licensed New Fees	\$1,200.00	\$1,200.00		
25310	475152	Fingerprint Fees	\$3,574.75	\$3,574.75		
25310	475153	Certified Residential New	\$2,700.00	\$2,700.00		
25310	475154	Certified General Renewal	\$93,225.00	\$94,875.00		
25310	475155	Licensed Renewal	\$10,175.00	\$10,175.00		
25310	475156	Fingerprint Audit Program Fees	\$3,380.00	\$3,380.00		
25310	475157	Certified Residential Renewal	\$56,100.00	\$56,100.00		
25310	475159	Temporary Licensed Fees	\$0.00	\$0.00		
25310	475160	Temporary Cert Residential	\$0.00	\$0.00		
25310	475161	Temporary Certified General	\$9,000.00	\$9,000.00		
25310	475162	Appraiser Trainee	\$0.00	\$0.00		
25310	475234	Application Fees	\$29,850.00	\$29,850.00		
25310	475166	Licensed Inactive	\$0.00	\$0.00		
25310	475167	Certified Residential Inactive	\$300.00	\$300.00		
25310	475168	Certified General Inactive	\$300.00	\$300.00		
25310	476101	App Late Processing Fees	\$3,000.00	\$3,000.00		
25320	475163	AMC Registered New Fees	\$4,000.00		\$4,000.00	
25320	475164	AMC Application Fees	\$700.00		\$700.00	
25320	475165	AMC Registered Renewal Fees	\$114,000.00		\$114,000.00	
25320	475165	Fed Reg AMC Rpt Form Proc Fees	\$350.00		\$350.00	
25320	476101	AMC Late Processing Fees	\$500.00		\$500.00	
<b>Budget Fund Revenues Subtotals</b>			<b>\$346,429.75</b>			
<b>Miscellaneous Revenues</b>						
25310	481100	Investment Income	\$8,500.00	\$8,500.00		
25320	481101	AMC Investment Income	\$7,500.00	\$0.00	\$7,500.00	
25310	485100	Fines Forfeits & Penalties	\$0.00	\$0.00	\$0.00	
25320	485101	AMC Fines Forfeits & Penalties	\$0.00	\$0.00	\$0.00	
25310	484500	App Reimbursement Non-Govt Sources	\$500.00	\$500.00	\$0.00	
25320	484500	AMC Reimbursement Non-Govt Sources	\$500.00	\$0.00	\$500.00	
25310	486500	Miscellaneous Adjustments	\$0.00	\$0.00	\$0.00	
<b>Miscellaneous Revenues Subtotals</b>			<b>\$17,000.00</b>			
<b>Other Financial Sources</b>						
25310	493200	Operating Transfers Out	\$0.00			
<b>Other Financial Sources Subtotals</b>			<b>\$0.00</b>			
<b>Revenue Subtotals</b>			<b>\$363,429.75</b>	<b>\$238,029.75</b>	<b>\$127,550.00</b>	<b>\$365,579.75</b>

<i>Operation Line Report</i>	\$0.00	-\$59,250.40	-\$8,600.85	-\$67,851.25
App FY Expenditures/Revenue w/ Expenditures at 90% of Budgeted (\$267,552.00):	-\$29,522.00			
AMC FY Expenditures/Revenue w/ Expenditures at 95% of Budgeted (\$129,343.00):		-\$1,793.00		
Total FY Expenditures/Revenue w/ Expenditures (base expenditures only (\$396,895.00):			-\$31,315.00	



# Memo

**To:** Nebraska Real Property Appraiser Board

**From:** Director Kohtz

**CC:**

**Date:** July 20, 2023

**Re:** Office Workstation Remodel

---

In order to accommodate an additional teammate, the temporary workstation in the NRPAB office must be reconfigured to the required standards for a regular full-time teammate. The State of Nebraska Buildings Division has determined the scope of the project needed to complete the reconfiguration. As difficulty exists receiving materials in a timely manner, a request was made to Chairperson Walkenhorst to submit the order for materials during FY 2022-2023. Upon Chairperson Walkenhorst's approval, a purchase order was generated to complete the order. The attached purchase order includes material costs of \$653.70 for the parts needed to upgrade the workstation. In addition, the Buildings Division estimates the labor to complete the reconfiguration at \$400.00. These costs are already incorporated in the proposed FY 2023-2024 budget under Non-Capitalized Equip PU (\$654.00) and Other Contractual Services (\$500.00) respectively.

Approval for funding is requested for this project, along with an approval for contingency funding in the amount of \$500.00 to account for unforeseen expenses. If approved, the \$500.00 contingency funding will remain in Other Operating Expenses until utilized, at which time, the funds would be reappropriated to the correct object code account.

# State of Nebraska Purchase Order

PURCHASE ORDER NUMBER  
1236134 OG

SHOW PURCHASE ORDER NUMBER ON ALL PAPERS AND PACKAGES

INVOICE TO ADDRESS BELOW

PAGE 1 OF 1	ORDER DATE 07/05/23
BUSINESS UNIT 53105018	BUYER NESPOR, ALLISON L

NE REAL PROPERTY APPRAISER BOARD  
PO BOX 94963  
LINCOLN NE 68509-4963

VENDOR NUMBER: 538854

VENDOR ADDRESS:  
NEUTRAL POSTURE INC  
ATTN ACCOUNTS PAYABLE  
3904 N TEXAS AVE  
BRYAN TX 77803-0555

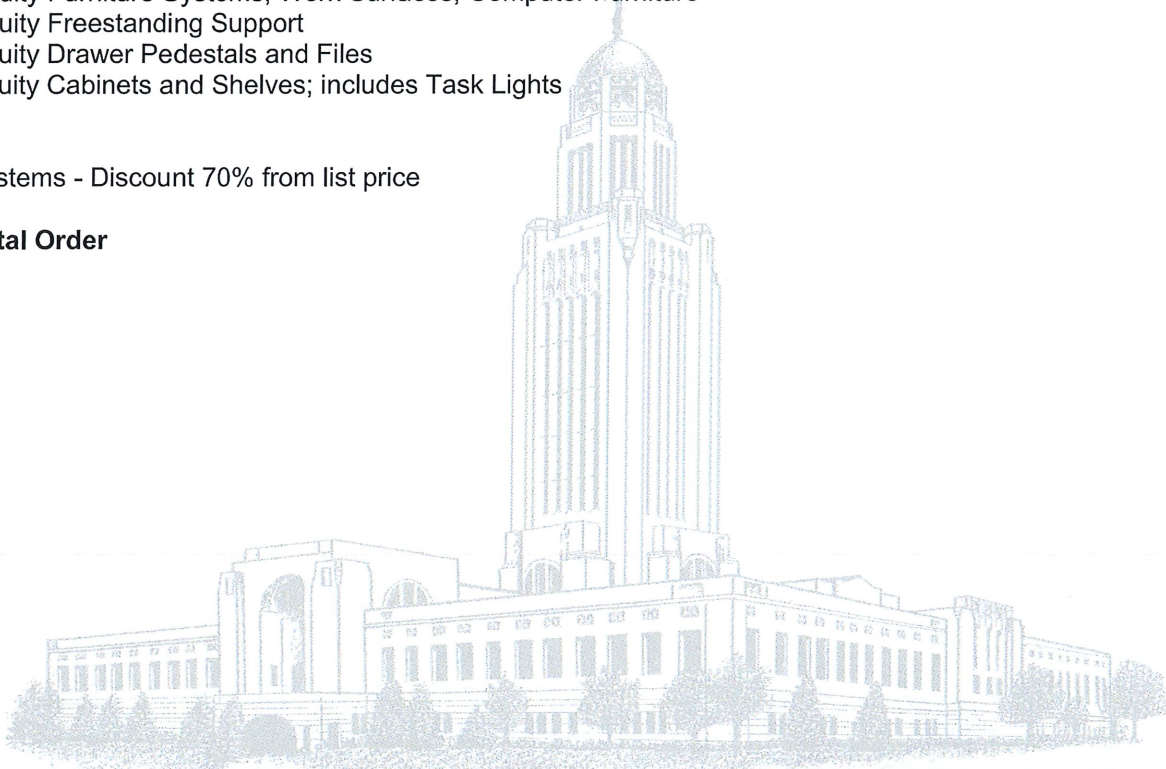
### DESTINATION OF GOODS

NE REAL PROPERTY APPRAISER BOARD  
PO BOX 94963  
LINCOLN NE 68509-4963

Unsatisfactory delivery schedule or service will be sufficient cause for cancellation of this order. Order is subject to cancellation if merchandise is not received by: 08/30/23

FREIGHT: FOB DESTINATION  
DELIVERY INSTRUCTIONS:  
Original/Bid Document 15378 OC

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	EQUITY SYSTEMS FURNITURE INCLUDES: Equity System Panels, Connections and Power Accessories Equity Furniture Systems, Work Surfaces, Computer Furniture Equity Freestanding Support Equity Drawer Pedestals and Files Equity Cabinets and Shelves; includes Task Lights	653.7000	\$	1.0000	653.70
	Systems - Discount 70% from list price				
	<b>Total Order</b>				<b>653.70</b>



### INSTRUCTIONS TO VENDORS

- \* Packing list must be included in each shipment.
- \* Two copies of invoice must be submitted in order that payment can be made - INVOICES MUST INDICATE YOUR FEDERAL TAXPAYER IDENTIFICATION NUMBER.
- \* Materials ordered are subject to our inspection and approval. Defective material(s) not in compliance with specifications will be held pending resolution or returned subject to your risk and expense.
- \* Materials are to be shipped F.O.B. Destination.

*Tyler N. Kelly*  
AGENCY SIGNATURE



# OFFICE INTERIORS & DESIGN

PROPOSAL

6/26/2023  
4:38:33PM

Prepared

State of Nebraska

1526 K Street

Lincoln

NE 68508

CONTACT: Janelle Wickersham

PHONE:

EMAIL:

PREPARED BY: Wendy O'Brien

PHONE: 402.499.7251

EMAIL: wendy.obrien@oidinc.com

## State of NE - Appraiser Board

Qty	Part Number	Part Description	Sell	Ext Sell
<b>MANUFACTURER: NPO CATALOG: NPE</b>				
1	EW1C3624G	Corner Worksurface, EW1, 36Wx24D, grommet	SELL: \$244.20	\$244.20
		<i>Laminate Selection L2 Grade 2</i>		
		<i>Laminates - L1 Nevamar Fossil Gray</i>		
		<i>Edge Band Selection LEGACY Legacy Edge Bands</i>		
		<i>Legacy Edge Bands 117 EDGE: Soft Grey</i>		
1	EW13624G	Worksurface, Rectangular, EW1, 36Wx24D, grommet	SELL: \$167.40	\$167.40
		<i>Laminate Selection L2 Grade 2</i>		
		<i>Laminates - L1 Nevamar Fossil Gray</i>		
		<i>Edge Band Selection LEGACY Legacy Edge Bands</i>		
		<i>Legacy Edge Bands 117 EDGE: Soft Grey</i>		
1	EW14824G	Worksurface, Rectangular, EW1, 48Wx24D, grommet	SELL: \$183.90	\$183.90
		<i>Laminate Selection L2 Grade 2</i>		
		<i>Laminates - L2 Nevamar Fossil Gray</i>		
		<i>Edge Band Selection LEGACY Legacy Edge Bands</i>		
		<i>Legacy Edge Bands 117 EDGE: Soft Grey</i>		
1	EB1PWSL	Panel-to-Worksurface Bracket, Left	SELL: \$5.40	\$5.40
		<i>Paint Selection B Black</i>		
1	EB1C20L	Cantilever, Left Hand, 20"	SELL: \$32.40	\$32.40
		<i>Paint Selection BLACK Black</i>		
4	EB1APW	Alignment Plate	SELL: \$5.10	\$20.40
			<b>CATALOG SUBTOTAL:</b>	<b>\$653.70</b>

ACCEPTED BY: \_\_\_\_\_

**TOTAL SELL: \$653.70**

DATE: \_\_\_\_\_

\*Quoted Sales Tax is an estimate only based on information provided in the quote.  
50% Down Payment Required, Net 30 from invoice date.

## Kohtz, Tyler

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**From:** Wade Walkenhorst <wwalkenman@gmail.com>  
**Sent:** Wednesday, June 28, 2023 3:01 PM  
**To:** Kohtz, Tyler  
**Subject:** Re: Office Workstation Reconfiguration  
**Attachments:** image002.jpg

Tyler,

I approve moving forward with ordering the items requested.

Wade

On Wed, Jun 28, 2023, 2:56 PM Kohtz, Tyler <[tyler.kohtz@nebraska.gov](mailto:tyler.kohtz@nebraska.gov)> wrote:

Wade,

Buildings Division needs to order a few parts to convert our temporary workstation to full-time equivalent specifications. The part quote is \$653.70, and labor is estimated at \$400.00. Since this work will take place during the next fiscal year, I intend to transfer the July funding for the new teammate to the appropriate object code accounts to fund this work. This project will require the Board's approval at the July meeting. I am requesting approval for Buildings Division to begin the ordering process now as it will take eight to ten weeks for the parts to arrive.

Also, as a part of this project, I intend to order two new office chairs at \$629.00 (one for the new workstation and one to replace Kashinda's chair), and a worktable at \$295.00 to replace the lateral cabinet (with pullout work area) that we use as a work area now. Four of our lateral cabinets will be surplus as all the files that were once housed in these cabinets are now stored electronically. If I am able to, I am requesting permission to place this order for \$1,553.00 before July 1, 2023 to encumber the funds for this fiscal year.

Regards,

**Tyler N. Kohtz**

**Executive Director**

**Nebraska Real Property Appraiser Board**

301 Centennial Mall South, First Floor

Lincoln, NE 68509-4963

**NEBRASKA REAL PROPERTY APPRAISER BOARD**

**EDUCATION**

**TABLE OF CONTENTS**

July 20, 2023

**NEW SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE COURSES**

- 1- Supervisory Appraiser/Trainee Appraiser Course  
Appraisal Institute  
3231312.02  
Sandra Adomatis
  
- 2- Supervisory Appraiser/Trainee Appraiser Course – Synchronous  
Appraisal Institute  
3233340.02  
Sandra Adomatis, Edward Molinari
  
- 3- Supervisory Appraiser/Trainee Appraiser Course  
Appraisal Institute  
3232341.02  
Sandra Adomatis



# Memo

**To:** Nebraska Real Property Appraiser Board  
**From:** Kashinda Sims, Business and Education Program Manager  
**CC:**  
**Date:** 7/14/2023  
**Re:** Appraisal Institute's Supervisory Appraiser/ Trainee Appraiser Course Applications

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The classroom and synchronous versions of Appraisal Institute's Supervisory Appraiser/ Trainee Appraiser Course are ready for review. BEPM Sims is working with provider for additional materials regarding the asynchronous course.





**SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE COURSE APPLICATION**

Course Name: Supervisory Appraiser/ Trainee Appraiser Course Submitted Hours: 4

Provider Name: Appraisal Institute Course Number: 3231312.02

Is this a new supervisory appraiser and trainee course submission or resubmission of an approved supervisory appraiser and trainee course?

New  Resubmission; Previous Approval Number: \_\_\_\_\_  
(see explanation in Comments)

Are all applicable 298 NAC Chapter 6 § 004.04 submission requirements met?  Yes  No

The education activity method of delivery as submitted is:  Classroom  Online\*  Correspondence  
*\*IDECC Approval required, or supervisory real property appraiser and trainee course must be conducted by an accredited college, community college, or university that offers distance education programs*

IDECC Approval:  Yes  No  N/A If yes, the IDECC Approval expiration date is: \_\_\_\_\_  
 If no, are the following provided: Evidence that the activity is conducted by an accredited college, community college, or university that offers distance education programs and is approved or accredited, Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor, and a Description of the mechanism(s) used to demonstrate the student’s knowledge of the subject matter, and why the mechanism(s) are effective?  Yes  No  N/A

If Correspondence is selected, and the activity is conducted by an accredited college, community college, or university, is the following provided: Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor?  Yes  No  N/A

Course contains information to ensure the supervisory real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

Course contains information to ensure the trainee real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

The course content meets all of the requirements of 298 NAC Chapter 6 § 004.03:  Yes  No

<input checked="" type="checkbox"/> provides adequate information pertaining to qualification and credentialing entities	<input checked="" type="checkbox"/> provides adequate information pertaining to qualifications for real property appraiser credentials
<input checked="" type="checkbox"/> provides an overview of the Uniform Standards of Professional Appraisal Practice relevant to trainee real property appraisers	<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a supervisory real property appraiser
<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a trainee real property appraiser	<input checked="" type="checkbox"/> includes elective real property appraiser education as determined by the education provider

Supervisory real property appraiser and trainee course contains current material, theory, and methodologies:  Yes  No

Final exam is included with submission and the exam is required:  Yes  No

A document certifying completion of a supervisory real property appraiser and trainee course is included with the submission, which includes the name of education provider, signature of education provider and/or instructor, name of course as approved, location at which course was conducted or presentation method, date(s) the course was conducted, number of hours, pass or fail statement, and name of attendee:  Yes  No

Additional comments needed (if yes, see next page):  Yes  No

**Recommendation:**  Approve  Deny  Hold  Other



**SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE COURSE APPLICATION**

Course Name: Supervisory Appraiser/ Trainee Appraiser Course - Synchronous Submitted Hours: 5

Provider Name: Appraisal Institute Course Number: 3233340.02

Is this a new supervisory appraiser and trainee course submission or resubmission of an approved supervisory appraiser and trainee course?

New  Resubmission; Previous Approval Number: \_\_\_\_\_  
(see explanation in Comments)

Are all applicable 298 NAC Chapter 6 § 004.04 submission requirements met?  Yes  No

The education activity method of delivery as submitted is:  Classroom  Online\*  Correspondence  
*\*IDECC Approval required, or supervisory real property appraiser and trainee course must be conducted by an accredited college, community college, or university that offers distance education programs*

IDECC Approval:  Yes  No  N/A If yes, the IDECC Approval expiration date is: \_\_\_\_\_  
 If no, are the following provided: Evidence that the activity is conducted by an accredited college, community college, or university that offers distance education programs and is approved or accredited, Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor, and a Description of the mechanism(s) used to demonstrate the student’s knowledge of the subject matter, and why the mechanism(s) are effective?  Yes  No  N/A

If Correspondence is selected, and the activity is conducted by an accredited college, community college, or university, is the following provided: Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor?  Yes  No  N/A

Course contains information to ensure the supervisory real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

Course contains information to ensure the trainee real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

The course content meets all of the requirements of 298 NAC Chapter 6 § 004.03:  Yes  No

<input checked="" type="checkbox"/> provides adequate information pertaining to qualification and credentialing entities	<input checked="" type="checkbox"/> provides adequate information pertaining to qualifications for real property appraiser credentials
<input checked="" type="checkbox"/> provides an overview of the Uniform Standards of Professional Appraisal Practice relevant to trainee real property appraisers	<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a supervisory real property appraiser
<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a trainee real property appraiser	<input checked="" type="checkbox"/> includes elective real property appraiser education as determined by the education provider

Supervisory real property appraiser and trainee course contains current material, theory, and methodologies:  Yes  No

Final exam is included with submission and the exam is required:  Yes  No

A document certifying completion of a supervisory real property appraiser and trainee course is included with the submission, which includes the name of education provider, signature of education provider and/or instructor, name of course as approved, location at which course was conducted or presentation method, date(s) the course was conducted, number of hours, pass or fail statement, and name of attendee:  Yes  No

Additional comments needed (if yes, see next page):  Yes  No

**Recommendation:**  Approve  Deny  Hold  Other



**SUPERVISORY REAL PROPERTY APPRAISER AND TRAINEE COURSE APPLICATION**

Course Name: Supervisory Appraiser/ Trainee Appraiser Course Submitted Hours: 4  
Provider Name: Appraisal Institute Course Number: 3232341.02

Is this a new supervisory appraiser and trainee course submission or resubmission of an approved supervisory appraiser and trainee course?

New  Resubmission; Previous Approval Number: \_\_\_\_\_  
(see explanation in Comments)

Are all applicable 298 NAC Chapter 6 § 004.04 submission requirements met?  Yes  No

The education activity method of delivery as submitted is:  Classroom  Online\*  Correspondence  
*\*IDECC Approval required, or supervisory real property appraiser and trainee course must be conducted by an accredited college, community college, or university that offers distance education programs*

IDECC Approval:  Yes  No  N/A If yes, the IDECC Approval expiration date is: 05/13/2026  
If no, are the following provided: Evidence that the activity is conducted by an accredited college, community college, or university that offers distance education programs and is approved or accredited, Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor, and a Description of the mechanism(s) used to demonstrate the student’s knowledge of the subject matter, and why the mechanism(s) are effective?  Yes  No  N/A

If Correspondence is selected, and the activity is conducted by an accredited college, community college, or university, is the following provided: Evidence that the activity provides interaction in a reciprocal environment where the student has communication with the instructor?  Yes  No  N/A

Course contains information to ensure the supervisory real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

Course contains information to ensure the trainee real property appraiser understands the qualifications and responsibilities of their role:  Yes  No

The course content meets all of the requirements of 298 NAC Chapter 6 § 004.03:  Yes  No

<input checked="" type="checkbox"/> provides adequate information pertaining to qualification and credentialing entities	<input checked="" type="checkbox"/> provides adequate information pertaining to qualifications for real property appraiser credentials
<input checked="" type="checkbox"/> provides an overview of the Uniform Standards of Professional Appraisal Practice relevant to trainee real property appraisers	<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a supervisory real property appraiser
<input checked="" type="checkbox"/> provides adequate information pertaining to the requirements, expectations and responsibilities of a trainee real property appraiser	<input checked="" type="checkbox"/> includes elective real property appraiser education as determined by the education provider

Supervisory real property appraiser and trainee course contains current material, theory, and methodologies:  Yes  No

Final exam is included with submission and the exam is required:  Yes  No

A document certifying completion of a supervisory real property appraiser and trainee course is included with the submission, which includes the name of education provider, signature of education provider and/or instructor, name of course as approved, location at which course was conducted or presentation method, date(s) the course was conducted, number of hours, pass or fail statement, and name of attendee:  Yes  No

Additional comments needed (if yes, see next page):  Yes  No

**Recommendation:**  Approve  Deny  Hold  Other

Comments:

BEPM Sims is working with provider to obtain an attendance policy that adequately meets the requirements mentioned in Title 298 for an asynchronous activity.

In accordance with Title 298 Chapter 6, Section 004.04A.2h, for a distance education course, a written attendance policy that ensures that student achievement of the class hour requirement is met in accordance with the Real Property Appraiser Qualifications Criteria as adopted and promulgated by the Appraiser Qualifications Board of The Appraisal Foundation.



# INTERNAL PROCEDURE 202001

Proposed Amendment July 20, 2023

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## Appraiser-AMC Funds Allocation Procedure

In accordance with Neb. Rev. Stat. § 76-2226, the Board may use the real property appraiser fund for the administration and enforcement of the Real Property Appraiser Act and to meet the necessary expenditures of the Board, and in accordance with Neb. Rev. Stat. § 76-3219, the appraisal management company fund shall be used to implement, administer, and enforce the AMC Registration Act. The allocation between the two funds for expenditures that apply to both the Appraiser Program and the AMC Registration Program, or that are not cost effective to attempt to separate by program (e.g., payroll and benefits processing, general postage billing, general CIO network services billing, and general CIO IMS billing) is a percentage determined by the quarterly employee workload review from the previous fiscal year, and the budget analysis of the past, present, and projected numbers and trends for appraiser credentialing, AMC registrations, education activities, and compliance. The quarterly workload review for each employee will take place during the first full work week in July, October, January, and April. Each employee will report his or her time spent on appraiser-and AMC-related activities per day in ~~quarter~~half-hour increments (e.g., Monday: 3.~~255~~755 hours AMC, 4.~~755~~ hours appraiser; Tuesday: 2 hours AMC, 6 hours appraiser) using a method determined by the Director. If the activity applies to both the appraiser and AMC programs (e.g., payroll, general office activities, general government functions, certain accounting functions, and technology projects), the employee will report the time spent at 50% for each program. The employee quarterly workload review will be the baseline for determining the allocation between the appraiser and AMC funds for the fiscal year. However, the allocation will also account for projected changes in the numbers and trends for appraiser credentialing, AMC registrations, education activities, and compliance as documented during the budget analysis for each fiscal year.



301 Centennial Mall South, First Floor  
 PO Box 94963  
 Lincoln, NE 68509-4963  
<https://appraiser.ne.gov/>  
 402-471-9015

New Owners Checked on	
ASC Appraiser Registry:	
Database Updated:	
ASC AMC Registry Updated:	
Processed By:	Date:
<b>For Board Use Only</b>	

## NEBRASKA APPRAISAL MANAGEMENT COMPANY INFORMATION CHANGE FORM

### APPRAISAL MANAGEMENT COMPANY INFORMATION

Nebraska AMC Registration Number: \_\_\_\_\_  
 Initial Date of Registration in Nebraska: \_\_\_\_\_  
 Legal Name (before change): \_\_\_\_\_

### CHANGE TO APPRAISAL MANAGEMENT COMPANY INFORMATION

New Legal Name: \_\_\_\_\_  
 Employer Identification Number (EIN): \_\_\_\_\_

AMC Type:  Single State (AMC oversees a panel of 16 or more AMC appraisers in Nebraska within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)  
 Multi-State (AMC oversees a panel of 25 or more certified or licensed appraisers in two or more States within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)

Federally Regulated\*:  YES  NO

\*Federally regulated appraisal management company means an appraisal management company that is: (a) Owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813, as such section existed on January 1, 2018; and (b) Regulated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the successor of any such agencies.

Business Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
E-Mail Address Area Code + Phone Number

### CHANGE IN STATE OF DOMICILE/DESIGNATED AGENT

If corporation is not domiciled in Nebraska, a designated agent for service within Nebraska must be named.

State of domicile: \_\_\_\_\_

Name of designated agent in Nebraska for service of process: \_\_\_\_\_

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
E-Mail Address Area Code + Phone Number

## CHANGE IN TRADE NAME

If the applicant will be doing business in Nebraska under any other name(s), then all such names must be stated, with address and telephone number. (Use a separate sheet if necessary)

Other name: \_\_\_\_\_

Business Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
Area Code + Phone Number

## CHANGE IN OWNERSHIP

All persons/entities owning 10% or more of the applicant must be listed. (Use a separate sheet if necessary)

If the applicant is owned by a corporation or corporations, does any individual own shares in a parent corporation or corporations where said shares amount to owning more than 10% of the applicant?

YES     NO    If the answer is yes, provide shareholder names and contact information on a separate sheet.

If more than 10% of the applicant is held in trust, directly or by virtue of holding shares in a parent corporation or corporations, provide trustee name(s) and contact information on a separate sheet.

Entity or  
Person  
Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage  
Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or  
Person  
Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage  
Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or  
Person  
Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage  
Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
Area Code + Phone Number

## CHANGE IN CONTACT PERSON

Contact person to serve as main contact for all communication with the Appraiser Board.

Name: \_\_\_\_\_  
Last First Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_ E-Mail Address \_\_\_\_\_ Area Code + Phone Number

## DISCIPLINARY QUESTIONS

**Responses to these questions are required if any of the following are changed: Legal Name, Trade Name, Ownership.**

1. Has any person or entity listed above been engaged in any lawsuit(s) involving real estate, either as Plaintiff or Defendant? This does not include Small Claims Court, Domestic Relations Court, automobile cases, or traffic court cases.

YES  NO

*If your answer to No. 1 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the suit, location, date filed, court of jurisdiction, and the names of any persons involved.*

2. Is the AMC, in whole or in part, directly or indirectly, owned by any person who has had an appraiser credential or equivalent refused, denied, canceled, or revoked or any person who has surrendered an appraiser credential or equivalent in lieu of revocation in any jurisdiction?

YES  NO

*If your answer to No. 2 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the matter, location, date(s), and the names of such persons. Include copies of all final orders or consent agreements.*

3. Has any person who owns more than 10% of the Appraisal Management Company ever been convicted of, or entered a plea of nolo contendere to, a felony related to the appraisal practice or any crime involving fraud, misrepresentation, or moral turpitude?

YES  NO

*If your answer to No. 3 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the matter, location, date filed, court of jurisdiction, and the names of any persons involved.*

**The Board reserves the right to take any action, including but not limited to requesting additional information, denying change to Appraisal Management Company, or suspending Appraisal Management Company's registration.**

I CERTIFY THAT THE STATEMENTS MADE IN THIS APPRAISAL MANAGEMENT COMPANY INFORMATION CHANGE FORM AND ALL ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT I HAVE NOT SUPPRESSED ANY INFORMATION THAT MIGHT HAVE A BEARING ON THIS DOCUMENT'S PROCESSING.



I, \_\_\_\_\_, of \_\_\_\_\_, do hereby  
(Name) (City, State)

irrevocably consent that service of process upon the applicant may be made by delivery of the process to the Nebraska Real Property Appraiser Board if plaintiff cannot, in the exercise of due diligence, effect personal service on the applicant in an action against the applicant in a court of this state arising out of the applicant's activities in this state.

\_\_\_\_\_  
Applicant's Signature Date



## NOTES

- AMC appraiser means a person who holds a valid credential or equivalent to appraise real estate and real property under the laws of this state or another jurisdiction, and holds the status of active on the ASC Appraiser Registry in one or more jurisdictions.
- If any new owner/entity owning more than 10% of the applicant is reported on this form, with the next submission of an Application for Renewal of Nebraska Appraisal Management Company Registration, two copies of legible, ink-rolled fingerprint cards will be required for each new owner/entity owning more than 10% of the applicant who has not previously had a Criminal History Record Check Completed by the Board through the Nebraska State Patrol and the Federal Bureau of Investigation for the purpose of AMC ownership. This includes trustees of trusts owning more than 10% of the applicant and individuals owning shares in a corporation or corporations where said shares amount to owning more than 10% of the applicant.

## DIRECTIONS

1. Complete first section with appraisal management company information as it currently appears, followed by the items of information that have changed and are to be updated in the Board's records.
2. If you are making a legal name change, include a copy of the forms indicating the legal name change.
3. Email form to [nrpab.amc@nebraska.gov](mailto:nrpab.amc@nebraska.gov) or mail form to:  
NEBRASKA REAL PROPERTY APPRAISER BOARD  
PO BOX 94963  
LINCOLN, NE 68509-4963  
Street address for FedEx or UPS is 301 CENTENNIAL MALL SOUTH, FIRST FLOOR, LINCOLN NE 68508
4. Questions or concerns may be directed to NRPAB Staff at 402-471-9015 or [nrpab.amc@nebraska.gov](mailto:nrpab.amc@nebraska.gov).



301 Centennial Mall South, First Floor  
 PO Box 94963  
 Lincoln, NE 68509-4963  
<https://appraiser.ne.gov/>  
 402-471-9015

Check Number:	
Receipt Number:	
AMC & Owners Checked on ASC Registries:	
Processed By:	Date:
<b>For Board Use Only</b>	

## APPLICATION FOR NEBRASKA APPRAISAL MANAGEMENT COMPANY REGISTRATION

### APPLICATION AND REGISTRATION FEES

TOTAL FEE DUE WITH APPLICATION: \$350.00

REGISTRATION FEES DUE FOLLOWING AMC REGISTRATION APPROVAL: \$2,000.00 PLUS ASC AMC REGISTRY FEE (IF ANY)

### APPRAISAL MANAGEMENT COMPANY INFORMATION

Date of Application: \_\_\_\_\_

Legal Name: \_\_\_\_\_

Employer Identification Number (EIN): \_\_\_\_\_

- AMC Type:
- Single State (AMC oversees a panel of 16 or more AMC appraisers in Nebraska within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)
  - Multi-State (AMC oversees a panel of 25 or more AMC appraisers in two or more States within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)

Federally Regulated\*:  YES  NO

\*Federally regulated appraisal management company means an appraisal management company that is: (a) Owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813, as such section existed on January 1, 2018; and (b) Regulated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the successor of any such agencies.

Business Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address Area Code + Phone Number

### STATE OF DOMICILE

**If corporation is not domiciled in Nebraska, a designated agent for service within Nebraska must be named. If state of domicile is Nebraska, the following section may be left blank.**

State of domicile: \_\_\_\_\_

Name of designated agent in Nebraska for service of process: \_\_\_\_\_

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address Area Code + Phone Number

## TRADE NAME

If the applicant will be doing business in Nebraska under any other name(s), then all such names must be stated, with address and telephone number. (Use a separate sheet if necessary)

Other

Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

## OWNERSHIP

All persons/entities owning **more than 10%** of the applicant must be listed. (Use a separate sheet if necessary.)

If the applicant is owned by a corporation or corporations, does any individual own shares in a parent corporation or corporations where said shares amount to owning more than 10% of the applicant?

YES     NO    If the answer is yes, provide shareholder names and contact information on a separate sheet.

If more than 10% of the applicant is held in trust, directly or by virtue of holding shares in a parent corporation or corporations, provide trustee name(s) and contact information on a separate sheet.

Entity or

Person

Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage

Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or

Person

Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage

Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or

Person

Name: \_\_\_\_\_

Entity or Last, First, Middle

Percentage

Owned: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box or Street Number

City

State

Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

## CONTACT PERSON

Contact person to serve as main contact for all communication with the Real Property Appraiser Board.

Name: \_\_\_\_\_  
Last First Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_ Email Address Area Code + Phone Number

## DISCIPLINARY QUESTIONS

1. Has the applicant's application for registration/license/certification, or the right to renew or reinstate, ever been denied by any regulatory agency in Nebraska or any other jurisdiction?

YES  NO

*If your answer to No. 1 above is yes, provide a brief statement of all significant details on a separate sheet, including the jurisdiction in which the application was denied, the date of denial, reason for denial, the circumstances surrounding the matter, and the names of any persons involved.*

2. Has disciplinary action been taken against the applicant by any regulatory agency in Nebraska or any other jurisdiction, or has the applicant's registration/licensure/certification been surrendered or allowed to lapse due to any action pending or threatened? **Please note that you are required to disclose any action, even if it has been previously disclosed to this agency. Failure to disclose this may result in a delay in processing of your application.**

YES  NO

*If your answer to No. 2 above is yes, provide a brief statement of all significant details on a separate sheet, including the jurisdiction in which the disciplinary action was taken or was pending, the date of the action, reason for disciplinary or pending action, circumstances surrounding the matter, and the names of any persons involved.*

3. Has the applicant had a final civil or criminal judgment entered against it for fraud, dishonesty, breach of trust, or misrepresentation involving real estate, financial services, or appraisal management services within a five-year period immediately preceding the date of application?

YES  NO

*If the answer to No. 3 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the suit, location, date filed, court of jurisdiction, and the names of any persons involved.*

4. Is the applicant in whole or in part, directly or indirectly, owned by any person who has had an appraiser credential or equivalent refused, denied, canceled, or revoked or who has surrendered an appraiser credential or equivalent in lieu of revocation in any jurisdiction?

YES  NO

*If your answer to No. 4 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the matter, jurisdiction, date(s), and the names of such persons. Include copies of all final orders or consent agreements.*

5. Has any person who owns more than 10% of the Appraisal Management Company ever been convicted of, or entered a plea of nolo contendere to, a felony related to real property appraisal practice or any crime involving fraud, misrepresentation, or moral turpitude?

YES  NO

*If your answer to No. 5 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the suit, location, date filed, court of jurisdiction, and the names of any persons involved.*

## AFFIDAVIT OF APPLICANT

The following statements are made for the purpose of procuring registration as an appraisal management company in the State of Nebraska. Applicant hereby consents that the statements may be used as evidence by the Real Property Appraiser Board of the State of Nebraska, or in any court in Nebraska where a violation of the Appraisal Management Registration Act is claimed, and that the application, representations, and statements made herein to procure such registration may at any time be used in evidence.

Applicant has read and will comply with the Appraisal Management Company Registration Act of Nebraska and the rules established by the Real Property Appraiser Board in accordance with the Act.

Applicant expressly agrees that the Nebraska Real Property Appraiser Board reserves the right to go outside this application for information as to the accuracy of the statements in this application.

Applicant certifies that the statements made in this application and all attachments are true and correct to the best of Applicant's knowledge and belief, and that Applicant has not suppressed any information that might have a bearing on this application.

Applicant understands:

- All information related to an appraisal management company's registration shall be reported to the Appraisal Subcommittee as required by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the AMC Rule, and any policy or rule established by the Appraisal Subcommittee.
- Only AMC appraisers considered to be in good standing in all jurisdictions in which an active credential is held shall be included on an appraisal management company's appraiser panel.
- Any AMC appraiser included on an appraisal management company's appraiser panel engaged in real property appraisal practice as a result of an assignment provided by applicant shall be free from inappropriate influence and coercion as required by the appraisal independence standards established under section 129E of the federal Truth in Lending Act, including the requirements for payment of a reasonable and customary fee to AMC appraisers when applicant is engaged in providing appraisal management services.
- An appraisal management company shall select an AMC appraiser from its appraiser panel for an assignment who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the assignment for the particular market and property type.
- An appraisal management company shall not prohibit an AMC appraiser from including within the body of a report that is submitted by the AMC appraiser to the applicant or its assignee the fee agreed upon between the applicant and the AMC appraiser at the time of engagement for the performance of the appraisal.
- An appraisal management company shall not directly or indirectly engage in or attempt to engage in business as an appraisal management company or advertise or hold itself out as engaging in or conducting business as an appraisal management company in this state under any legal name or trade name not included in the application for issuance of a registration, or renewal of a registration, as approved by the board.
- An appraisal management company shall not require an AMC appraiser to indemnify an appraisal management company or hold an appraisal management company harmless for any liability, damage, losses, or claims arising out of the appraisal management services provided by the appraisal management company.
- Prior to assigning appraisal orders, each appraisal management company shall have a system in place to verify that an appraiser being added to the appraiser panel holds the appropriate appraiser license or certification in good standing.
- Any employee of or independent contractor to an appraisal management company that holds a registration, including any AMC appraiser included on applicant's appraiser panel engaged in real property appraisal practice, shall comply with the Real Property Appraiser Act, including the Uniform Standards of Professional Appraisal Practice.
- Each appraisal management company is required to have a system in place to verify that an AMC appraiser on the appraiser panel has not had a license or certification as an appraiser refused, denied, canceled, revoked, or surrendered in lieu of a pending revocation in any state in the previous twenty-four months.

- Each appraisal management company that holds a registration shall maintain a detailed record of appraisal management services provided under its registration, and upon request shall submit to the board all books, records, reports, documents, and other information as deemed appropriate by the board to administer and enforce the Nebraska Appraisal Management Company Registration Act. Record retention requirements are for a period of five years after appraisal management services are completed or two years after final disposition of a judicial proceeding related to the appraisal management services, whichever period expires later.
- An appraisal management company that holds a registration may not alter, modify, or otherwise change a completed report submitted by an AMC appraiser without his or her written consent.
- An appraisal management company that holds a registration shall disclose the registration number provided to it by the board on the engagement documents presented to the AMC appraiser.
- Each appraisal management company that holds a registration, except in cases of noncompliance with the conditions of the engagement, shall make payment of fees to an AMC appraiser engaged by the appraisal management company to perform one or more appraisals on behalf of a creditor for a covered transaction or for a secondary mortgage market participant in connection with covered transactions within sixty days after the date on which the AMC appraiser transmits or otherwise provides the report to the appraisal management company or its assignee.
- An appraisal management company that has a reasonable basis to believe that an AMC appraiser has failed to comply with applicable laws or the Uniform Standards of Professional Appraisal Practice shall refer the matter to the board if the failure to comply is material.
- An appraisal management company shall remove any AMC appraiser from its appraiser panel within thirty days after receiving notice that the AMC appraiser:
  - Is no longer considered to be in good standing in one or more jurisdictions in which he or she holds an active credential or equivalent;
  - The AMC appraiser's credential or equivalent has been refused, denied, canceled, or revoked; or
  - The AMC appraiser has surrendered his or her credential or equivalent in lieu of revocation.
- Any AMC appraiser included on an appraisal management company's appraiser panel pursuant to N.R.S. § 76-3203.01 (3) shall remain on such appraiser panel until the date on which the appraisal management company:
  - Sends written notice to the AMC appraiser removing him or her from the appraiser panel. Such written notice shall include an explanation of the action taken by the appraisal management company;
  - Receives written notice from the AMC appraiser requesting that he or she be removed from the appraiser panel. Such written notice shall include an explanation of the action requested by the AMC appraiser; or
  - Receives written notice on behalf of the AMC appraiser of the death or incapacity of the AMC appraiser. Such written notice shall include an explanation on behalf of the AMC appraiser.
- Applicant hereby attests that Applicant has included all required materials and completed the submitted application in its entirety. Applicant understands that, should this application be found to be incomplete, it will be considered invalid and may be returned.

Signature of Contact Person: \_\_\_\_\_ Date: \_\_\_\_\_

State of \_\_\_\_\_ )  
 \_\_\_\_\_ ) ss.  
 County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

by \_\_\_\_\_  
 Print Name of Contact Person

(Notary Seal Here)

\_\_\_\_\_  
 Notary Public





**AUTHORIZATION TO USE FINGERPRINTS FOR NATIONAL CRIMINAL HISTORY RECORD CHECK THROUGH THE NEBRASKA STATE PATROL AND THE FEDERAL BUREAU OF INVESTIGATION**

I acknowledge and consent to the following:

1. The Nebraska Real Property Appraiser Board requires fingerprint submissions for a National Criminal History Record Check through the State Patrol and the Federal Bureau of Investigation:
  - a. as authorized in Nebraska Real Property Appraiser Act (Neb. Rev. Stat. §§ 76-2201 through 76-2250), as a part of my application for issuance of, or renewal of, a credential as a real property appraiser, or
  - b. as authorized in the Nebraska Appraisal Management Company Registration Act (Neb. Rev. Stat. §§ 76-3201 through 76-3220), as a part of the application for issuance of, or renewal of, a registration as an appraisal management company.
2. The Nebraska Real Property Appraiser Board reserves the right to go outside this Criminal History Record Check for information as to the accuracy of the statements made in my application, or for further clarification regarding the results of the Criminal History Record Check. Such information may include, but is not limited to, records of arrests for criminal offenses, the circumstances involved in any such arrests, the suspension or revocation of any license authorizing me to engage in any profession or occupation, or the rejection of my application for such license, and the reason for such suspension, revocation, or rejection.
3. The Nebraska Real Property Appraiser Board may contact any agency of federal, state, or local government, consumer reporting agency, present or former employer, or any other individual, partnership, corporation, or association, in this or any other state, to furnish to the Nebraska Real Property Appraiser Board any information requested by the Nebraska Real Property Appraiser Board pertaining to my application.
4. I acknowledge that the Criminal History Record Information is retained by the Board for two years after the date on which an application is withdrawn, denied, or approved. If the Nebraska Real Property Appraiser Board finds cause to deny my application based upon the results of my Criminal History Record Information, I may request a copy of my Criminal History Record Information received by the Nebraska Real Property Appraiser Board in accordance with the procedures found in Title 298 of the Nebraska Administrative Code.
5. I acknowledge that the procedures for obtaining information, a change, correction, or updating of an FBI identification record are set forth in Title 28, C.F.R., §16.34.

I EXPRESSLY AUTHORIZE AND CONSENT that my fingerprint submissions pertaining to my application be submitted by the Nebraska Real Property Appraiser Board to the Nebraska State Patrol for National Criminal History Record Check through the State Patrol and the Federal Bureau of Investigation, and I HEREBY ACKNOWLEDGE RECEIPT of the Privacy Act Statement.

\_\_\_\_\_  
Printed name of person whose fingerprints are being submitted

\_\_\_\_\_  
Signature of person whose fingerprints are being submitted

\_\_\_\_\_  
Date

## PRIVACY ACT STATEMENT

**Authority:** The FBI's acquisition, preservation, and exchange of fingerprints and associated information is generally authorized under 28 U.S.C. 534. Depending on the nature of your application, supplemental authorities include Federal statutes, State statutes pursuant to Pub. L. 92-544, Presidential Executive Orders, and federal regulations. Providing your fingerprints and associated information is voluntary; however, failure to do so may affect completion or approval of your application.

**Principal Purpose:** Certain determinations, such as employment, licensing, and security clearances, may be predicated on fingerprint-based background checks. Your fingerprints and associated information/biometrics may be provided to the employing, investigating, or otherwise responsible agency, and/or the FBI for the purpose of comparing your fingerprints to other fingerprints in the FBI's Next Generation Identification (NGI) system or its successor systems (including civil, criminal, and latent fingerprint repositories) or other available records of the employing, investigating, or otherwise responsible agency. The FBI may retain your fingerprints and associated information/biometrics in NGI after the completion of this application and, while retained, your fingerprints may continue to be compared against other fingerprints submitted to or retained by NGI.

**Routine Uses:** During the processing of this application and for as long thereafter as your fingerprints and associated information/biometrics are retained in NGI, your information may be disclosed pursuant to your consent, and may be disclosed without your consent as permitted by the Privacy Act of 1974 and all applicable Routine Uses as may be published at any time in the Federal Register, including the Routine Uses for the NGI system and the FBI's Blanket Routine Uses. Routine uses include, but are not limited to, disclosures to: employing, governmental or authorized non-governmental agencies responsible for employment, contracting, licensing, security clearances, and other suitability determinations; local, state, tribal, or federal law enforcement agencies; criminal justice agencies; and agencies responsible for national security or public safety.

Rev. 03/30/2018

### NONCRIMINAL JUSTICE APPLICANT'S PRIVACY RIGHTS

As an applicant who is the subject of a national fingerprint-based criminal history record check for a noncriminal justice purpose (such as an application for employment or a license, an immigration or naturalization matter, security clearance, or adoption), you have certain rights which are discussed below. All notices must be provided to you in writing.<sup>1</sup> These obligations are pursuant to the Privacy Act of 1974, Title 5, United States Code (U.S.C.) Section 552a, and Title 28 Code of Federal Regulations (CFR), 50.12, among other authorities.

- You must be provided an adequate written FBI Privacy Act Statement (dated 2013 or later) when you submit your fingerprints and associated personal information. This Privacy Act Statement must explain the authority for collecting your fingerprints and associated information and whether your fingerprints and associated information will be searched, shared, or retained.<sup>2</sup>
- You must be advised in writing of the procedures for obtaining a change, correction, or update of your FBI criminal history record as set forth at 28 CFR 16.34.
- You must be provided the opportunity to complete or challenge the accuracy of the information in your FBI criminal history record (if you have such a record).
- If you have a criminal history record, you should be afforded a reasonable amount of time to correct or complete the record (or decline to do so) before the officials deny you the employment, license, or other benefit based on information in the FBI criminal history record.
- If agency policy permits, the officials may provide you with a copy of your FBI criminal history record for review and possible challenge. If agency policy does not permit it to provide you a copy of the record, you may obtain a copy of the record by submitting fingerprints and a fee to the FBI. Information regarding this process may be obtained at <https://www.fbi.gov/services/cjis/identity-history-summary-checks> and <https://www.edo.cjis.gov>.
- If you decide to challenge the accuracy or completeness of your FBI criminal history record, you should send your challenge to the agency that contributed the questioned information to the FBI. Alternatively, you may send your challenge directly to the FBI by submitting a request via <https://www.edo.cjis.gov>. The FBI will then forward your challenge to the agency that contributed the questioned information and request the agency to verify or correct the challenged entry. Upon receipt of an official communication from that agency, the FBI will make any necessary changes/corrections to your record in accordance with the information supplied by that agency. (See 28 CFR 16.30 through 16.34.)
- You have the right to expect that officials receiving the results of the criminal history record check will use it only for authorized purposes and will not retain or disseminate it in violation of federal statute, regulation or executive order, or rule, procedure or standard established by the National Crime Prevention and Privacy Compact Council.<sup>3</sup>

<sup>1</sup> Written notification includes electronic notification, but excludes oral notification.

<sup>2</sup> <https://www.fbi.gov/services/cjis/compact-council/privacy-act-statement>

<sup>3</sup> See 5 U.S.C. 552a(b); 28 U.S.C. 534(b); 34 U.S.C. § 40316 (formerly cited as 42 U.S.C. § 14616), Article IV(c); 28 CFR 20.21(c), 2033(d) and 906.2(d).

Updated 11/6/2019



## APPLICATION CHECKLIST

Include the following items with your completed application:

- Completed application.
  
- Two copies of legible, ink-rolled fingerprint cards for each owner/entity owning **more than 10%** of the applicant. This includes trustees of trusts owning more than 10% of the applicant and individuals owning shares in a corporation or corporations where said shares amount to owning more than 10% of the applicant.
  
- Authorization to Use Fingerprints for National Criminal History Record Check through the Nebraska State Patrol and the Federal Bureau of Investigation **signed by each person whose fingerprints are included with the application**. Person being fingerprinted is also requested to review the NRPAB Privacy Act Statement prior to being fingerprinted. Additional copies of each document may be found by clicking the “AMC Registration” link on the home page of the Board’s website at <https://appraiser.ne.gov/>.
  
- \$350.00 non-refundable application fee.
  
- Proof of a valid Surety Bond for \$25,000.00 naming applicant as the “Principal” and the Nebraska Real Property Appraiser Board as the “Obligee.” The Surety Bond shall clearly indicate that: 1) the bonding company is aware of, and will comply with, all provisions of Neb. Rev. Stat. § 76-3203 (2); 2) the Surety Bond shall be in favor of the state for the benefit of any person who is damaged by any violation of the Nebraska Appraisal Management Company Registration Act, and in favor of any person damaged by such a violation; 3) the Surety Bond shall be maintained until one year after the date on which the appraisal management company ceases operation in this state regardless of, if or when, termination of the Surety Bond occurs; 4) and, the aggregate liability of the Surety Bond to all persons damaged by a violation of the Nebraska Appraisal Management Company Registration Act by an appraisal management company shall not exceed the amount of the Surety Bond.

## DIRECTIONS

1. Complete entire application. If required information is not provided, application will be considered invalid and may be returned to you.
  
2. Along with the application, the following must also be included:
  - a. Check or money order for non-refundable \$350.00 application fee
  - b. Two sets of fingerprint cards for each owner/entity owning **more than 10%** of the applicant. This includes trustees of trusts owning more than 10% of the applicant and individuals owning shares in a corporation or corporations where said shares amount to owning more than 10% of the applicant. **The Nebraska State Patrol will not process cards if the information at the top of the cards is not completed or if the cards are more than 1 year old. The cards must be signed by the person being fingerprinted and also by the official taking the fingerprints.**
  - c. Authorization to Use Fingerprints for National Criminal History Record Check through the Nebraska State Patrol and the Federal Bureau of Investigation signed by each person whose fingerprints are included with the application. Person being fingerprinted is also requested to review the NRPAB Privacy Act Statement prior to being fingerprinted. Additional copies of each document may be found by clicking the “AMC Registration” link on the home page of the Board’s website at <https://appraiser.ne.gov/>.
  - d. Proof of a valid Surety Bond for \$25,000.00 naming applicant as the “Principal” and the Nebraska Real Property Appraiser Board as the “Obligee”
  
3. Mail application, fee(s), and supporting documentation to:  
NEBRASKA REAL PROPERTY APPRAISER BOARD  
301 CENTENNIAL MALL SOUTH, FIRST FLOOR  
PO BOX 94963  
LINCOLN, NE 68509-4963  
Street address for FedEx or UPS is 301 CENTENNIAL MALL SOUTH, FIRST FLOOR, LINCOLN NE 68508
  
4. Questions or concerns may be directed to NRPAB staff at 402-471-9015 or [nrpab.amc@nebraska.gov](mailto:nrpab.amc@nebraska.gov)

## ADDITIONAL INFORMATION

- Within sixty days of approval by the Board, an applicant shall pay a non-refundable initial registration fee of \$2000.00 and the ASC AMC Registry fee due, if any, before the applicant is authorized to conduct business as an appraisal management company in the State of Nebraska. The period used to calculate the ASC AMC registry fee due will be the year ending on the day 90 days before the date of approval of the application. With the ASC AMC Registry fee, if any, the AMC must also provide a list of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year, if any. The list is to include: (1) First and last name, (2) Credential number, (3) Number of appraisals performed (during the reporting year), (4) Earliest appraisal submission date (during the reporting year), and (5) Latest appraisal submission date (during the reporting year).
- All Appraisal Management Company registrations are in effect for twelve months from the date of issuance, unless revoked, suspended, or canceled prior to such date.
- Per Neb. Rev. Stat. § 76-3203 (6), all Appraisal Management Company renewal applications shall be furnished to the Board no later than sixty (60) days prior to the date of expiration of the registration. With the application for renewal and the ASC AMC Registry fee, the AMC must also provide a list of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year, including: (1) First and last name, (2) Credential number, (3) Number of appraisals performed (during the reporting year), (4) Earliest appraisal submission date (during the reporting year), and (5) Latest appraisal submission date (during the reporting year)
- Any Appraisal Management Company who fails to submit a properly completed renewal application by the deadline specified in Neb. Rev. Stat. § 76-3203 (6), but who submits an application within six months of expiration of the registration, may receive a renewal registration by submitting the completed application, along with all of the required documentation, the renewal and ASC AMC Registry fees, and a \$25.00 late processing fee for each month or portion of a month the renewal application is postmarked after 60 days prior to registration expiration. The Appraisal Management Company will be considered inactive from the expiration date until the renewal application has been fully processed, including receipt and review by the Board of any pending background check results.
- Any Appraisal Management Company who fails to submit a properly completed renewal application within six months of expiration of the registration shall not be eligible for renewal and must submit an application for a new registration.
- AMC appraiser means a person who holds a valid credential or equivalent to appraise real estate and real property under the laws of this state or another jurisdiction, and holds the status of active on the ASC Appraiser Registry in one or more jurisdictions.
- Pursuant to subdivision (6)(c) of section 76-3202, an appraiser panel shall include each AMC appraiser as of the earliest date on which such person was accepted by the appraisal management company:
  - (a) For consideration for future assignments in covered transactions or for secondary mortgage market participants in connection with covered transactions; or
  - (b) For engagement to perform one or more appraisals on behalf of a creditor for a covered transaction or for a secondary mortgage market participant in connection with covered transactions.
- The Surety Bond shall be maintained until one year after the date that the Appraisal Management Company ceases operation in this state regardless of, if or when, termination of the Surety Bond occurs. The date that an Appraisal Management Company ceases operation in this state is the earliest of the date on which the Nebraska Real Property Appraisal Board accepts written surrender of the registration, or the date on which the registration expires, is canceled, or is revoked.



301 Centennial Mall South, First Floor  
 PO Box 94963  
 Lincoln, NE 68509-4963  
<https://appraiser.ne.gov/>  
 402-471-9015

Check Number:	
Receipt Number:	
AMC & Owners Checked on ASC Registries:	
Processed By:	Date:
For Board Use Only	

## APPLICATION FOR RENEWAL OF NEBRASKA APPRAISAL MANAGEMENT COMPANY REGISTRATION

### RENEWAL INFORMATION

**RENEWAL FEES DUE: \$1,500.00 RENEWAL FEE PLUS ASC AMC REGISTRY FEE**

Nebraska Real Property Appraiser Board Registration Number: \_\_\_\_\_

Date of Application: \_\_\_\_\_

Legal Name: \_\_\_\_\_

Employer Identification Number (EIN): \_\_\_\_\_

Initial Date of Registration in Nebraska: \_\_\_\_\_

- AMC Type:
- Single State (AMC oversees a panel of 16 or more AMC appraisers in Nebraska within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)
  - Multi-State (AMC oversees a panel of 25 or more AMC appraisers in two or more States within a given year that have been recruited, selected and retained to perform appraisals in connection with a covered transaction)

Federally Regulated\*:  YES  NO

\*Federally regulated appraisal management company means an appraisal management company that is: (a) Owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813, as such section existed on January 1, 2018; and (b) Regulated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the successor of any such agencies.

Business Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_ Email Address \_\_\_\_\_ Area Code + Phone Number

### STATE OF DOMICILE

**If corporation is not domiciled in Nebraska, a designated agent for service within Nebraska must be named. If state of domicile is Nebraska, the following section may be left blank.**

State of domicile: \_\_\_\_\_

Name of designated agent in Nebraska for service of process: \_\_\_\_\_

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_ Email Address \_\_\_\_\_ Area Code + Phone Number

## TRADE NAME

If the applicant will be doing business in Nebraska under any other name(s), then all such names must be stated, with address and telephone number. (Use a separate sheet if necessary)

Other

Name: \_\_\_\_\_

Business Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

## OWNERSHIP

All persons/entities owning more than 10% of the applicant must be listed. (Use a separate sheet if necessary)

If the applicant is owned by a corporation or corporations, does any individual own shares in a parent corporation or corporations where said shares amount to owning more than 10% of the applicant?

YES  NO If the answer is yes, provide shareholder names and contact information on a separate sheet.

If more than 10% of the applicant is held in trust, directly or by virtue of holding shares in a parent corporation or corporations, provide trustee name(s) and contact information on a separate sheet.

Entity or Person Name: \_\_\_\_\_ Percentage Owned: \_\_\_\_\_  
Entity or Last, First, Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or Person Name: \_\_\_\_\_ Percentage Owned: \_\_\_\_\_  
Entity or Last, First, Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

Entity or Person Name: \_\_\_\_\_ Percentage Owned: \_\_\_\_\_  
Entity or Last, First, Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code + Phone Number

## CONTACT PERSON

Contact person to serve as main contact for all communication with the Real Property Appraiser Board.

Name: \_\_\_\_\_  
Last First Middle

Address: \_\_\_\_\_  
PO Box or Street Number City State Zip Code + 4

\_\_\_\_\_ Email Address Area Code + Phone Number

## DISCIPLINARY QUESTIONS

1. Has the applicant's application for registration/license/certification, or the right to renew or reinstate, been denied by any regulatory agency in Nebraska or any other jurisdiction in the past 18 months?

YES  NO

*If your answer to No. 1 above is yes, provide a brief statement of all significant details on a separate sheet, including the jurisdiction in which the application was denied, the date of denial, reason for denial, the circumstances surrounding the matter, and the names of any persons involved.*

2. Has disciplinary action been taken against the applicant by any regulatory agency in Nebraska or any other jurisdiction, or has the applicant's registration/licensure/certification been surrendered or allowed to lapse due to any action pending or threatened within the past 18 months? **Please note that you are required to disclose any action, even if it has been previously disclosed to this agency. Failure to disclose this may result in a delay in processing of your application for renewal.**

YES  NO

*If your answer to No. 2 above is yes, provide a brief statement of all significant details on a separate sheet, including the jurisdiction in which the disciplinary action was taken or was pending, the date of the action, reason for disciplinary or pending action, circumstances surrounding the matter, and the names of any persons involved.*

3. Is the applicant currently under investigation by any regulatory agency in Nebraska or any other jurisdiction?

YES  NO

*If the answer to No. 3 above is yes, provide a brief statement of all significant details on a separate sheet, including the jurisdiction in which the applicant is under investigation, the circumstances surrounding the matter, and the names of any persons involved.*

4. Has the applicant had a final civil or criminal judgment entered against it for fraud, dishonesty, breach of trust, or misrepresentation involving real estate, financial services, or appraisal management services within the eighteen-month period immediately preceding the date of application?

YES  NO

*If your answer to No. 4 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the suit, location, date filed, court of jurisdiction, and the names of any persons involved.*

5. Is the applicant in whole or in part, directly or indirectly, owned by any person who has had a credential or equivalent refused, denied, canceled, or revoked or who has surrendered a credential or equivalent in lieu of revocation in any jurisdiction?

YES  NO

*If your answer to No. 5 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the matter, jurisdiction, date(s), and the names of such persons. Include copies of all final orders or consent agreements.*

6. Has any person who owns more than 10% of the Appraisal Management Company ever been convicted of, or entered a plea of nolo contendere to, a felony related to real property appraisal practice or any crime involving fraud, misrepresentation, or moral turpitude?

YES  NO

*If your answer to No. 6 above is yes, provide a brief statement of all significant details on a separate sheet, including the nature of the matter, date filed, court of jurisdiction, and names of any persons involved.*

## ASC AMC REGISTRY FEE AND REPORTING YEAR

Annual ASC AMC Registry Fee based on year ending 90 days before expiration of current registration:

Beginning Date of Reporting Year: \_\_\_\_\_ Ending Date of Reporting Year: \_\_\_\_\_

Number of AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year \_\_\_\_\_ X \$25.00 = \$ \_\_\_\_\_ ASC AMC Registry Fee due with application

(Covered transaction means any consumer credit transaction secured by the consumer's principal dwelling.)

ASC AMC Registry Fee	\$	_____
Nebraska Registration Renewal Fee	+	1500.00
<u>\$25.00 late processing fee for each month or portion of a month the renewal application is postmarked after 60 days prior to registration expiration. Late Processing Fee, if any</u>	+	_____
Total Fees Due with Renewal Application	\$	_____

With the application for renewal and the ASC AMC Registry fee, the AMC must also provide a list of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year, including:

- (1) First and last name,
- (2) Credential number,
- (3) Number of appraisals performed (during the reporting year),
- (4) Earliest appraisal submission date (during the reporting year), and
- (5) Latest appraisal submission date (during the reporting year).

## APPLICATION CHECKLIST

Include the following items with your completed application:

- Completed application.
- List of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year.
- Two copies of legible, ink-rolled fingerprint cards for each new owner/entity owning **more than 10%** of the applicant who has not previously had a Criminal History Record Check Completed by the Board through the Nebraska State Patrol and the Federal Bureau of Investigation for the purpose of AMC ownership. This includes trustees of trusts owning more than 10% of the applicant and individuals owning shares in a corporation or corporations where said shares amount to owning more than 10% of the applicant.
- Authorization to Use Fingerprints for National Criminal History Record Check through the Nebraska State Patrol and the Federal Bureau of Investigation **signed by each person whose fingerprints are included with the application**. Person being fingerprinted is also requested to review the NRPAB Privacy Act Statement prior to being fingerprinted. Additional copies of each document may be found by clicking the "AMC Registration" link on the home page of the Board's website at <https://appraiser.ne.gov/>.
- \$1,500.00 non-refundable renewal fee, ASC AMC Registry fee, and any required late processing fee.
- Proof of a valid Surety Bond for \$25,000 naming applicant as the "Principal" and the Nebraska Real Property Appraiser Board as the "Obligee." The Surety Bond shall clearly indicate that: 1) the bonding company is aware of, and will comply with, all provisions of Neb. Rev. Stat. § 76-3203 (2); 2) the Surety Bond shall be in favor of the state for the benefit of any person who is damaged by any violation of the Nebraska Appraisal Management Company Registration Act, and in favor of any person damaged by such a violation;

3) the Surety Bond shall be maintained until one year after the date on which the appraisal management company ceases operation in this state regardless of, if or when, termination of the Surety Bond occurs; 4) and, the aggregate liability of the Surety Bond to all persons damaged by a violation of the Nebraska Appraisal Management Company Registration Act by an appraisal management company shall not exceed the amount of the Surety Bond.

## AFFIDAVIT OF APPLICANT

The following statements are made for the purpose of procuring registration as an appraisal management company in the State of Nebraska. Applicant hereby consents that the statements may be used as evidence by the Real Property Appraiser Board of the State of Nebraska, or in any court in Nebraska where a violation of the Appraisal Management Registration Act is claimed, and that the application, representations, and statements made herein to procure such registration may at any time be used in evidence.

Applicant has read and will comply with the Appraisal Management Company Registration Act of Nebraska and the rules established by the Real Property Appraiser Board in accordance with the Act.

Applicant expressly agrees that the Nebraska Real Property Appraiser Board reserves the right to go outside this application for information as to the accuracy of the statements in this application.

Applicant certifies that the statements made in this application and all attachments are true and correct to the best of Applicant's knowledge and belief, and that Applicant has not suppressed any information that might have a bearing on this application.

Applicant understands all information related to an appraisal management company's registration shall be reported to the Appraisal Subcommittee as required by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the AMC Rule, and any policy or rule established by the Appraisal Subcommittee.

Applicant agrees to comply with the Appraisal Management Company Registration Act of Nebraska and the rules established by the Real Property Appraiser Board in accordance with the Act, and specifically:

- Only AMC appraisers considered to be in good standing in all jurisdictions in which an active credential is held shall be included on appraisal management company's appraiser panel.
- Any AMC appraiser included on appraisal management company's appraiser panel engaged in real property appraisal practice as a result of an assignment provided by applicant shall be free from inappropriate influence and coercion as required by the appraisal independence standards established under section 129E of the federal Truth in Lending Act, including the requirements for payment of a reasonable and customary fee to AMC appraisers when applicant is engaged in providing appraisal management services.
- Appraisal management company shall select an AMC appraiser from its appraiser panel for an assignment who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the assignment for the particular market and property type.
- Appraisal management company shall not prohibit an AMC appraiser from including within the body of a report that is submitted by the AMC appraiser to the applicant or its assignee the fee agreed upon between the applicant and the AMC appraiser at the time of engagement for the performance of the appraisal.
- Appraisal management company shall not directly or indirectly engage in or attempt to engage in business as an appraisal management company or advertise or hold itself out as engaging in or conducting business as an appraisal management company in this state under any legal name or trade name not included in the application for issuance of a registration, or renewal of a registration, as approved by the board.
- Appraisal management company shall not require an AMC appraiser to indemnify an appraisal management company or hold an appraisal management company harmless for any liability, damage, losses, or claims arising out of the appraisal management services provided by the appraisal management company.
- Appraisal management company has a system in place to verify that an appraiser being added to the appraiser panel holds the appropriate appraiser license or certification in good standing.
- Any employee of or independent contractor to appraisal management company, including any AMC appraiser included on appraisal management company's appraiser panel engaged in real property appraisal practice, shall comply with the Real Property Appraiser Act, including the Uniform Standards of Professional Appraisal Practice.



- Appraisal management company has a system in place to verify that an AMC appraiser on the appraiser panel has not had a license or certification as an appraiser refused, denied, canceled, revoked, or surrendered in lieu of a pending revocation in any state in the previous twenty-four months.
- Appraisal management company shall maintain a detailed record of appraisal management services provided under its registration, and upon request shall submit to the board all books, records, reports, documents, and other information as deemed appropriate by the board to administer and enforce the Nebraska Appraisal Management Company Registration Act. Record retention requirements are for a period of five years after appraisal management services are completed or two years after final disposition of a judicial proceeding related to the appraisal management services, whichever period expires later.
- Appraisal management company shall not alter, modify, or otherwise change a completed report submitted by an AMC appraiser without his or her written consent.
- Appraisal management company shall disclose the registration number provided to it by the board on the engagement documents presented to the AMC appraiser.
- Appraisal management company, except in cases of noncompliance with the conditions of the engagement, shall make payment of fees to an AMC appraiser engaged by the appraisal management company to perform one or more appraisals on behalf of a creditor for a covered transaction or for a secondary mortgage market participant in connection with covered transactions within sixty days after the date on which the AMC appraiser transmits or otherwise provides the report to the appraisal management company or its assignee.
- Appraisal management company that has a reasonable basis to believe that an appraiser has failed to comply with applicable laws or the Uniform Standards of Professional Appraisal Practice shall refer the matter to the board if the failure to comply is material.
- Appraisal management company shall remove any AMC appraiser from its appraiser panel within thirty days after receiving notice that the AMC appraiser:
  - Is no longer considered to be in good standing in one or more jurisdictions in which he or she holds an active credential or equivalent;
  - The AMC appraiser's credential or equivalent has been refused, denied, canceled, or revoked; or
  - The AMC appraiser has surrendered his or her credential or equivalent in lieu of revocation.
- Any AMC appraiser included on an appraisal management company's appraiser panel pursuant to N.R.S. § 76-3203.01 (3) shall remain on such appraiser panel until the date on which the appraisal management company:
  - Sends written notice to the AMC appraiser removing him or her from the appraiser panel. Such written notice shall include an explanation of the action taken by the appraisal management company;
  - Receives written notice from the AMC appraiser requesting that he or she be removed from the appraiser panel. Such written notice shall include an explanation of the action requested by the AMC appraiser; or
  - Receives written notice on behalf of the AMC appraiser of the death or incapacity of the AMC appraiser. Such written notice shall include an explanation on behalf of the AMC appraiser.
- Applicant hereby attests that Applicant has included all required materials and completed the submitted application in its entirety. Applicant understands that, should this application be found to be incomplete, it will be considered invalid and may be returned.

Signature of Contact Person: \_\_\_\_\_ Date: \_\_\_\_\_

State of \_\_\_\_\_ )  
 \_\_\_\_\_ ) ss.

County of \_\_\_\_\_ )  
 \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

by \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Print Name of Contact Person

(Notary Seal Here)







**AUTHORIZATION TO USE FINGERPRINTS FOR NATIONAL CRIMINAL HISTORY RECORD CHECK THROUGH THE NEBRASKA STATE PATROL AND THE FEDERAL BUREAU OF INVESTIGATION**

I acknowledge and consent to the following:

1. The Nebraska Real Property Appraiser Board requires fingerprint submissions for a National Criminal History Record Check through the State Patrol and the Federal Bureau of Investigation:
  - a. as authorized in Nebraska Real Property Appraiser Act (Neb. Rev. Stat. §§ 76-2201 through 76-2250), as a part of my application for issuance of, or renewal of, a credential as a real property appraiser, or
  - b. as authorized in the Nebraska Appraisal Management Company Registration Act (Neb. Rev. Stat. §§ 76-3201 through 76-3220), as a part of the application for issuance of, or renewal of, a registration as an appraisal management company.
2. The Nebraska Real Property Appraiser Board reserves the right to go outside this Criminal History Record Check for information as to the accuracy of the statements made in my application, or for further clarification regarding the results of the Criminal History Record Check. Such information may include, but is not limited to, records of arrests for criminal offenses, the circumstances involved in any such arrests, the suspension or revocation of any license authorizing me to engage in any profession or occupation, or the rejection of my application for such license, and the reason for such suspension, revocation, or rejection.
3. The Nebraska Real Property Appraiser Board may contact any agency of federal, state, or local government, consumer reporting agency, present or former employer, or any other individual, partnership, corporation, or association, in this or any other state, to furnish to the Nebraska Real Property Appraiser Board any information requested by the Nebraska Real Property Appraiser Board pertaining to my application.
4. I acknowledge that the Criminal History Record Information is retained by the Board for two years after the date on which an application is withdrawn, denied, or approved. If the Nebraska Real Property Appraiser Board finds cause to deny my application based upon the results of my Criminal History Record Information, I may request a copy of my Criminal History Record Information received by the Nebraska Real Property Appraiser Board in accordance with the procedures found in Title 298 of the Nebraska Administrative Code.
5. I acknowledge that the procedures for obtaining information, a change, correction, or updating of an FBI identification record are set forth in Title 28, C.F.R., §16.34.

I EXPRESSLY AUTHORIZE AND CONSENT that my fingerprint submissions pertaining to my application be submitted by the Nebraska Real Property Appraiser Board to the Nebraska State Patrol for National Criminal History Record Check through the State Patrol and the Federal Bureau of Investigation, and I HEREBY ACKNOWLEDGE RECEIPT of the Privacy Act Statement.

\_\_\_\_\_  
Printed name of person whose fingerprints are being submitted

\_\_\_\_\_  
Signature of person whose fingerprints are being submitted

\_\_\_\_\_  
Date

## PRIVACY ACT STATEMENT

**Authority:** The FBI's acquisition, preservation, and exchange of fingerprints and associated information is generally authorized under 28 U.S.C. 534. Depending on the nature of your application, supplemental authorities include Federal statutes, State statutes pursuant to Pub. L. 92-544, Presidential Executive Orders, and federal regulations. Providing your fingerprints and associated information is voluntary; however, failure to do so may affect completion or approval of your application.

**Principal Purpose:** Certain determinations, such as employment, licensing, and security clearances, may be predicated on fingerprint-based background checks. Your fingerprints and associated information/biometrics may be provided to the employing, investigating, or otherwise responsible agency, and/or the FBI for the purpose of comparing your fingerprints to other fingerprints in the FBI's Next Generation Identification (NGI) system or its successor systems (including civil, criminal, and latent fingerprint repositories) or other available records of the employing, investigating, or otherwise responsible agency. The FBI may retain your fingerprints and associated information/biometrics in NGI after the completion of this application and, while retained, your fingerprints may continue to be compared against other fingerprints submitted to or retained by NGI.

**Routine Uses:** During the processing of this application and for as long thereafter as your fingerprints and associated information/biometrics are retained in NGI, your information may be disclosed pursuant to your consent, and may be disclosed without your consent as permitted by the Privacy Act of 1974 and all applicable Routine Uses as may be published at any time in the Federal Register, including the Routine Uses for the NGI system and the FBI's Blanket Routine Uses. Routine uses include, but are not limited to, disclosures to: employing, governmental or authorized non-governmental agencies responsible for employment, contracting, licensing, security clearances, and other suitability determinations; local, state, tribal, or federal law enforcement agencies; criminal justice agencies; and agencies responsible for national security or public safety.

Rev. 03/30/2018

## NONCRIMINAL JUSTICE APPLICANT'S PRIVACY RIGHTS

As an applicant who is the subject of a national fingerprint-based criminal history record check for a noncriminal justice purpose (such as an application for employment or a license, an immigration or naturalization matter, security clearance, or adoption), you have certain rights which are discussed below. All notices must be provided to you in writing.<sup>1</sup> These obligations are pursuant to the Privacy Act of 1974, Title 5, United States Code (U.S.C.) Section 552a, and Title 28 Code of Federal Regulations (CFR), 50.12, among other authorities.

- You must be provided an adequate written FBI Privacy Act Statement (dated 2013 or later) when you submit your fingerprints and associated personal information. This Privacy Act Statement must explain the authority for collecting your fingerprints and associated information and whether your fingerprints and associated information will be searched, shared, or retained.<sup>2</sup>
- You must be advised in writing of the procedures for obtaining a change, correction, or update of your FBI criminal history record as set forth at 28 CFR 16.34.
- You must be provided the opportunity to complete or challenge the accuracy of the information in your FBI criminal history record (if you have such a record).
- If you have a criminal history record, you should be afforded a reasonable amount of time to correct or complete the record (or decline to do so) before the officials deny you the employment, license, or other benefit based on information in the FBI criminal history record.
- If agency policy permits, the officials may provide you with a copy of your FBI criminal history record for review and possible challenge. If agency policy does not permit it to provide you a copy of the record, you may obtain a copy of the record by submitting fingerprints and a fee to the FBI. Information regarding this process may be obtained at <https://www.fbi.gov/services/cjis/identity-history-summary-checks> and <https://www.edo.cjis.gov>.
- If you decide to challenge the accuracy or completeness of your FBI criminal history record, you should send your challenge to the agency that contributed the questioned information to the FBI. Alternatively, you may send your challenge directly to the FBI by submitting a request via <https://www.edo.cjis.gov>. The FBI will then forward your challenge to the agency that contributed the questioned information and request the agency to verify or correct the challenged entry. Upon receipt of an official communication from that agency, the FBI will make any necessary changes/corrections to your record in accordance with the information supplied by that agency. (See 28 CFR 16.30 through 16.34.)
- You have the right to expect that officials receiving the results of the criminal history record check will use it only for authorized purposes and will not retain or disseminate it in violation of federal statute, regulation or executive order, or rule, procedure or standard established by the National Crime Prevention and Privacy Compact Council.<sup>3</sup>

<sup>1</sup> Written notification includes electronic notification, but excludes oral notification.

<sup>2</sup> <https://www.fbi.gov/services/cjis/compact-council/privacy-act-statement>

<sup>3</sup> See 5 U.S.C. 552a(b); 28 U.S.C. 534(b); 34 U.S.C. § 40316 (formerly cited as 42 U.S.C. § 14616), Article IV(c); 28 CFR 20.21(c), 2033(d) and 906.2(d).

Updated 11/6/2019

## DIRECTIONS

1. Complete entire application. If required information is not provided, application will be considered invalid and be returned to you.
2. Along with the application, the following documentation must also be included:
  - a. Check or money order for non-refundable, \$1,500.00 renewal fee, ASC AMC Registry fee, and any required late processing fee
  - b. With the application for renewal and the ASC AMC Registry fee, the AMC must also provide a list of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year, including: (1) First and last name, (2) Credential number, (3) Number of appraisals performed (during the reporting year), (4) Earliest appraisal submission date (during the reporting year), and (5) Latest appraisal submission date (during the reporting year).
  - c. Two sets of fingerprint cards for each new owner/entity owning more than 10% of the applicant applicant who has not previously had a Criminal History Record Check Completed by the Board through the Nebraska State Patrol and the Federal Bureau of Investigation for the purpose of AMC ownership. This includes trustees of trusts owning more than 10% of the applicant and individuals owning shares in a corporation or corporations where said shares amount to owning more than 10% of the applicant. **The Nebraska State Patrol will not process cards if the information at the top of the cards is not completed or if the cards are more than 1 year old. The cards must be signed by the person being fingerprinted and also by the official taking the fingerprints.**
  - d. Authorization to Use Fingerprints for National Criminal History Record Check through the Nebraska State Patrol and the Federal Bureau of Investigation signed by each person whose fingerprints are included with the application. Person being fingerprinted is also requested to review the NRPAB Privacy Act Statement prior to being fingerprinted. Additional copies of each document may be found by clicking the "AMC Registration" link on the home page of the Board's website at <https://appraiser.ne.gov/>.
  - e. Proof of a valid Surety Bond for \$25,000 naming applicant as the "Principal" and the Nebraska Real Property Appraiser Board as the "Obligee."
3. Mail application, fee(s), and supporting documentation to:

NEBRASKA REAL PROPERTY APPRAISER BOARD  
301 CENTENNIAL MALL SOUTH, FIRST FLOOR  
PO BOX 94963  
LINCOLN, NE 68509-4963
4. Questions or concerns may be directed to NRPAB staff at 402-471-9015 or [nrpab.amc@nebraska.gov](mailto:nrpab.amc@nebraska.gov).

## ADDITIONAL INFORMATION

- All Appraisal Management Company registrations are in effect for twelve months from the date of issuance, unless revoked, suspended, or canceled prior to such date.
- Per Neb. Rev. Stat. § 76-3203 (6), all Appraisal Management Company renewal applications shall be furnished to the Board no later than sixty (60) days prior to the date of expiration of the registration.
- With the application for renewal and the ASC AMC Registry Fee, the AMC must also provide a list of the AMC appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Nebraska during the reporting year, including: (1) First and last name, (2) Credential number, (3) Number of appraisals performed (during the reporting year), (4) Earliest appraisal submission date (during the reporting year), and (5) Latest appraisal submission date (during the reporting year).
- Any Appraisal Management Company who fails to submit a properly completed renewal application by the deadline specified in Neb. Rev. Stat. § 76-3203 (6), but who submits an application within six months of expiration of the registration, may receive a renewal registration by submitting the completed application, along with all of the required documentation, the renewal and ASC AMC Registry fees, and a \$25.00 late processing fee for each month or portion of a month the renewal application is postmarked after 60 days prior to registration expiration. The Appraisal Management Company will be considered inactive from the expiration date until the renewal application has been fully processed, including receipt and review by the Board of any pending background check results.
- Any Appraisal Management Company who fails to submit a properly completed renewal application within six months of expiration of the registration shall not be eligible for renewal and must submit an application for a new registration.
- AMC appraiser means a person who holds a valid credential or equivalent to appraise real estate and real property under the laws of this state or another jurisdiction, and holds the status of active on the ASC Appraiser Registry in one or more jurisdictions.
- Pursuant to subdivision (6)(c) of section 76-3202, an appraiser panel shall include each AMC appraiser as of the earliest date on which such person was accepted by the appraisal management company:
  - (a) For consideration for future assignments in covered transactions or for secondary mortgage market participants in connection with covered transactions; or
  - (b) For engagement to perform one or more appraisals on behalf of a creditor for a covered transaction or for a secondary mortgage market participant in connection with covered transactions.
- The Surety Bond shall be maintained until one year after the date that the Appraisal Management Company ceases operation in this state regardless of, if or when, termination of the Surety Bond occurs. The date that an Appraisal Management Company ceases

operation in this state is the earliest of the date on which the Nebraska Real Property Appraisal Board accepts written surrender of the registration, or the date on which the registration expires, is canceled, or is revoked.

**NEBRASKA REAL PROPERTY APPRAISER BOARD  
 APPLICANT APPRAISAL REVIEW SERVICES CONTRACTOR  
 USPAP COMPLIANCE REVIEW REPORT SUMMARY**

<b>Applicant Number:</b>
<b>Subject Property:</b>
<b>Subject Property Assignment Result Report Date:</b>
<b>Applicant Appraisal Review Services Contractor:</b>
<b>Applicant Appraisal Review Services Contract Date:</b>
<b>Applicant Appraisal Review Services Contract Amount:</b>
<b>State of Nebraska Contract Number:</b>
<b>Date USPAP Compliance Review Report Received:</b>
<b>Applicant Appraisal Review Services Contractor Invoice Number:</b>
<b>Invoice Amount for Applicant Appraisal Review Services:</b>
<b>USPAP Compliance Review Report Date:</b>
<b>Version of USPAP Utilized for Standard 3-4 Review of Assignment Results Report:</b>
<b>Version of USPAP Utilized for USPAP Compliance Review Report Development:</b>
<b>Staff <del>s</del>Summary of USPAP Compliance Review Report:</b>
<b>Staff <del>USPAP Compliance Review Report/Review Services</del><u>comments on Contractor Comments</u><del>performance:</del></b>
<b><del>Does the USPAP Compliance</del> Review Report <del>Meet s</del><u>Pre-Board Review C</u><del>contract</del> <u>r</u><del>Requirements?</del></b>

**Yes**

**No**



**NEBRASKA REAL PROPERTY APPRAISER BOARD  
 SUBJECT MATTER EXPERT (SME) SERVICES CONTRACTOR  
 USPAP COMPLIANCE REVIEW REPORT SUMMARY**

Grievance Number:
Subject Property:
Subject Property Assignment Result Report Date:
SME Services Contractor:
SME Services Contract Date:
SME Services Contract Amount:
State of Nebraska Contract Number:
Date USPAP Compliance Review Report Received:
SME Services Contractor Invoice Number:
Invoice Amount for SME Services:
USPAP Compliance Review Report Date:
Version of USPAP Utilized for Standard 3-4 Review of Assignment Results Report:
Version of USPAP Utilized for USPAP Compliance Review Report Development:
Staff <del>Summary of USPAP Compliance Review Report:/Review Services comments on Contractor <u>performance</u>Comments:</del>
<del>Does the USPAP Compliance Review Report <u>mMeets Pre-Board Review Ccontract rRequirements?</u>:</del>

**Yes**

**No**



**ANNUAL REPORT | 2022**  
APPRAISAL SUBCOMMITTEE

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

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# LETTER OF TRANSMITTAL

June 14, 2023

The President of the Senate  
The Speaker of the House of Representatives

Pursuant to Section 1103 of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (12 U.S.C. § 3332), I am pleased to submit the 2022 Annual Report of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.



Sincerely,

A handwritten signature in black ink, appearing to read 'ZOM f' with a flourish at the end.

Zixta Martinez  
Chair

# INTRODUCTION

The Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council (FFIEC)<sup>1</sup> was created on August 9, 1989, pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI of FIRREA or Title XI). Title XI's purpose is to "provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, and by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision."<sup>2</sup> In general, the ASC oversees the real estate appraisal regulatory framework as it relates to federally related transactions as defined in Title XI.<sup>3</sup>

Title XI requires the ASC to:

- monitor the requirements established by States:<sup>4</sup>
  - for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility; and
  - for the registration and supervision of the operations and activities of appraisal management companies (AMCs)
- monitor the requirements established by the Federal financial institutions regulatory agencies with respect to:
  - appraisal standards for federally related transactions under their jurisdiction; and
  - determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser
- maintain a National Registry of State certified and licensed appraisers (Appraiser Registry) who are eligible to perform appraisals in federally related transactions
- maintain a National Registry of AMCs (AMC Registry) that either are registered with and subject to supervision of a State<sup>5</sup> appraiser certifying and licensing agency or are operating subsidiaries of a Federally regulated financial institution<sup>6</sup>
- establish and operate an appraisal complaint national hotline, including a toll-free telephone number and email address, for the referral of complaints concerning alleged violations of appraisal independence standards and/or *Uniform Standards of Professional Appraisal Practice* (USPAP)
- monitor and review the practices, procedures, activities and organizational structure of the Appraisal Foundation (Foundation)
- transmit an annual report to Congress not later than June 15 of each year that describes the way each function assigned to the ASC has been carried out during the preceding year

<sup>1</sup> The FFIEC was established pursuant to Title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978. It is an interagency body empowered to set uniform principles for the examination of federally regulated financial institutions.

<sup>2</sup> Title XI § 1101, 12 U.S.C. § 3331.

<sup>3</sup> A federally related transaction includes any real estate-related financial transaction which: (a) a Federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser under the interagency appraisal rules. [(Title XI § 1121 (4), 12 U.S.C. § 3350), implemented by the Office of the Comptroller of the Currency: 12 CFR 34.42(g) and 34.43(a); Federal Reserve Board: 12 CFR 225.62 and 225.63(a); Federal Deposit Insurance Corporation: 12 CFR 323.2(f) and 323.3(a); and National Credit Union Administration: 12 CFR 722.2(f) and 722.3(a)]. Based on 2014 Home Mortgage Disclosure Act (HMDA) data, at least 90 percent of residential mortgage loan originations are not subject to the Title XI appraisal regulations. (FFIEC report to Congress, *Economic Growth and Regulatory Paperwork Reduction Act*, 82 *Federal Register* 15900 (March 30, 2017)).

<sup>4</sup> Title XI also covers U.S. territories. See U.S.C. 3345. Currently, all U.S. States, the District of Columbia, The Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands have Programs. (American Samoa does not have a Program.)

<sup>5</sup> States are not required to have an AMC Program; 50 States and the District of Columbia have AMC Programs; American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and United States Virgin Islands do not have Programs.

<sup>6</sup> 12 CFR 1102.400 - 1102.403. The ASC rule to implement collection and transmission of annual AMC registry fees was published by the ASC in the September 25, 2017, issue of the *Federal Register* (82 FR 44493). The Final Rule's effective date was November 24, 2017.

Title XI also requires the ASC to:

- make grants in such amounts as it deems appropriate to the Foundation to help defray costs relating to the activities of the Appraisal Standards Board (ASB) and Appraiser Qualifications Board (AQB)
- make grants to State appraiser certifying and licensing agencies in accordance with policies developed by the ASC<sup>7</sup> to support the efforts of such agencies to comply with Title XI, including—
  - the complaint process, complaint investigations, and appraiser enforcement activities of such agencies
  - the submission of data on State licensed and certified appraisers and AMCs to the Appraiser Registry and the AMC Registry, including information affirming that appraisers or AMCs meet required qualification criteria, and information on formal and informal disciplinary actions
  - reporting to all State appraiser certifying and licensing agencies when a license or certification is surrendered, revoked or suspended

An unofficial ASC staff version of Title XI is in Appendix G.

The ASC has seven members, each designated respectively by the head of their agency, including the Board of Governors of the Federal Reserve System (Federal Reserve), Consumer Financial Protection Bureau (Bureau), Federal Deposit Insurance Corporation (FDIC), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC), Federal Housing Finance Agency (FHFA), and U.S. Department of Housing and Urban Development (HUD). Title XI also requires the FFIEC to appoint a Chairperson from the member representatives to serve a 2-year term.

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<sup>7</sup> The ASC adopted a grants handbook on December 12, 2019, which includes all the ASC policies and procedures with regard to grants.

# MESSAGE FROM THE CHAIR

In 2022, the Appraisal Subcommittee (ASC) continued critical actions focused on ensuring that home appraisals in the United States are accurate and nondiscriminatory. In the interest of advancing racial equity and support for underserved communities, the ASC carried out the following: (1) worked with other federal agencies to address appraisal bias, lender discrimination, or violation(s) of fair housing/fair lending laws; (2) funded an independent review of appraisal standards and appraiser qualification criteria focusing on fairness, equity, objectivity and diversity; (3) provided support to States through training and the ASC Grants Program to support State appraiser regulatory agencies' work to address appraiser shortages in underserved markets; and (4) voted to hold a hearing in 2023 regarding appraisal bias and barriers to entry in the appraisal profession. The ASC is committed to carrying these initiatives forward and expanding on these efforts to ensure a fair and accurate appraisal market free of racial discrimination.

The Interagency Task Force on Property Appraisal and Valuation Equity (PAVE), which includes all ASC member agencies and the ASC itself, released its action plan on March 23, 2022. The entire action plan can be found at <https://pave.hud.gov/actionplan>. The Biden Administration created PAVE in 2021 to be "...a first-of-its-kind interagency initiative to address inequity in home appraisals [to] utilize, quickly, the many levers at the federal government's disposal, including potential enforcement under fair housing laws, regulatory action, and development of standards and guidance in close partnership with industry and state and local governments, to root out discrimination in the appraisal and homebuying process."<sup>8</sup> On March 24, 2022, PAVE Executive Director Melody Taylor and ASC Executive Director Jim Park presented testimony in a hearing before the U.S. Senate Committee on Banking, Housing, and Urban Affairs. As a Member of PAVE, the ASC is committed to supporting its work and implementing ASC's commitments under the action plan.

In 2021 the ASC funded a comprehensive review of the *Uniform Standards of Professional Appraisal Practice* (USPAP) and the *Real Property Appraiser Qualification Criteria* (Criteria), as well as related and required courses to attain and maintain licensure as an appraiser. The review focused on whether USPAP, the Criteria, and related courses ensure and promote fairness, equity, objectivity, and diversity, in both appraisals and in the training and credentialing of appraisers. A consortium led by the National Fair Housing Alliance (NFHA) conducted research and analysis, with additional subject matter expertise provided by Dane Law and The Christensen Law Firm specializing in civil rights, fair housing, fair lending and appraisal practice, and completed the report in 2022. The report is available on the ASC website at <https://bit.ly/2022NFHAAnalysis>.

Following the report, on March 9, 2022, the ASC Board directed ASC staff to provide notice to the Appraisal Foundation (TAF) to revise the 7-Hour National USPAP Update Course in accordance with the recommendations set forth in the report; and that TAF should also address such concerns with respect to appraisers who have already received the training. TAF distributed an update to the course in November 2022. Later in 2022, ASC staff also identified for TAF the particular recommendations in the report that ASC staff viewed should be prioritized for analysis and response.

Additionally, under an agreement with the ASC, the Council on Licensure, Enforcement and Regulation (CLEAR) presented the Policy Statement and Regulations (PStAR) course in May, which was attended by 62 participants.<sup>9</sup> There has been high turnover in State staff recently, so this was an opportunity for new staff to hear from subject matter experts on their experience with the ASC Policy Statements. A segment on Diversity, Equity, and Inclusion (DEI) was part of the course.

<sup>8</sup> WHITE HOUSE (2021), <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/01/fact-sheet-biden-harris-administration-announces-new-actions-to-build-black-wealth-and-narrow-the-racial-wealth-gap/> (last visited May 21, 2023).

<sup>9</sup> In 2021, the ASC awarded a 3-year \$1 million grant to provide training and technical assistance to improve State appraiser and AMC regulatory programs to CLEAR.



The ASC continues to expand its grant program to support State Programs, TAF, appraisers, Appraisal Management Companies (AMCs) and the valuation industry. In 2022, the ASC provided grants to two additional States and more than \$450,000 was drawn down on all State grants in 2022. TAF declined the 2022 ASC grant. More information regarding ASC grants can be found on page 10.

During the November 16, 2022, public meeting, the ASC voted to hold a hearing. Hearings are an authorized activity for the ASC under §1106 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) but this was the first time the ASC has convened a hearing. With this hearing, ASC intended to shine a spotlight on the issue of appraisal bias; to provide information on ASC and its role in the appraisal marketplace; take public feedback; and identify gaps in ASC's knowledge and key issues impacting the market. The hearing took place at CFPB's Headquarters and was livestreamed on January 24, 2023. The livestream can be viewed at <https://www.asc.gov/node/832952>.

In December 2021, the Government Accountability Office (GAO) completed its review of Title XI exemptions.<sup>10</sup> The study examined the extent to which: (1) Title XI appraisal exemptions increased risks for federally regulated lenders and homebuyers; and (2) the ASC followed its waiver review process

or faced challenges when it granted North Dakota a temporary waiver. The GAO findings included the recommendation that the ASC define appraiser scarcity and significant delay in measurable ways and establish standards that ASC can use to objectively determine whether these conditions exist. The ASC undertook a rulemaking to address the findings from the GAO study. The final rule was published October 7, 2022, and took effect December 6, 2022.

As a result of the ongoing pandemic and travel restrictions, the ASC continued to conduct State Appraiser and AMC Program State Offsite Assessments (SOAs) remotely. Staff performed 28 Appraiser Program SOAs and 25 AMC Program SOAs in 2022, compared to a total of 19 Appraiser and AMC Program SOAs in 2021.

Longtime ASC General Counsel, Alice Ritter, retired on December 31, 2022. She helped move the agency forward during a time of significant activity and her depth of expertise in this field will be greatly missed. The ASC also hired three new staff members in 2022: Juan Burgos and Natalie Lutz joined as attorney-advisors, and Tom Lewis became the newest policy manager.

In closing, 2022 was one of the most active and eventful years in the ASC's history. The ASC continues to prioritize a commitment to equity, fairness, and diversity in the appraisal profession.

<sup>10</sup> <https://www.gao.gov/products/gao-22-104472>.

# APPRAISAL SUBCOMMITTEE REPRESENTATIVES



**Consumer Financial Protection Bureau**  
**Chair:** Zixta Martinez since April 2022  
 Martinez is the Deputy Director.  
 Alternate Member: John Schroeder since July 2019



**Federal Deposit Insurance Corporation**  
**Member:** Luke Brown since May 2022  
 Brown is Associate Director for Supervisory Policy, Division of Depositor and Consumer Protection.  
 Alternate Member: Tom Lyons since May 2022



**U.S. Department of Housing and Urban Development**  
**Vice Chair:** Bobbi Borland since August 2017  
 Borland is Deputy Director, Office of Single-Family Housing Policy.  
 Alternate Member: Brian Barnes since February 2020



**Federal Housing Finance Agency**  
**Member:** Maria Fernandez since October 2014  
 Fernandez is Senior Associate Director, Housing and Regulatory Policy.  
 Alternate Member: Julie Giesbrecht since January 2022



**Board of Governors of the Federal Reserve System**  
**Member:** Suzanne Williams since May 2022  
 Williams is a Deputy Associate Director, Division of Supervision and Regulation.  
 Alternate Member: Keshia King since May 2022



**National Credit Union Administration**  
**Member:** JeanMarie Komyathy since March 2022  
 Komyathy is Deputy Director of Credit Union Resources and Expansion.  
 Alternate Member: Victoria Nahrwold since October 2022



**Office of the Comptroller of the Currency**  
**Member:** Enice Thomas since January 2021  
 Thomas is Deputy Comptroller for Credit Risk Policy.  
 Alternate Member: Jim Rives since December 2019

# ADMINISTRATION OF THE APPRAISAL SUBCOMMITTEE

## STAFF LISTING

**James R. Park**, Executive Director

**Denise E. Graves**, Deputy Executive Director

**Alice Ritter**, General Counsel

**Vacant**, Grants Director

**Juan M. Burgos**, Attorney-Advisor

**Ada L. Bohorfoush**, Attorney-Advisor

**Natalie Lutz**, Attorney-Advisor

**L. Girard Hull**, Financial Manager

**Jenny Howard Tidwell**, Policy Manager

**Kristi A. Klamet**, Policy Manager

**Neal R. Fenchietti**, Policy Manager

**Claire M. Brooks**, Policy Manager

**Maria M. Brown**, Policy Manager

**Tom Lewis**, Policy Manager

**Lori L. Schuster**, Management and Program Analyst

**Brian T. Kelly**, Administrative Officer/Project Manager - IT

**Vacant**, Regulatory Affairs Specialist

## ASC MEETING PROCEDURES

The ASC held virtual meetings in March, June, September, and November of 2022.

# STATE APPRAISER AND AMC PROGRAM OVERSIGHT

## STATE COMPLIANCE REVIEWS

The ASC issues Policy Statements to provide States with the necessary information to maintain their Appraiser Programs and AMC Programs (State Programs) in compliance with Title XI. Current Policy Statements are set forth in Appendix G. Though historically the ASC has monitored State Appraiser and AMC Programs largely through our Compliance Review process, which included on-site visits to the States, on-site visits to the States have been suspended due to ongoing safety precautions related to the Coronavirus. The ASC performed on-site Compliance Reviews of each State at least once every two years. (See Appendix C, *Tools for Monitoring State Compliance with Title XI.*) Programs that evidenced noncompliance in one or more areas could be subject to additional oversight, including Follow-up Reviews, an accelerated Review Cycle and/or off-site monitoring.

As a result of the temporary suspension of on-site visits, the ASC initiated an alternative process to communicate with States referred to as State Offsite Assessments (SOAs). An SOA is used in lieu of a Compliance Review when travel is restricted. An SOA is a limited assessment and evaluation of the Appraiser and AMC Program's compliance with Title XI intended to provide feedback to State staff. SOAs focus on State Appraiser or AMC Program statutes, rules, policies, and applications intended to identify characteristics which could lead to non-compliance. The SOA does not result in a finding regarding compliance or a Program rating, but rather provides the State with information it needs to make program improvements, if necessary. The ASC performed 28 SOAs of Appraiser Programs and 25 SOAs of AMC Programs in 2022.

## PRIORITY CONTACTS

The ASC identifies Appraiser Programs that may have a significant impact on the nation's appraiser regulatory system. The following 14 States, listed alphabetically, collectively represent over 50% of the credentialed appraisers on the Appraiser Registry: California, Colorado, Florida, Georgia, Illinois, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Virginia, and Washington. The ASC performs Priority Contact visits with these States in those years when Compliance Reviews or SOAs are not scheduled.<sup>11</sup> The ASC also conducts a Priority Contact visit for individual States when a specific concern warrants special attention by the ASC. The primary purpose of the Priority Contact visit is to review topical issues, evaluate regulatory compliance issues and maintain a close working relationship with the State. The ASC performed seven Priority Contact visits remotely in 2022.

<sup>11</sup> Priority Contact visits may be performed onsite or remotely.

# APPRAISAL FOUNDATION MONITORING AND REVIEW

## ASC OVERSIGHT OF THE APPRAISAL FOUNDATION

### Monitoring and Reviewing the Appraisal Foundation (Foundation)

Title XI specifically requires the ASC to “monitor and review the practices, procedures, activities and organizational structure” of the Foundation.<sup>12</sup> Historically, the ASC has carried out this responsibility in several ways, including:

- attendance at all relevant public and private ASB, AQB and Board of Trustees (BOT) meetings
- providing informal and formal comments and input on proposed changes to USPAP and the AQB Criteria
- providing informal and formal comments and input on activities of the BOT that impact the Foundation’s Title XI-related activities

In addition to attending Foundation meetings, the ASC provided written comments to the ASB regarding the Second Exposure Draft of proposed changes to USPAP urging the ASB to work with stakeholders and include legal expertise to ensure proper consideration is given to how changes in USPAP will be received and impact appraisal practice.

In 2021, the ASC approved budget authority of up to \$250,000 to support a comprehensive and independent review of the USPAP and the Criteria. The goal of the review was to ensure that USPAP and the AQB Criteria do not encourage or systematize bias, and consistently support or promote fairness, equity, objectivity and diversity in both appraisals and the training and credentialing of appraisers. The Council on Licensure, Enforcement and

Regulations, Inc. (CLEAR) has a 3-year cooperative agreement with the ASC to, in part, undertake research on the appraisal and AMC regulatory system. CLEAR managed the procurement of appropriate experts to carry out the independent review. The independent review, conducted by a consortium of experts led by the National Fair Housing Alliance (NFHA), was made public in January 2022 and is available on the ASC website at <https://bit.ly/2022NFHAAnalysis> (NFHA Report). ASC staff followed up on the report with a letter to the Foundation asking questions about if and how they were addressing the issues in the report; the letter is available on the ASC website at <http://bit.ly/3TjEoiz>.

In September of 2021, the ASC published a Notice of Funding Availability (NOFA) for the Foundation in the amount of \$2,000,000 over two years. The purpose of the funds would be to support operations of the AQB and ASB, including projects that promote innovation and reform of the AQB and ASB grant-eligible activities, including:

- an outside study to review the current publishing cycle for USPAP and its connection to the Foundation’s revenue needs
- free or reduced cost copy of Standards 1–4 and associated annotations for trainees and credentialed appraisers
- appraiser shortages
- diversity in the profession
- Veterans’ outreach
- National Exam updates

The NOFA expired in 2022 with no response from the Foundation.

<sup>12</sup> Title XI § 1103(b), 12 U.S.C. § 3332 (b).

# ASC GRANTS

The ASC grantmaking-related activities in 2022 included:

## TRAINING AND TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT

The ASC published a competitive NOFA in 2020 soliciting applications for a new grantee to work closely with ASC to deliver training and technical assistance to State Appraiser and AMC regulatory agencies, and commission research on the appraisal industry to support the goals of Title XI and advance the profession in general. CLEAR was the recipient of this award. CLEAR has been awarded \$812,754 over a 3-year period to carry out planned training and technical assistance to State regulatory agencies plus an additional \$400,000 for supplemental activities.

CLEAR produced outcomes in 2022 that included an in-person Policy Statements and Appraiser Regulations (or “PStAR”) training in San Antonio, with 62 state regulators in attendance, and the development of two online training programs focusing on New Board Member training and Investigator training. CLEAR also achieved key milestones in data development, including the delivery of the NFHA Report, the development of research questions that will form the basis of a 2023 survey of the appraiser profession, and the identification (through a formal Request for Information process and informal outreach) of key partners that will facilitate continuing research in the year to come.

## STATE GRANTS

Title XI authorizes the ASC to make grants directly to the 55 eligible States and U.S. Territories in accordance with policies developed by the ASC in support of States’ Title XI activities. Funds can be used to improve State appraiser and AMC regulatory processes and advance the appraisal industry with high-quality, impact-oriented programming.

Grants are awarded on a 3-year cycle with the funding provided annually. Since 2020, the ASC has awarded close to \$3,000,000 in funds to support activities that included hiring additional investigator staff, training

for staff and board members, technology upgrades, and the creation of a new training experience program to support and accelerate credentialing of new appraisers in States experiencing a shortage of appraisers. Grants have been awarded to 15 States, or 25% of the entities eligible.

The 15 States receiving ASC grants are: Arizona, Arkansas, Connecticut, Hawaii, Illinois, Kentucky, Louisiana, Minnesota, Mississippi, Montana, North Carolina, South Dakota, Texas, Utah, and Vermont.

# APPRAISER REGISTRY

Title XI requires the ASC to maintain an appraiser registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions (Appraiser Registry).<sup>13</sup> As of December 31, 2022, the Appraiser Registry contained 94,299<sup>14</sup> appraiser credentials, up slightly from the 93,262 entries at the end of 2021, and down approximately 22% from the peak in 2007 of over 121,000. (See Appendix B, *National Registry Statistics*.)

The Appraiser Registry is accessible at the ASC's website ([www.asc.gov](http://www.asc.gov)), and is used by appraisers, Federal and State agencies, financial institutions, users of appraisal services, law enforcement, and consumers. Use of the Appraiser Registry is free. The Appraiser Registry allows users to determine whether an appraiser is State certified or licensed to perform appraisals in connection with federally related transactions. Users can also access an appraiser's credential status and determine whether the appraiser's credential is currently suspended, revoked, or surrendered in lieu of State disciplinary action.

The Appraiser Registry facilitates information sharing that assists State Programs in enforcing their appraiser-related statutes and regulations, including temporary practice and reciprocity. Financial institutions and other users also can access the Appraiser Registry to:

- receive automatic notifications about new revocations, suspensions, surrenders, and certification and license expirations
- download publicly available information or parts of the Appraiser Registry into predefined queries and user-customized queries
- verify appraiser credentials
- set up automatic queries of Appraiser Registry information using a web service which allows computer systems used by lenders, regulatory agencies and other authorized parties to integrate directly with the Appraiser Registry

States reported 9,931 disciplinary actions taken against appraisers over the past 10 years. (See Appendix D, *Disciplinary Actions Reported by States*.)

<sup>13</sup> Title XI § 1103(a)(3), 12 U.S.C. § 3332(a)(3).

<sup>14</sup> This number does not represent the number of individual appraisers as some appraisers have credentials from multiple States.

# AMC REGISTRY

Title XI requires the ASC to maintain an AMC Registry of AMCs that either are registered with and subject to supervision of a State AMC Program or are Federally regulated.<sup>15</sup> The AMC Registry became available for States to populate on July 16, 2018. As of December 31, 2022, the AMC Registry included 49 States registering AMCs, an increase from 44 States in 2021.

The AMC Registry is accessible at the ASC’s website ([www.asc.gov](http://www.asc.gov)), and is used by appraisers, Federal and State agencies, financial institutions, users of appraisal services, law enforcement, and consumers. Use of the AMC Registry is free. The AMC Registry allows users to determine whether an AMC meets the federal definition of an AMC and is registered in a particular State. Users can also access an AMC’s registration status and determine whether the AMC is currently suspended, revoked or surrendered in lieu of State disciplinary action.

The AMC Registry facilitates information sharing that assists State Programs in enforcing their AMC-related statutes and regulations. Financial institutions and other users also can access the AMC Registry to:

- receive automatic notifications about new revocations, suspensions, surrenders, and registration expirations
- download publicly available information or parts of the AMC Registry into predefined queries and user-customized queries
- set up automatic queries of AMC Registry information using a web service which allows computer systems used by lenders, regulatory agencies, and other authorized parties to integrate directly with the AMC Registry

States reported 58 disciplinary actions taken against AMCs over the past 4 years (the AMC Registry opened in 2018). (See Appendix D, *Disciplinary Actions Reported by States*.)

<sup>15</sup> Title XI § 1103(a)(6), 12 U.S.C. § 3332(a)(6).



# APPRAISAL COMPLAINT NATIONAL HOTLINE

Title XI requires the ASC to maintain a national hotline to receive complaints of non-compliance with the appraisal independence standards and/or USPAP, including complaints from appraisers, individuals, or other entities concerning the improper influencing or attempted improper influencing of appraisers or the appraisal process.<sup>16</sup> The ASC began operation of the Appraisal Complaint National Hotline (Hotline) on March 15, 2013. The Hotline refers complainants to the appropriate State and/or Federal agencies to handle complaints of alleged non-compliance with USPAP and/or appraisal independence standards. The Hotline now includes resource information on where to file complaints of alleged appraisal bias, lender discrimination, or violation of the Fair Housing Act. The Hotline consists of three components: a website (ReferMyAppraisalComplaint.asc.gov), an online contact form, and a call center with a toll-free telephone number (877-739-0096).

The Hotline website received 4,021 contacts in calendar year 2022. Additionally, the toll-free telephone number received 571 calls and the email portal received 15 contacts. These contacts resulted in 504 referrals to State and Federal agencies. Appendix E, *Appraisal Complaint National Hotline*, contains more detailed information on the source of contacts, specific agency referrals and whether the contact concerned issues of potential non-compliance with appraisal independence standards or violations of USPAP. Since the Hotline was designed as a referral system, it does not collect data on the resolution of complaints referred to the State or Federal agencies. Appendix F, *Agency Complaint Data*, also contains data reported by the Federal financial institution regulatory agencies and the CFPB concerning complaints received by them during calendar year 2022. The numbers reported in this table differ from those reported in the ASC's table for several reasons. The Hotline is a referral tool available to a wide range of users; consequently, not all complainants who access the Hotline will proceed to filing a complaint with one of the agencies, or they may choose to file a complaint with their State appraiser regulatory agency. Additionally, the reported data includes all appraisal-related complaints received by the Federal agency without identifying whether the complainant used the Hotline to obtain the referral information. States do not report data on appraisal-related complaints to the ASC, although a State's processing and disposition of complaints are part of the Compliance Review process.

<sup>16</sup> Title XI § 1122(i), 12 U.S.C. § 3351(i).

# ACTIVITIES OF THE ASC MEMBER AGENCIES

Following Title XI's adoption in 1989, each of the Federal financial institutions regulatory agencies and HUD adopted appraisal-related rules and policies. The OCC, Federal Reserve, FDIC and NCUA also jointly issued *Interagency Appraisal and Evaluation Guidelines* (Guidelines) for an institution's appraisal and evaluation program.<sup>17</sup> The Guidelines address an institution's collateral valuation function, including appraisal independence, minimum appraisal standards for federally related transactions, the development and content of evaluations, appraisals for residential tract development lending and background on USPAP. The appraisal regulations require institutions regulated by the applicable agencies to ensure that appraisals supporting federally related transactions, among other things, comply with USPAP and are performed by a State certified or State licensed appraiser.<sup>18</sup>

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<sup>17</sup> See 75 *Federal Register* 77450 (December 10, 2010).

<sup>18</sup> FDIC: 12 CFR Part 323, subpart A; Board: 12 CFR 225.61(b); 12 CFR Part 208, subpart E; OCC: 12 CFR Part 34, subpart C; NCUA: 12 CFR Part 722.

# INTERAGENCY ACTIVITY

## PROPERTY APPRAISAL VALUATION EQUITY (PAVE) FEDERAL TASK FORCE

PAVE Task Force members developed and began executing activities of the Action Plan to Advance Property Appraisal and Valuation Equity - the blueprint for how all Americans can benefit fairly from the equity built through homeownership. The PAVE Action Plan:

- outlines the historical role of racism in the valuation of residential property
- examines the various forms of bias that can appear in residential property valuation practices
- describes how government and industry stakeholders will advance equity through concrete actions and recommendations

PAVE Task Force actions to date are addressing the following PAVE Action Plan commitments:

1. Strengthening guardrails against unlawful discrimination in all stages of residential valuation
2. Enhancing fair housing and fair lending enforcement and driving accountability in the industry
3. Building a well-trained, accessible, and diverse appraiser workforce
4. Empowering consumers to take action
5. Giving researchers and enforcement agencies better data to study and monitor valuation bias

## HIGHER-PRICED MORTGAGE LOANS

On October 13, 2022, the CFPB, Federal Reserve, and the OCC announced that the threshold for exempting loans from special appraisal requirements for higher-priced mortgage loans during 2023 increased from \$28,500 to \$31,000. The threshold amount is effective January 1, 2023, and is based on the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) as of June 1, 2022.

The Dodd–Frank Wall Street Reform and Consumer Protection Act added special appraisal requirements for higher-priced mortgage loans, including that creditors obtain a written appraisal based on a physical visit to the interior of the home before making a higher-priced mortgage loan. The rules implementing these requirements contain an exemption for loans of \$25,000 or less, adjusted annually to reflect CPI-W increases.

# MEMBER AGENCY ACTIVITY

Several ASC member agencies issued appraisal related rules, guidance, and training in addition to the interagency rulemaking projects.

## CONSUMER FINANCIAL PROTECTION BUREAU

In 2022, the CFPB convened a Small Business Review Panel (Panel) in connection with the automated valuation model (AVM) rulemaking under section 1125 of FIRREA. Section 1125 defines an AVM as “any computerized model used by mortgage originators and secondary market issuers to determine the collateral worth of a mortgage secured by a consumer’s principal dwelling.”<sup>19</sup> The Panel collected feedback from a group of small entity representatives (SERs) and, on May 13, 2022, the Bureau released the [“Final Report of the Small Business Review Panel on the CFPB’s Proposals and Alternatives Under Consideration for the Automated Valuation Model \(AVM\) Rulemaking.”](#) The CFPB is considering the SERs’ feedback and the Panel’s report as the CFPB participates in the interagency rulemaking.

The CFPB also published blog posts to help raise awareness regarding federal prohibitions against appraisal discrimination and opportunities for consumers to challenge inaccurate appraisals. On February 4, 2022, the CFPB published [“Appraisal Discrimination Is Illegal Under Federal Law,”](#) which emphasizes that the protections of the Fair Housing Act (FHAct) and Equal Credit Opportunity Act (ECOA) extend to appraisals. The blog post accompanied an interagency letter to the Appraisal Standards Board of TAF. The letter co-signed by senior staff from CFPB, HUD, FRB, FDIC, DOJ, OCC, NCUA, and FHFA was regarding the USPAP Ethics Rule and Advisory Opinion draft provisions stating that an appraiser may not rely on “unsupported conclusions relating to characteristics such as race, color, religion, national origin, sex, sexual orientation, gender, marital status, familial status, age, receipt of public assistance income, disability . . . .” The interagency letter states that the ban on discrimination under the FHAct and the ECOA is not limited only to “unsupported” conclusions.

<sup>19</sup> 12 U.S.C. 3354(d).

In April 2022, the designee from the CFPB became Chair of the ASC Board and assumed responsibilities for various ASC Board workstreams underway.

On October 6, 2022, the CFPB published [“Mortgage Borrowers Can Challenge Inaccurate Appraisals Through the Reconsideration of Value \(ROV\) Process,”](#) which highlights that consumers can challenge inaccurate appraisals through the ROV process, including in situations where consumers provide evidence the appraisal was influenced by prohibited bias. The blog post also urged lenders to provide borrowers with clear, actionable information about how to raise concerns about the accuracy of an appraisal.

In September 2022, the CFPB submitted a comment on the Proposed Changes for the 2023 USPAP noting that the CFPB’s compliance and enforcement activities will be conducted in accordance with its authorities under ECOA and Regulation B, its authority to interpret and enforce the CFPB’s prohibition against UDAAPs in connection with consumer financial products or services, and all other applicable Federal consumer financial protection laws. The CFPB urged careful adherence to all applicable statutes, regulations, and other law.

CFPB continued to participate as a member agency in the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE) and relatedly on two temporary subgroups of the Federal Financial Institutions Examination Council’s task forces on consumer compliance and supervision. The Task Force on Supervision subgroup is charged with sharing information and developing safety and soundness examination principles and other applicable supervisory matters to support the implementation of goals and commitments made by individual supervision taskforce member agencies in the PAVE Action Plan. The Taskforce on Consumer Compliance is focused on developing interagency principles applicable to consumer protection in residential appraisals and valuations that would enable the agencies to identify red flags and patterns of appraisal bias.

## FEDERAL RESERVE BOARD

In 2022, Federal Reserve staff continued their participation as a member agency in the PAVE Task Force formed by the White House and HUD to address inequity in home appraisals. This participation included assisting with the drafting and publication of PAVE's Action Plan, along with working to implement action items contained in the Action Plan. The Federal Reserve will continue working with PAVE, other FFIEC members, and the Appraisal Subcommittee on initiatives to increase our understanding of appraisal bias and identify any additional steps that the agencies can take to detect bias and prevent discrimination against minority borrowers. In a recent speech, the Vice Chair for Supervision, Michael S. Barr, indicated that racial bias in the residential real estate market has long been noted as a source of concern and that he looks forward to working with other regulators to help ensure that individuals are treated equally in the appraisal process regardless of race or the racial composition of neighborhoods.<sup>20</sup>

Federal Reserve staff also continued to engage with stakeholders in the appraisal industry. Federal Reserve staff participated in outreach efforts, including panel discussions, to explain the federal banking agencies' appraisal regulations and guidance to financial institutions, appraisal professionals, users of appraisal services, and state appraiser regulators. In addition, Federal Reserve staff continued to publish Community Banking Connections<sup>21</sup>, a web-based publication that provides community bankers with access to information on safe and sound banking practices, which has covered compliance with appraisal regulations.

## OFFICE OF THE COMPTROLLER OF THE CURRENCY

In FY 2022, OCC leadership and staff participated in outreach, policy development, and other activities with various constituents in the appraisal profession. Constituents included appraisers, industry associations, users of appraisal services, community development organizations, inter-governmental task forces, bankers, and other regulators. These activities included in-person, virtual, and hybrid meetings, panel discussions, webcasts, podcasts, and seminar presentations. The OCC also provided training, information, and guidance on real estate lending, appraisals, and evaluations for internal and external audiences.

The OCC is an active member of the interagency PAVE Task Force. As noted elsewhere within this report, PAVE is focused on ensuring that government oversight and industry practice further valuation equity, combat valuation bias through educating the consumer and training the practitioner, foster equity in valuation by ensuring available high-quality data and creating a comprehensive and coordinated approach to combating valuation bias through enforcement, compliance and other supervisory efforts. In March 2022, the Acting Comptroller of the Currency issued a statement reiterating the OCC's commitment to carrying out the actions recommended by the PAVE task force to help ensure greater federal oversight and effective monitoring for discrimination in appraisals and technology-based valuations of residential property. The OCC will continue to use its supervisory authority to advance racial equity consistent with the OCC's mission to ensure OCC supervised institutions provide fair and equitable access to financial services.

<sup>20</sup> See Michael S. Barr (2023), "[Remarks at the 'Banking on Financial Inclusion' Conference](#)," speech delivered at the Hope Economic Mobility Forum at Jackson State University, February 7.

<sup>21</sup> For more information on Community Banking Connections, please visit <https://www.communitybankingconnections.org/>.

Through the affordable homeownership workstream of the OCC's innovative initiative, Project REACH (Roundtable for Economic Access and Change), the OCC regularly convened leaders from banking, business, technology, community groups and national civil rights organizations to address homeownership barriers. More specifically, participants in the affordable homeownership workstream developed a best practice guide and template to address reconsiderations of value issues for use in residential real estate lending activities. In 2022, the OCC increased its Project REACH footprint by launching new REACH initiatives in the greater Detroit, Dallas, and Milwaukee communities to provide regional forums to support financial inclusion. In marking the second anniversary of Project REACH, the OCC hosted a financial inclusion symposium in July 2022. Attendees included representation from OCC leadership, civil rights organizations, financial institutions, community development practitioners, and other key stakeholders addressing housing and economic challenges affecting minority communities.

## FEDERAL DEPOSIT INSURANCE CORPORATION

The FDIC is deeply committed to advancing the recommendations made in the PAVE Action Plan and has been closely coordinating and collaborating with other PAVE member agencies to address bias in residential property valuation and achieve the objectives of the PAVE Action Plan.

The PAVE Action Plan committed to leveraging a pre-existing rulemaking related to quality control standards for automated valuation models (AVMs) to address potential bias in the use of technology-based valuation tools. The banking agencies, along with FHFA and CFPB, are meeting regularly to complete the Notice of Proposed Rulemaking.

Additionally, the banking agencies have created PAVE-focused staff working groups through the FFIEC, including through the Task Force on Consumer Compliance (TFCC) and Task Force on Supervision (TFOS), to develop Reconsideration of Value guidance, examination principles, and consumer protection examination procedures to address appraisal bias. The TFOS working group is working to develop interagency safety and soundness examination principles focusing on the identification and assessment of concerns that may result from biased appraisals obtained and used by supervised entities.

In addition to interagency efforts, the FDIC is taking independent action to expand the review of appraisal issues in our existing fair lending examination process and update resources and training for fair lending examiners on appraisal bias. As part of the FDIC's ongoing efforts to expand access to the mainstream banking system, the FDIC's Advisory Committee on Economic Inclusion hosted a presentation on appraisal bias in June of 2022. Furthermore, to raise awareness of the issue, FDIC developed publicly-available information for consumers if they believe an appraisal has not been conducted fairly.

FDIC will continue working independently and on an interagency basis to complete these action items in 2023.

## NATIONAL CREDIT UNION ADMINISTRATION

In addition to the interagency activities noted above, NCUA continues to participate as part of the PAVE Task Force. NCUA's internal workgroups continue to focus on areas of improvement in regulations, guidance to credit union and consumers, guidance and training for examiners, and outreach to the public. NCUA reviewed the existing guidelines and procedures to identify proposed changes for implementation in 2023. NCUA also updated information on NCUA's website to address appraisal-related issues so that consumers can learn more about appraisals, recourse options, and available resources. NCUA included sessions on access to affordable homeownership and appraisal bias during the Diversity, Equity, Inclusion and ACCESS Summit held in November 2022 to further our outreach efforts.

## FEDERAL HOUSING FINANCE AGENCY

Throughout 2022, the Enterprises continued work on the appraisal policy and process modernization initiative with the goal of improving data quality, reducing appraisal bias, and providing analysis to support effective risk management and process efficiency. This work included testing of new data standards, technologies, and processes to modernize residential appraisal practices, as well as engagement with industry stakeholders, including appraisers, software providers, insurance companies, appraisal management companies, inspection companies, mortgage insurers, consumer advocates, and industry trade groups.

The Enterprises incorporated desktop appraisals into their Selling Guides in 2022.<sup>22</sup> These appraisals do not include a current inspection of the subject property or comparable sales; rather, the appraiser relies on data obtained from alternative methods or sources to identify property characteristics and condition. In June 2022, Freddie Mac updated its Automated Collateral Evaluation (ACE) appraisal waiver policy on higher risk transactions. Certain refinance transactions eligible for ACE must be accompanied by a property data report (PDR) of standardized data collected on-site by a trained third-party collector. Alternative valuation methods and tools benefit borrowers by reducing cycle times, easing appraiser capacity constraints during periods of high loan volume and, in some cases, lowering consumer costs.

Fannie Mae revised its policy for measuring, calculating, and reporting gross living area and non-gross living area on single-family properties using the American National Standards Institute® (ANSI® Z765-2021) standard in December 2021. The revised policy should reduce data errors by requiring all appraisals to use the same standard of measurement. Lenders were allowed to begin applying the standard immediately, and policy compliance was required by April 2022. The change is intended to spur adoption of the standard across the valuation industry and establish a consistent, repeatable process.

Efforts to improve appraisal quality go beyond policy. The Enterprises' Appraisal Diversity Initiative, a nationwide program to attract new and diverse entrants into the appraisal field, made significant progress in 2022. Since 2018, the initiative has gained 23 sponsors and awarded 442 scholarships, with 11 of the sponsorship commitments and 330 of the awarded scholarships occurring in 2022. A total of 312 individuals have started fulfilling their education requirements, 51 have completed their education, and 38 are working with a supervisory appraiser or are employed in the industry.

<sup>22</sup> <https://singlefamily.fanniemae.com/media/30466/display> and <https://guide.freddie.mac.com/app/guide/bulletin/2022-2>

The Enterprises are also continuing a multi-year project begun in 2018 to improve appraisal data quality and consistency by updating the Uniform Appraisal Dataset (UAD) and aligning it with current mortgage industry data standards. In addition, the project entails replacing all existing appraisal forms with a single dynamic Uniform Residential Appraisal Report (URAR) that reflects current and future appraisal data needs. This project has been driven by extensive feedback from and collaboration with appraisers, lenders, vendors, consumer advocates, and other industry stakeholders. During 2022, the Enterprises supported the September publication of the Mortgage Industry Standards Maintenance Organization (MISMO) reference model v3.6 for public comment and began development of a communications and education strategy to ensure that industry stakeholders have the information they need to make adoption of the updated UAD and URAR successful. In addition, the Enterprises focused on creating the resources necessary to begin and sustain mortgage industry efforts for UAD implementation.

To begin the multi-year rollout, in March 2023 the Enterprises published on their websites an industry playbook, draft UAD technical specifications, various guides, and sample appraisal reports. The UAD forms and redesign effort remain a priority on the 2023 Scorecard, and the Enterprises will continue to address stakeholder feedback and provide additional reference materials and guides that support mortgage industry development efforts.

FHFA remains committed to addressing appraisal bias and enhancing valuation equity. FHFA serves as a key participant in the Property Appraisal and Valuation Equity (PAVE) Interagency Task Force, led by the Department of Housing and Urban Development (HUD) and the White House Domestic Policy Council. The goal of the PAVE Task Force is to address inequity in home appraisals by making recommendations and taking concrete actions to root out racial bias in home valuations. In March 2022, the PAVE Task Force published an Action Plan to Advance Property Appraisal and Valuation Equity, with participating agencies committing to take a number of actions to make progress on this important issue. FHFA led efforts to further appraisal data transparency, sharing UAD data with its federal partners.

In 2022, FHFA began developing a user-friendly and standardized UAD database of appraisals collected by the Enterprises. Using this database, FHFA published the UAD Aggregate Statistics,<sup>23</sup> the first comprehensive publicly available data on appraisals, in October 2022. The Agency used single-family Enterprise appraisal records from 2013 through the second quarter of 2022 to create a data file of more than 23 million UAD aggregate statistics in a manner that protects borrower privacy. The UAD Aggregate Statistics give stakeholders and the public new access to a broad set of data points and trends found in appraisal reports. FHFA updates the UAD Aggregate Statistics quarterly.

In November 2022, FHFA published a blog post highlighting how the UAD Aggregate Statistics can provide key insights into potential appraisal bias concerns.<sup>24</sup> The blog post uses the data to explain that properties located in minority (50.1%-80%) tracts and high minority (80.1%-100%) tracts have a higher proportion of appraised values less than contract price. According to the 2021 appraisal statistics, 23.3% of homes in high minority tracts experienced undervaluation compared with 13.4% of homes in white tracts and 19.2% in minority tracts. Using the proportion as a ratio, with white tracts as the control group, yields a value of 1.74 for high minority tracts and 1.43 for minority tracts.

<sup>23</sup> <https://www.fhfa.gov/DataTools/Pages/UAD-Dashboards.aspx>

<sup>24</sup> <https://www.fhfa.gov/Media/Blog/Pages/Exploring-Appraisal-Bias-Using-UAD-Aggregate-Statistics.aspx>



External researchers have used the UAD Aggregate Statistics to identify appraisal disparities between minority and non-minority communities. For example, researchers Howell and Korver-Glenn found that in metro areas with at least 500,000 people, homes in majority white neighborhoods appraised at double the value of homes in communities of color.<sup>25</sup> Another report from Brookings Institution found that homes in majority black communities are almost two times as likely to appraise under the contract price than homes in majority white neighborhoods.<sup>26</sup>

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

In fiscal year 2022, FHA again led the industry in its support of first-time homeownership. The overwhelming majority of FHA insurance endorsements in FY22, some 84% of its total forward purchase mortgage endorsements (678,675 mortgages), were for mortgages made to first-time homebuyers.

Supporting homeownership for communities of color is a core element of FHA's mission and a significant part of FHA's business. In FY22, FHA provided an insurance endorsement on mortgages for 284,807 self-identified individuals and families of color, 29% of its total forward mortgage insurance endorsements. FHA served three times as many Black borrowers by share of its total forward mortgage insurance endorsements than the rest of the market, and two times as many Hispanic borrowers by share than the rest of the market.

FHA's ongoing focus on helping borrowers struggling financially because of COVID-19 yielded substantial results in FY22. From the start of the pandemic through September 30, 2022, more than one million borrowers with FHA-insured mortgages took advantage of loss mitigation home retention options or were in the process of obtaining loss mitigation through their mortgage servicer. FHA's other loss mitigation home retention options have helped almost 445,000 borrowers to regain their financial footing and avoid foreclosure over the course of the fiscal year.

<sup>25</sup> <https://www.eruka.org/appraised>

<sup>26</sup> <https://www.brookings.edu/research/how-racial-bias-in-appraisals-affects-the-devaluation-of-homes-in-majority-black-neighborhoods/>

In FY22, FHA continued to review its policies and programs to identify and address barriers to achieving racial equity. FHA took concrete action in key areas to advance equitable access to credit and address racial bias in the appraisal process. These actions included:

- Contributed to the work of the Property Appraisal and Valuation Equity (PAVE) Task Force, chaired by HUD Secretary Marcia Fudge, to address the persistent undervaluation of properties for communities and households of color. The PAVE Action Plan released in March 2022 commits HUD and FHA to a range of actions that will affirmatively advance valuation equity.
- Increased the appraisal validity periods for FHA-insured mortgages and simplified the process for obtaining an appraisal update. These changes align FHA's requirements with other mortgage channels and will reduce appraisal costs for FHA-approved lenders and borrowers.
- Provided clarification regarding compliance with all applicable laws including the Fair Housing Act and all other federal, state, and local antidiscrimination laws.

# FINANCIAL STATUS OF THE ASC

In fiscal year 2022, the ASC's revenue totaled approximately \$11.6 million, and expenses (including the State grants) totaled approximately \$5.9 million. ASC funds are derived from the Appraiser and AMC Registry fees. The annual Appraiser Registry fee of \$40 is paid by licensed and certified appraisers to be listed on the Appraiser Registry as eligible to perform appraisals for federally related transactions. Appraiser Registry fees totaled \$3.3 million in FY 2022. Annual AMC Registry fees are paid by AMCs consistent with the ASC rule on collection and transmission of AMC Registry fees.<sup>27</sup> The fee is based on the number of appraisers who performed an appraisal for a covered transaction during a defined annual period. AMC fees totaled \$8.4 million in FY 2022.

Appendix A contains the ASC audited financial statements for fiscal year 2022, ending September 30, 2022. The ASC realized a net gain of approximately \$5.7 million. During FY21, the ASC restructured its grants program and committed approximately \$4.9 million for FY22 and FY23 grants. The external auditors found no material weakness involving the ASC's internal control structure and operation, or any material instances of noncompliance with selected provisions of applicable laws and regulations tested.

The ASC continued to provide careful stewardship of the funds entrusted to it as the following charts demonstrate. The bar graph reflects expenditures versus budgeted amounts for the most recent 5-year period. This data reflects the ASC's continuing efforts to operate in an efficient and effective manner as shown by the fact that expenditures consistently were held below budgeted amounts.

<sup>27</sup> 12 CFR 1102.400–1102.403.

# APPENDICES

# **APPRAISAL SUBCOMMITTEE**

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## **FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

# APPRAISAL SUBCOMMITTEE

## Financial Statements

September 30, 2022 and 2021

### C O N T E N T S

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## INDEPENDENT AUDITOR'S REPORT

To the Appraisal Subcommittee of the  
Federal Financial Institutions Examination Council  
Washington, DC 20005

### Report on the Financial Statements

#### Opinion

We have audited the financial statements that comprise of the balance sheet of the Appraisal Subcommittee ("ASC") as of September 30, 2022, the related statements of net cost, changes in net position and budgetary resources for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Appraisal Subcommittee as of September 30, 2022, and its net cost, changes in net position and budgetary resources for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

#### Other Matter

The financial statements of the Company as of and for the year ended September 30, 2021, were audited by O'Connor & Drew P.C. who joined with WithumSmith+Brown, PC on January 1st, 2023 and expressed an unmodified opinion on those statements dated March 8, 2022.

#### Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Office of Management and Budget ("OMB") Bulletin No. 22-01, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin 22-01 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Appraisal Subcommittee and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 22-01 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 22-01, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ASC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ASC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### **Required Supplementary Information**

U.S. generally accepted accounting principles require that the information in the *Management's Discussion and Analysis* ("MD&A") section be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Appraisal Subcommittee's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Appraisal Subcommittee's internal control. Accordingly, we do not express an opinion on the effectiveness of the Appraisal Subcommittee's internal control. We limited our internal control testing to

those controls necessary to achieve the objectives described in OMB Bulletin No. 22-01. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982 ("FMFIA"), such as those controls relevant to ensuring efficient operations.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Appraisal Subcommittee's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or OMB Bulletin No. 22-01.

#### **Management's Responsibility for Internal Control and Compliance**

Appraisal Subcommittee's management is responsible for (1) evaluating effectiveness of internal control over financial reporting based on criteria established under the Federal Managers Financial Integrity Act ("FMFIA"), (2) providing a statement of assurance on the overall effectiveness of internal control over financial reporting, and (3) ensuring compliance with other applicable laws and regulations.

#### **Auditor's Responsibilities**

We are responsible for (1) obtaining a sufficient understanding of internal control over financial reporting to plan the audits, (2) testing compliance with certain provisions of laws and regulations that have a direct and material effect on the financial statements and applicable laws for which OMB Bulletin No. 22-01 requires testing, and (3) applying certain limited procedures with respect to the MD&A.

We did not evaluate all internal controls relevant to operating objectives as broadly established by the FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to testing internal control over financial reporting. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our audit results to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to Appraisal Subcommittee. We limited our tests of compliance to certain provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB Bulletin No. 22-01 that we deemed applicable to Appraisal Subcommittee's financial statements for the fiscal year ended September 30, 2022. We caution that noncompliance with laws and regulations may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.



**Purpose of the Report on Internal Control over Financial Reporting and the Report on Compliance and Other Matters**

The purpose of the Report on Internal Control over Financial Reporting and the Report on Compliance and Other Matters sections of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Appraisal Subcommittee's internal control or on compliance. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 22-01 in considering the Appraisal Subcommittee's internal control and compliance. Accordingly, these reports are not suitable for any other purpose.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



May 23, 2023

## ASC History

The Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council (FFIEC) was created on August 9, 1989, pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI). Title XI’s purpose is to “provide that Federal financial and public policy interests in real estate transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.”

In general, the ASC oversees the real estate appraisal process as it relates to federally related transactions, as defined in Section 1121(4) of Title XI (1). The ASC is an FFIEC subcommittee. The FFIEC was established pursuant to Title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978. The FFIEC is an interagency body empowered to set uniform principles for the examination of federally regulated financial institutions.

Title XI requires the ASC to:

- monitor the requirements established by States:
  - for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility; and
  - for the registration and supervision of the operations and activities of appraisal management companies (AMCs)
- monitor the requirements established by the Federal financial institutions’ regulatory agencies with respect to:
  - appraisal standards for federally related transactions under their jurisdiction; and
  - determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser.
- maintain a national registry of State certified and licensed appraisers (Appraiser Registry) who are eligible to perform appraisals in federally related transactions.
- maintain a National Registry of AMCs (AMC Registry) that either are registered with and subject to supervision of a State appraiser certifying and licensing agency or are operating subsidiaries of a Federally regulated financial institution
- monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation (Foundation).
- transmit an annual report to Congress not later than June 15 of each year that describes the way each function assigned to the ASC has been carried out during the preceding year.

Title XI also requires the ASC to:

- make grants in such amounts as it deems appropriate to the Foundation to help defray costs relating to the activities of the Appraisal Standards Board (ASB) and Appraiser Qualifications Board (AQB)
- make grants to State appraiser certifying and licensing agencies in accordance with policies developed by the ASC to support the efforts of such agencies to comply with Title XI, including—
  - the complaint process, complaint investigations, and appraiser enforcement activities of such agencies
  - the submission of data on State licensed and certified appraisers and AMCs to the Appraiser Registry and the AMC Registry, including information affirming that appraisers or AMCs meet required qualification criteria, and information on formal and informal disciplinary actions.
  - reporting to all State appraiser certifying and licensing agencies when a license or certification is surrendered, revoked or suspended.

The ASC has seven members, each designated respectively by the head of their agency, including the Board of Governors of the Federal Reserve System (Federal Reserve), Consumer Financial Protection Bureau (CFPB), Federal Deposit Insurance Corporation (FDIC), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC), Federal Housing Finance Agency (FHFA), and U.S. Department of Housing and Urban Development (HUD). Title XI also requires the FFIEC to appoint a chairperson from the member representatives to serve a two-year term.

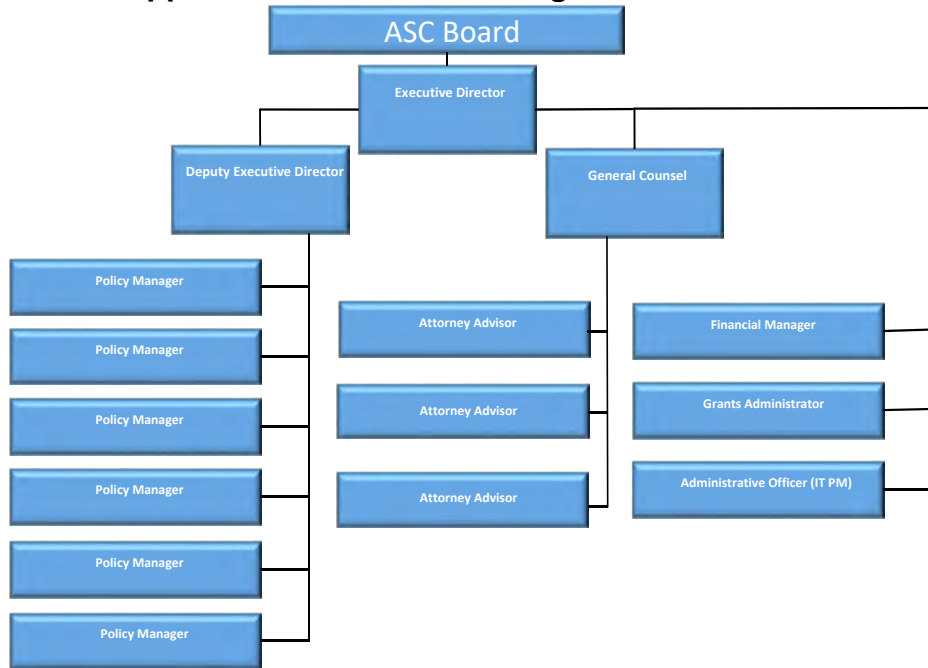
**The Appraisal Subcommittee's (ASC) Mission Statement:**

To provide federal oversight of State appraiser regulatory programs and a monitoring framework for the Appraisal Foundation and the Federal Financial Institutions Regulatory Agencies in their roles to protect federal financial and public policy interests in real estate appraisals utilized in federally related transactions.

**Strategic Goals**

1. Promote Title XI-compliant State Appraiser Programs and AMC Programs;
2. Carry out Title XI monitoring functions;
3. Administer Title XI Grant Programs;
4. Finalize Implementation of Advisory Committee recommendations;
5. Maintain the National Registries (Appraiser Registry and AMC Registry);
6. Prudently manage ASC resources; and
7. Facilitate Effective and Efficient Valuation Services and Regulation.

### Appraisal Subcommittee Organizational Chart



## **Performance Goals**

As required by Title XI, the ASC monitors each State's Program for compliance with Title XI, AQB Criteria and ASC Policy Statements. Though historically, the ASC has monitored State Appraiser and AMC Programs largely through our Compliance Review process, which included on-site visits to the States, on-site visits to the States were suspended due to ongoing safety precautions related to the coronavirus. Appraisers credentialed by State Programs that do not comply with the requirements of Title XI may be prohibited from performing appraisals of real property involved in federally related transactions in that State. The ASC's rating criteria of the State Programs focuses on three key components: (1) complying with Title XI mandates and requirements of ASC Policy Statements; (2) maintaining a strong regulatory program; and (3) limiting overall risk of Program failure.

The ASC monitors State Programs largely through on-site visits to the States; the ASC performs an on-site Compliance Review of each State at least once every two years. Programs that evidence noncompliance in one or more areas may be subject to additional oversight, including Follow-up Reviews, an accelerated Review Cycle and/or off-site monitoring.

The ASC identifies State Programs that may have a significant impact on the nation's appraiser regulatory system. The following 14 States, listed alphabetically, collectively represent over 50% of the credentialed appraisers on the Appraiser Registry: California, Colorado, Florida, Georgia, Illinois, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Virginia and Washington. The ASC performs Priority Contact visits with these States in those years when Compliance Reviews are not scheduled. The ASC also conducts a Priority Contact visit for individual States when a specific concern warrants special attention by the ASC. The primary purpose of the Priority Contact visit is to review topical issues, evaluate regulatory compliance issues and maintain a close working relationship with the State.

## **ASC Organizational Overviews**

### **Compliance Review Process**

The ASC's Compliance Review process is a risk-based review process, focusing on areas of State Programs that are not in compliance with Title XI or that exhibit characteristics which could lead to non-compliance. Effective June 1, 2013, the ASC refined its Compliance Review process to better identify various levels of compliance.

Compliance Reviews are scheduled over a three to four-day period to coincide with a meeting of the State Program's decision-making body whenever possible. Preliminary Findings are communicated to the State in an ASC staff report and the State is given 60 days to respond. ASC staff then considers the State's response and makes formal recommendations for final disposition. The ASC, or its designated representative acting under delegated authority, considers the ASC staff report and recommendations along with responses from the State Program before rendering a decision. A final Compliance Review Report and letter to the State with a determination regarding the State's compliance with Title XI is then issued. Actions taken under delegated authority are presented to the ASC at its next regularly scheduled meeting.

State Programs are issued one of the following Findings:

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

## Priority Contacts

The ASC identifies Appraiser Programs that may have a significant impact on the nation’s appraiser regulatory system. The following 14 States, listed alphabetically, collectively represent over 50% of the credentialed appraisers on the Appraiser Registry: California, Colorado, Florida, Georgia, Illinois, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Virginia and Washington. The ASC performs Priority Contact visits with these States in those years when Compliance Reviews or SOAs are not scheduled.<sup>1</sup> The ASC also conducts a Priority Contact visit for individual States when a specific concern warrants special attention by the ASC. The primary purpose of the Priority Contact visit is to review topical issues, evaluate regulatory compliance issues and maintain a close working relationship with the State.

## Appraisal Foundation Monitoring and Review

### ASC Oversight of the Appraisal Foundation

#### Monitoring and Reviewing the Appraisal Foundation (Foundation)

Title XI specifically requires the ASC to “monitor and review the practices, procedures, activities and organizational structure” of the Foundation.<sup>2</sup> Historically, the ASC has carried out this responsibility in several ways, including:

- attendance at all relevant public and private ASB, AQB and Board of Trustees (BOT) meetings
- providing informal and formal comments and input on proposed changes to USPAP and the AQB Criteria
- providing informal and formal comments and input on activities of the BOT that impact the Foundation’s Title XI-related activities

In 2020, the ASC adopted a policy that memorialized the actions the ASC would take to monitor and review the Foundation. In September of 2021, the ASC revised the policy to clarify ASC staff attendance at public meetings, with attendance delegated by the ASC Executive Director to ASC staff on a rotating basis and private meetings on an as needed basis.

In addition to attending Foundation meetings, the ASC provided written comments to the AQB regarding the Second Exposure Draft of proposed changes to the *Real Property Appraiser Qualification Criteria* (Criteria) urging the AQB to develop written requirements for organizations seeking to qualify for review and approval authority of asynchronous education.

In 2021, the ASC approved budget authority of up to \$250,000 to support a comprehensive and independent review of the USPAP and the Criteria. The goal of the review was to ensure that USPAP and the AQB Criteria do not encourage or systematize bias, and consistently support or promote fairness, equity, objectivity and diversity in both appraisals and the training and credentialing of appraisers. The Council on Licensure, Enforcement and Regulations, Inc.

<sup>1</sup> Priority Contact visits may be performed onsite or remotely.

<sup>2</sup> Title XI § 1103(b), 12 U.S.C. § 3332 (b).



(CLEAR) has a three-year cooperative agreement with the ASC to, in part, undertake research on the appraisal and AMC regulatory system. CLEAR managed the procurement of appropriate experts to carry out the independent review. The independent review, conducted by a consortium of experts led by the National Fair Housing Alliance (NFHA), was made public in January 2022 and is available on the ASC website at <https://bit.ly/2022NFHAAnalysis>. [ASC staff followed up on the report with a letter to the Foundation asking questions about if and how they were addressing the issues in the report, the letter is available on the ASC website at http://bit.ly/3TjEoiz](http://bit.ly/3TjEoiz). In September, the ASC published a Notice of Funding Availability (NOFA) for the Foundation in the amount of \$2,000,000 over two years. The purpose of the funds would be to support operations of the AQB and ASB, including projects that promote innovation and reform of the AQB and ASB grant-eligible activities, including:

- an outside study to review the current publishing cycle for USPAP and its connection to the Foundation’s revenue needs
- free or reduced cost copy of Standards 1-4 and associated annotations for trainees and credentialed appraisers
- National Exam update

The NOFA expired in 2022 with no response from the Foundation.

### **Appraiser Registry**

Title XI requires the ASC to maintain an Appraiser Registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions. As of December 31, 2022, the Appraiser Registry contained 94,299<sup>3</sup> appraiser credentials, up from the 93,262 entries at the end of 2021, and down approximately 22% from the peak in 2007 of over 121,000. The Appraiser Registry is accessible at the ASC’s website ([www.asc.gov](http://www.asc.gov)), and is used by appraisers, Federal and State agencies, financial institutions, users of appraisal services, law enforcement, and consumers. Use of the Appraiser Registry is free. The Appraiser Registry allows users to determine whether an appraiser is State certified or licensed to perform appraisals in connection with federally related transactions. Users can also access an appraiser’s credential status and determine whether the appraiser’s credential is currently suspended, revoked, or surrendered in lieu of State disciplinary action.

The Appraiser Registry facilitates information sharing that assists State Programs in enforcing their appraiser-related statutes and regulations, including temporary practice and reciprocity. Financial institutions and other users also can access the Appraiser Registry to:

- Receive automatic notifications about new revocations, suspensions, surrenders, and certification/license expirations

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<sup>3</sup> This number does not represent the number of individual appraisers as some appraisers have credentials from multiple States.

- Download publicly available information or parts of the Appraiser Registry into predefined queries and user- customized queries
- Verify appraiser credentials
- Set up automatic queries of Appraiser Registry information using a web service which allows computer systems used by lenders, regulatory agencies, and other authorized parties to integrate directly with the Appraiser Registry

States reported over 9,931 disciplinary actions taken against appraisers for misconduct or wrongdoing over the past 10 years.

### **National Registry of AMCs (AMC Registry)**

Title XI requires the ASC to maintain an AMC Registry of AMCs that either are registered with and subject to supervision of a State AMC Program or are Federally regulated.<sup>4</sup> The AMC Registry became available for States to populate on July 16, 2018. As of December 31, 2022, the AMC Registry contained AMCs registered from 49 States.

The AMC Registry is accessible at the ASC’s website ([www.asc.gov](http://www.asc.gov)), and is used by appraisers, Federal and State agencies, financial institutions, users of appraisal services, law enforcement, and consumers. Use of the AMC Registry is free. The AMC Registry allows users to determine whether an AMC meets the federal definition of an AMC and is registered in a particular State. Users can also access an AMC’s registration status and determine whether the AMC is currently suspended, revoked or surrendered in lieu of State disciplinary action.

The AMC Registry facilitates information sharing that assists State Programs in enforcing their AMC-related statutes and regulations. Financial institutions and other users also can access the AMC Registry to:

- Receive automatic notifications about new revocations, suspensions, surrenders, and registration expirations
- Download publicly available information or parts of the AMC Registry into predefined queries and user-customized queries
- Set up automatic queries of AMC Registry information using a web service which allows computer systems used by lenders, regulatory agencies, and other authorized parties to integrate directly with the AMC Registry

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<sup>4</sup> Title XI § 1103(a)(6), 12 U.S.C. § 3332(a)(6).

## ASC Grants

The ASC grantmaking-related activities in 2022 included:

### **Training and Technical Assistance Cooperative Agreement**

The ASC published a competitive NOFA in 2020 soliciting applications for a new grantee to work closely with ASC to deliver training and technical assistance to State Appraiser and AMC regulatory agencies, and commission research on the appraisal industry to support the goals of Title XI and advance the profession in general. CLEAR was the recipient of this award. As of December 31, 2022 CLEAR has been awarded \$1.2M, over a 3-year period, to carry out planned training and technical assistance to State regulatory agencies.

CLEAR produced outcomes in 2022 that included an in-person Policy Statements and Appraiser Regulations (or “PStAR”) training in San Antonio, with 62 state regulators in attendance and the development of two online training programs focusing on New Board Member training and Investigator training. CLEAR also achieved key milestones in data development, including the delivery of the NFHA Report, the development of research questions that will form the basis of a 2023 survey of the appraiser profession, and the identification (through a formal Request for Information process and informal outreach) of key partners that will facilitate continuing research in the year to come.

### **State Grants**

Title XI authorizes the ASC to make grants directly to the 55 eligible States and U.S. Territories in accordance with policies developed by the ASC in support of States’ Title XI activities. Funds can be used to improve State appraiser and AMC regulatory processes and advance the appraisal industry with high-quality, impact-oriented programming.

Grants are awarded over a 3-year cycle with the funding provided annually. Since 2020, the ASC has awarded close to \$3,000,000 in funds to support activities that included hiring additional investigator staff, training for staff and board members, technology upgrades, and the creation of a new training experience program to support and accelerate credentialing of new appraisers in States experiencing a shortage of appraisers. Grants have been awarded to 15 States, or 25% of the entities eligible.

The 15 States receiving ASC grants are: Arizona, Arkansas, Connecticut, Hawaii, Illinois, Kentucky, Louisiana, Minnesota, Mississippi, Montana, North Carolina, South Dakota, Texas, Utah, and Vermont.

## APPRAISAL SUBCOMMITTEE

### Balance Sheets

As of September 30,

#### Assets

	<u>2022</u>	<u>2021</u>
<b>Assets:</b>		
Intragovernmental Assets:		
Fund balance with Treasury	\$ 21,380,625	\$ 14,667,553
Restricted fund balance with Treasury	<u>3,908,798</u>	<u>3,518,910</u>
Total Intragovernmental Assets:	<u>25,289,423</u>	18,186,463
Accounts receivable	1,800,604	1,911,751
Property and Equipment, net	<u>1,319,006</u>	<u>900,493</u>
<b>Total Assets</b>	<b><u>\$ 28,409,033</u></b>	<b><u>\$ 20,998,707</u></b>

#### Liabilities and Net Position

<b>Liabilities:</b>		
Intragovernmental Liabilities:		
Unearned revenues	\$ 1,578,951	\$ 992,238
Restricted funds held for others	<u>3,908,798</u>	<u>3,518,910</u>
Total Intragovernmental Liabilities:	<u>5,487,749</u>	4,511,148
Accounts payable	351,054	173,748
Grants payable	496,987	-
Accrued funded payroll and leave	56,627	138,012
Unfunded leave	<u>266,730</u>	<u>271,757</u>
<b>Total Liabilities</b>	<b><u>6,659,147</u></b>	<b><u>5,094,665</u></b>
<b>Net Position:</b>		
Unexpended appropriations - other funds	-	-
Cumulative results of operations - other funds	<u>21,749,886</u>	<u>15,904,042</u>
<b>Total Net Position</b>	<b><u>21,749,886</u></b>	<b><u>15,904,042</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 28,409,033</u></b>	<b><u>\$ 20,998,707</u></b>

*The accompanying notes are an integral part of the financial statements.*

## APPRAISAL SUBCOMMITTEE

### Statements of Net Cost

For the Years Ended September 30,

	<u>2022</u>	<u>2021</u>
<b>Program Costs:</b>		
Public costs	\$ 5,634,478	\$ 3,605,383
Less: Earned revenue from public	<u>(11,480,322)</u>	<u>(9,874,138)</u>
Net public costs	<u>\$ (5,845,844)</u>	<u>\$ (6,268,755)</u>

*The accompanying notes are an integral part of the financial statements.*

## APPRAISAL SUBCOMMITTEE

### Statements of Changes in Net Position

For the Years Ended September 30,

	<u>2022</u>	<u>2021</u>
<b>Cumulative Results of Operations:</b>		
Beginning Balance	\$ <u>15,904,042</u>	\$ 9,635,287
Beginning Balance, As Adjusted	<u>15,904,042</u>	<u>9,635,287</u>
Budgetary Financing Sources:		
Appropriations used	-	-
Other Financing Sources:		
Imputed financing	<u>-</u>	<u>-</u>
Total Financing Sources	-	-
Net Cost of Operations (+/-)	<u>5,845,844</u>	<u>6,268,755</u>
Net Change	<u>5,845,844</u>	<u>6,268,755</u>
<b>Cumulative Results of Operations</b>	<b><u>\$ 21,749,886</u></b>	<b><u>\$ 15,904,042</u></b>
<b>Unexpended Appropriations:</b>		
Beginning Balance	\$ <u>-</u>	\$ <u>-</u>
Beginning Balance, As Adjusted	<u>-</u>	<u>-</u>
Budgetary Financing Sources:		
Appropriations received	11,830,505	10,162,019
Other adjustments	-	-
Appropriations used	<u>(11,830,505)</u>	<u>(10,162,019)</u>
Total Budgetary Financing Sources	<u>-</u>	<u>-</u>
<b>Total Unexpended Appropriations</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net Position</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

*The accompanying notes are an integral part of the financial statements.*

## APPRAISAL SUBCOMMITTEE

### Statements of Budgetary Resources

For the Years Ended September 30,

	2022 <u>Budgetary</u>	2021 <u>Budgetary</u>
<b>Budgetary Resources:</b>		
Unobligated balance brought forward, October 1	\$ <u>12,362,702</u>	\$ 6,474,486
Unobligated balance brought forward, October 1, as adjusted	12,362,702	6,474,486
Recoveries from prior year unpaid obligations	52,106	84,362
Recoveries from prior year paid obligations	240	290
Other changes in unobligated balance	-	-
Unobligated balance from prior year budget authority, net	<u>12,415,048</u>	6,559,138
Appropriations (Discretionary and Mandatory)	<u>11,830,505</u>	<u>10,162,019</u>
<b>Total Budgetary Resources</b>	<b><u>\$ 24,245,553</u></b>	<b><u>\$ 16,721,157</u></b>
<b>Status of Budgetary Resources:</b>		
New obligations and upward adjustments (total)	\$ 5,919,112	\$ 4,358,455
Unobligated balance, end of year		
Apportioned, unexpired accounts	-	-
Unapportioned, unexpired accounts	<u>18,326,441</u>	<u>12,362,702</u>
Unexpired unobligated balance, end of year	<u>18,326,441</u>	12,362,702
Expired unobligated balance, end of year	-	-
Unobligated balance, end of year	<u>18,326,441</u>	<u>12,362,702</u>
<b>Total Status of Budgetary Resources</b>	<b><u>\$ 24,245,553</u></b>	<b><u>\$ 16,721,157</u></b>
<b>Change in Obligated Balance:</b>		
Unpaid obligations:		
Unpaid obligations, brought forward, October 1	\$ 524,964	\$ 363,459
New obligations and upward adjustments	5,919,112	4,358,455
Outlays (gross) (-)	<u>(5,842,753)</u>	<u>(4,112,588)</u>
Recoveries of prior year unpaid obligations	<u>(52,106)</u>	<u>(84,362)</u>
Unpaid obligations, end of year	549,217	524,964
Uncollected payments:		
Uncollected payments, Fed sources, brought forward, October 1 (-)	-	-
Change in uncollected payments, Fed sources (+/-)	-	-
Uncollected payments, Fed sources, end of year (-)	-	-
Memorandum (non-add) entries		
<b>Obligated balance, start of year (+/-)</b>	<b><u>\$ 524,964</u></b>	<b><u>\$ 363,459</u></b>
<b>Obligated balance, end of year (+/-)</b>	<b><u>\$ 549,217</u></b>	<b><u>\$ 524,964</u></b>
<b>Budget Authority and Outlays, Net:</b>		
Budget authority, gross (discretionary and mandatory)	\$ 11,830,505	\$ 10,162,019
Actual offsetting collections (discretionary and mandatory)	-	-
Recoveries of prior year paid obligations (discretionary and mandatory)	-	-
Budget authority, net (total) (discretionary and mandatory)	<u>11,830,505</u>	<u>10,162,019</u>
Outlays (gross) (discretionary and mandatory)	<u>(5,842,513)</u>	<u>(4,112,298)</u>
Actual offsetting collections (discretionary and mandatory)	-	-
Outlays, net (total) (discretionary and mandatory)	<u>(5,842,513)</u>	<u>(4,112,298)</u>
<b>Agency Outlays, net (discretionary and mandatory)</b>	<b><u>\$ (5,842,513)</u></b>	<b><u>\$ (4,112,298)</u></b>

*The accompanying notes are an integral part of the financial statements.*

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements

September 30, 2022 and 2021

Note 1 - **Summary of Significant Accounting Policies**

**Organization**

The Appraisal Subcommittee of the Federal Financial Institutions Examination Council (the "Appraisal Subcommittee" or "ASC") was created by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act ("FIRREA") of 1989. The mission of the Appraisal Subcommittee is to monitor the certification and licensing programs of the States to determine compliance with Title XI of FIRREA. The purpose of this title is to ensure that the federal financial and public policy interests in real estate-related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision. In accordance with Title XI of FIRREA, an appraiser must be registered to perform appraisals connected to federal transactions. Effective January 1, 2012, ASC raised the annual fee assessed to the States from \$25 per registered appraiser to \$40.

The federal financial institutions regulatory agencies include the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau ("CFPB"), the Office of the Comptroller of the Currency, and the National Credit Union Administration. The member agencies of the Appraisal Subcommittee include the federal financial institutions regulatory agencies, the Department of Housing and Urban Development, and the Federal Housing Finance Agency ("FHFA"). The CFPB and FHFA were added as members to the ASC as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act").

Effective November 24, 2017, the ASC adopted a final rule to implement collection and transmission of appraisal management company ("AMC") annual registry fees under the Dodd-Frank Act. The first full year of collection of AMC fees began on October 1, 2018. The ASC adopted Section 1102.402. Section 1102.402 establishes the annual AMC registry fee for States that elect to register and supervise AMCs as follows:



## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

#### September 30, 2022 and 2021

In the case of an AMC that has been in existence for more than a year, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC on a covered transaction in such date during the previous year. If an AMC has not been in existence for more than a year, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC on a covered transaction in such State since the AMC commenced doing business.

#### Basis of Accounting and Presentation

These financial statements have been prepared from the accounting records of ASC in accordance with Generally Accepted Accounting Principles in the United States of America (“GAAP”), and the form and content for entity financial statements specified by the Office of Management and Budget (“OMB”) in OMB Circular No. A-136, as amended. GAAP for federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (“FASAB”), which has been designated the official accounting standards-setting body for the Federal Government by the American Institute of Certified Public Accountants.

OMB Circular No. A-136 requires agencies to prepare financial statements, which include Balance Sheets, Statements of Net Cost, Statement of Changes in Net Position, and Statements of Budgetary Resources. The Balance Sheets present, as of September 30, 2022 and 2021, amounts of future economic benefits owned or managed by ASC (assets), amounts owed by ASC (liabilities), and amounts, which comprise the difference (net position). The Statements of Net Cost report the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within ASC and other reporting entities. The Statements of Budgetary Resources report an agency’s budgetary activity.

Transactions are recorded on the accrual accounting basis in accordance with OMB Circular No. A-136. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Significant assumptions made in these financial statements include future collection of receivables and deferring revenue on the receipt of 25% of the incremental fee from \$25 to \$40.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

The accompanying financial statements have been prepared to report the financial position, net cost, changes in net position, and budgetary resources of the ASC as required by the Accountability of Tax Dollars Act of 2002. These financial statements have been prepared from the books and records of the ASC in accordance with U.S. generally accepted accounting principles (GAAP) and the accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB) in the format prescribed by the Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements, as amended*. GAAP for federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which is the official standard-setting body for the Federal government.

The ASC's financial statements should be read with the realization that they are for a component of the U.S. Government whose liabilities not covered by budgetary resources cannot be liquidated without the enactment of an appropriation, and that the payment of all liabilities other than for contracts can be abrogated by the Federal Government acting in its capacity.

#### Budgetary Basis of Accounting

The ASC'S programs and activities are funded through annual appropriations and appraisal fees. Congress annually adopts a budget appropriation that provides the ASC with authority to use funds from the U.S. Department of the Treasury (Treasury) to meet operating expense requirements. The ASC has single year budgetary authority and all unobligated amounts at year-end expire. At the end of the fifth year following the year of execution, all amounts not expended are canceled and returned to Treasury. Additionally, all revenue received from other sources must be returned to the Treasury.

Budgetary accounting measures appropriation and consumption of budget/spending authority and facilitates compliance with legal constraints and controls over the use of federal funds. Under budgetary reporting principles, budgetary resources are consumed at the time an obligation is incurred. Only those liabilities for which valid obligations have been established are considered to consume budgetary resources.

#### Fund Balance with U.S. Treasury

Fund Balance with the U.S. Treasury is the aggregate amount of the ASC's funds with Treasury in expenditure, receipt, and revolving fund accounts. Appropriated funds recorded in expenditure accounts are available to pay current liabilities and finance authorized purchases. The ASC does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury. Treasury disburses funds for the agency upon request.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

#### Restricted Fund Balance with U.S. Treasury

Restricted fund balance with the U.S. Treasury are amounts restricted by law that the Appraisal Subcommittee received in conjunction with the \$15 fee increase, as permitted by the Dodd-Frank Act. As part of the fee increase that was effective January 1, 2012, Congress specifically required the ASC to set aside 25% of the increase without specifications as to how it could be used. Accordingly, these funds have been classified as a liability on the balance sheets.

#### Accounts Receivable

Accounts receivable consist of amounts due to the Appraisal Subcommittee for registry fees. As of September 30, 2022 and 2021, management is of the opinion that an allowance for doubtful accounts is not necessary.

#### Property and Equipment

Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives ranging from three to ten years. The capitalization threshold is \$5,000 for assets with a useful life of three or more years. For bulk purchases, items will be capitalized when the individual useful lives are at least three years and have an aggregate value of \$15,000 or more.

#### Annual and Sick Leave Program

Annual leave is accrued as it is earned by employees and is included in personnel compensation and benefits cost. An unfunded liability is recognized as earned but unused annual leave since, from a budgetary standpoint, this annual leave will be paid from future funding sources when the leave is used by employees. The amount accrued is based upon current pay rates of the employees. Sick leave is expensed when used and no liability is recognized as employees have no right to be paid for unused sick leave.

#### Unearned Revenues

Registry fees received in advance are deferred and recognized as earned during the applicable fee year.

#### Tax Status

The Appraisal Subcommittee is a federal governmental agency and is therefore generally exempt from income taxes under Section 115 of the Internal Revenue Code.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

Note 2 - **Property and Equipment, Net**

Property and equipment at September 30, consist of the following:

	<u>2022</u>	<u>2021</u>
Property and equipment not depreciated:		
Work in progress	\$ 1,297,483	\$ 866,754
Property and equipment depreciated:		
Computer equipment	<u>531,692</u>	<u>531,692</u>
Total property and equipment	<u>1,829,175</u>	<u>1,398,446</u>
Less: accumulated depreciation	<u>510,169</u>	<u>497,953</u>
Net Property and Equipment	<u>\$ 1,319,006</u>	<u>\$ 900,493</u>

Note 3 - **Appraisal Foundation Grant**

Title XI of FIRREA provides that amounts appropriated for, or collected by, the Appraisal Subcommittee be used to make grants to The Appraisal Foundation (the "Foundation") to help defray costs of the Foundation relating to the activities of its Appraisal Standards Board ("ASB"), Appraiser Qualifications Board ("AQB"), and State Investigator Training Grants. Since inception of the Appraisal Subcommittee on August 9, 1989, it has made grants to the Foundation under which approximately \$22,451,000 was expended through September 30, 2022. As of September 30, 2022 and 2021, the Appraisal Subcommittee has \$496,987 and \$0, respectively, in undistributed grant funding available to the Foundation for the grant years ending September 30, 2022 and 2021, which is recorded in grants payable.

Note 4 - **Retirement and Benefit Plans**

The Appraisal Subcommittee contributes to the Civil Service Retirement System and the Federal Employees' Retirement System administered by the Office of Personnel Management for the benefit of U.S. Government employees. The retirement plans are participatory. Under the Civil Service Retirement System, the employer and employee each contribute amounts ranging from 7-8 percent of salary to the plan. Under the Federal Employees' Retirement System, 13 percent of salary is contributed by the Appraisal Subcommittee and 1 percent of salary is contributed by the employee.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

Note 4 - **Retirement and Benefit Plans - Continued**

The Appraisal Subcommittee contributes up to 5 percent of base pay for participants in the Thrift Savings Plan under the Federal Employees Retirement System. Contributions by the Appraisal Subcommittee during fiscal years 2022 and 2021 for the Civil Service Retirement System and the Federal Employees' Retirement System plans aggregated approximately \$398,000 and \$394,000, respectively.

Although the Appraisal Subcommittee contributes a portion of pension benefits for its employees participating in the retirement plans and withholds the necessary payroll deductions from them, it has no liability for future payments to employees under those programs and is not accountable for the assets of the Civil Service and Federal Employees' Retirement Systems, nor does the Appraisal Subcommittee have actuarial data concerning the accumulated plan benefits or the unfunded pension liability relating to its employees. These amounts are reported by the Office of Personnel Management for the retirement systems and are not allocated to the individual employers. The Office of Personnel Management also accounts for all health and life insurance programs for retired federal employees.

Note 5 - **Interagency Transactions**

In conducting its administrative operations, the Appraisal Subcommittee uses the services of various other federal agencies. The largest of the administrative service arrangements is with the U.S. General Services Administration for certain accounting and reporting functions, and processing of payroll and related benefits. Operating expenses of the Appraisal Subcommittee for fiscal years ended 2022 and 2021 include approximately \$131,000 and \$130,000, respectively, for these services.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

Note 6 - **Reconciliation of Net Cost of Operations to Budget**

	<u>2022</u>	<u>2021</u>
<b>Net Cost</b>	<b>\$ 5,569,478</b>	<b>\$ 3,605,383</b>
<i>Components of Net Cost that are not part of Net Outlays:</i>		
Property and equipment depreciation	(12,216)	(31,322)
Change in budgetary resources obligated for goods, services, and benefits ordered but not yet provided	377,403	125,239
<i>(Increase) / Decrease in Liabilities</i>		
Accounts payable	(112,306)	(127,031)
Grants payable	(496,987)	18,182
Salaries and benefits	86,412	(7,262)
<i>Components of Net Outlays that are not part of Net Cost:</i>		
Acquisition of capital assets	<u>430,729</u>	<u>529,399</u>
<b>Net Outlays</b>	<b><u>\$ 5,842,513</u></b>	<b><u>\$ 4,112,588</u></b>

A reconciliation of net cost of operations to budget is presented above to show the relationship between accrual-based (financial accounting) information in the statement of net cost and obligation-based (budgetary accounting) information in the statement of budgetary resources. This reconciliation ensures that the proprietary and budgetary accounts in the financial management system are in balance. For FY 2022 and 2021, the ASC reconciled the difference between the \$5.8 million and \$4.1 million in obligated resources and the \$5.6 million and \$3.6 million in the net cost of operations, respectively, by adjusting for offsetting collections, adjustments, recoveries, financing resources not part of the net cost of operations, and depreciation. The details of these reconciliations are as listed above.

## APPRAISAL SUBCOMMITTEE

### Notes to the Financial Statements - Continued

September 30, 2022 and 2021

Note 7 - **Management's Acceptance of Financial Statements**

*Subsequent Events*

Management has evaluated subsequent events through May 23, 2023, the date for which the financial statements were available for issuance. Management has accepted the financial statements and did not identify any events, other than the one described in the following paragraph, subsequent to September 30, 2022 requiring disclosure in the financial statements.

In May 2023, the Appraisal Subcommittee agreed to settle a legal dispute with a former employee for \$65,000, which was accrued for on the balance sheet at September 30, 2022. This amount has been approved by the Board and will encompass the full claim, as well as the plaintiff's legal expenses.

# APPENDIX B

## NATIONAL REGISTRY STATISTICS

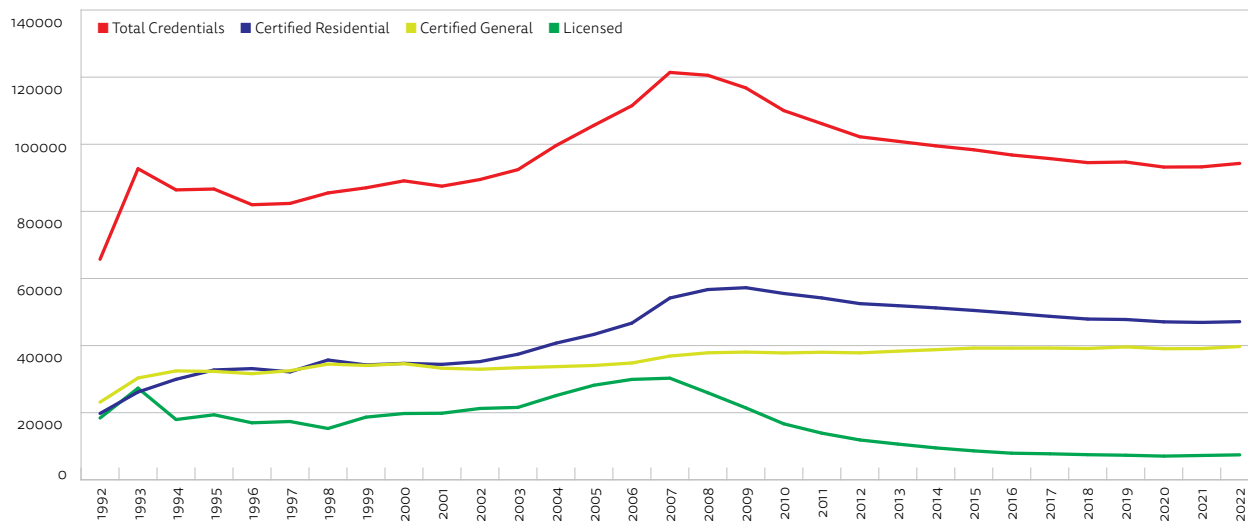
### Appraiser Registry Credentials—Year-End 2013–2022

Note: These statistics reflect the number of appraiser credentials, not the number of appraisers, listed on the National Registry. It is not uncommon for the same appraiser to hold multiple State credentials.

Year-End	Certified General	Certified Residential	Licensed	Transitional	Total Credentials
2013	38,332	51,893	10,648	1	100,874
2014	38,777	51,240	9,507	0	99,524
2015	39,257	50,472	8,622	0	98,351
2016	39,246	49,631	7,926	0	96,803
2017	39,262	48,720	7,749	0	95,731
2018	39,135	47,908	7,481	0	94,524
2019	39,606	47,776	7,321	0	94,703
2020	39,070	47,073	7,061	0	93,204
2021	39,110	46,903	7,249	0	93,262
2022	39,730	47,131	7,438	0	94,299

Note: Transitional licensing enabled persons to become licensed when they passed the appropriate examination but lacked either the educational or the experience requirements adopted by the State. Effective July 1, 2013, transitional credentials were no longer eligible for listing on the Appraiser Registry.

### Yearly Appraiser Credential Trends





# APPENDIX C

## TOOLS FOR MONITORING STATE COMPLIANCE WITH TITLE XI

Monitoring Tool	Description	Frequency
<b>Routine Compliance Reviews</b>	Full on-site Reviews of State appraiser and AMC regulatory Programs.	Every 2 years or annually if ASC determines a State needs closer monitoring.
<b>Follow-up Compliance Reviews</b>	On-site Reviews focused on areas of non-compliance identified during routine Compliance Reviews.	6 to 12 months after previous Compliance Review.
<b>Priority Contact Visits</b>	On-site visits, usually to States with large populations of appraisers, to discuss potentially problematic emerging issues and maintain a close working relationship with the State agency.	As needed.
<b>Off-site Monitoring</b>	Telephone or e-mail contacts with State agencies regarding emerging compliance issues and progress in addressing previously identified issues.	Continuous.
<b>State Off-Site Assessments</b>	Off-site assessment of appraiser and AMC regulatory programs limited to data available remotely.	Replaces Routine Compliance Reviews when travel is restricted.

# APPENDIX D

## DISCIPLINARY ACTIONS REPORTED BY STATES<sup>1</sup>

### Appraiser

January 1, 2013 through December 31, 2022

State	Additional Education	Downgrade	Limited	Monetary Fine	Official Reprimand	Other	Probation	Revocation	Suspension	TP Action	Voluntary Surrender	Warning, Corrective Action, and/or Disciplinary Action	Total
Alabama	23	0	0	87	13	47	0	1	2	0	4	15	192
Alaska	5	0	0	8	0	9	1	1	0	0	0	4	28
Arizona	50	0	1	9	0	11	21	8	10	0	6	2	118
Arkansas	25	0	2	22	0	1	26	0	4	0	6	3	89
California	568	0	24	505	1	14	121	29	104	0	43	0	1409
Colorado	32	2	0	45	6	9	3	18	14	0	22	53	204
Connecticut	1	0	0	90	0	0	1	1	5	0	2	1	101
Delaware	17	0	0	25	58	2	8	4	6	0	0	0	120
District Of Columbia	7	0	0	7	6	0	0	2	2	0	0	0	24
Florida	127	0	0	158	1	51	107	42	22	0	0	0	508
Georgia	0	0	0	0	9	239	0	25	17	0	0	0	290
Guam	0	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	2	0	0	11	0	0	1	1	0	0	0	0	15
Idaho	14	0	0	49	0	29	21	3	2	0	0	3	121
Illinois	21	0	1	170	24	11	13	26	94	0	9	31	400
Indiana	1	0	0	3	4	0	18	2	8	0	2	1	39
Iowa	27	0	2	7	4	7	2	3	8	0	13	39	112
Kansas	19	2	0	15	0	0	3	2	1	0	3	0	45
Kentucky	44	1	0	35	2	16	0	3	12	0	1	0	114
Louisiana	18	0	0	27	25	0	0	0	0	0	0	0	70
Maine	34	0	0	40	15	2	5	3	5	0	3	21	128
Maryland	53	0	0	111	10	1	0	2	21	0	10	0	208
Massachusetts	68	0	0	84	21	0	60	11	8	0	10	0	262
Michigan	16	0	0	92	6	6	29	7	10	0	2	0	168
Minnesota	28	0	0	114	0	13	2	12	7	0	2	126	304
Mississippi	23	0	0	0	0	2	3	0	4	0	3	0	35
Missouri	0	0	0	0	0	15	46	17	14	0	8	0	100
Montana	12	0	0	11	1	2	6	3	12	0	2	0	49
Nebraska	18	1	1	12	0	9	2	0	4	0	3	4	54
Nevada	83	0	0	28	0	0	0	8	6	0	4	4	133
New Hampshire	10	0	0	7	10	0	0	5	1	0	0	0	33
New Jersey	32	0	0	116	12	1	6	3	27	0	10	0	207
New Mexico	10	0	0	2	0	0	0	5	2	0	1	29	49
New York	153	0	0	229	11	0	0	28	34	0	1	5	461
North Carolina	86	0	3	0	47	0	5	1	40	0	6	0	188
North Dakota	9	0	0	12	0	3	1	2	2	0	1	1	31
Ohio	72	0	0	72	12	1	0	3	50	0	1	0	211
Oklahoma	102	1	5	200	2	92	59	10	206	0	11	22	710
Oregon	82	0	0	106	4	6	1	4	9	0	11	11	234
Pennsylvania	73	0	0	97	9	3	15	10	14	0	10	4	235
Puerto Rico	0	0	0	3	0	0	0	1	1	0	0	2	7
Rhode Island	3	0	0	2	4	0	1	0	1	0	0	2	13
South Carolina	53	0	0	51	55	1	5	1	6	0	17	0	189
South Dakota	14	0	1	20	12	1	0	0	5	0	3	3	59
Tennessee	76	1	0	57	0	2	0	4	23	0	8	34	205
Texas	218	0	5	153	8	172	84	18	65	0	34	23	780
Utah	19	1	0	26	0	1	3	1	1	0	5	1	58
Vermont	0	0	0	1	1	0	0	0	3	0	1	1	7
Virginia	55	0	0	88	0	1	9	13	18	0	1	87	272
Washington	40	0	0	48	0	0	44	11	12	0	3	0	158
West Virginia	9	0	0	7	4	8	0	2	6	0	1	2	39
Wisconsin	97	0	21	4	113	4	0	3	62	0	24	0	328
Wyoming	7	0	0	7	0	1	1	0	0	0	1	0	17
<b>Total</b>	<b>2556</b>	<b>9</b>	<b>66</b>	<b>3073</b>	<b>510</b>	<b>793</b>	<b>733</b>	<b>359</b>	<b>990</b>	<b>0</b>	<b>308</b>	<b>534</b>	<b>9931</b>

<sup>1</sup> Public disciplinary actions on the Appraiser Registry are those State actions currently in effect that affect an appraiser's ability to appraise: revocations, suspensions or voluntary surrenders in lieu of discipline. No disciplinary actions have been reported by Guam, Mariana Islands or Virgin Islands.

## APPRAISAL MANAGEMENT COMPANY DISCIPLINARY ACTIONS REPORTED BY STATES

January 1, 2013 through December 31, 2022

State	Additional Education	Downgrade	Limited	Monetary Fine	Official Reprimand	Other	Probation	Revocation	Suspension	TP Action	Voluntary Surrender	Warning, Corrective Action, and/or Disciplinary Action	Total
Alabama	0	0	0	0	0	0	0	0	0	0	1	0	1
Alaska	0	0	0	0	0	0	0	0	0	0	0	0	0
Arizona	0	0	0	1	0	0	0	0	0	0	2	1	4
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0
California	0	0	0	1	0	0	1	0	0	0	0	0	2
District Of Columbia	0	0	0	0	0	0	0	0	0	0	1	0	1
Florida	0	0	0	0	0	0	0	0	0	0	0	0	0
Illinois	0	0	0	0	0	0	0	0	0	0	0	2	2
Iowa	0	0	0	3	0	0	0	0	0	0	1	3	7
Kansas	0	0	0	0	0	0	0	1	0	0	0	0	1
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0	0
Maine	0	0	0	1	0	0	0	0	0	0	0	1	2
Maryland	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	0	0	0	0	1	0	0	0	1	2
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0	0
Missouri	0	0	0	0	0	0	0	1	0	0	0	0	1
Montana	0	0	0	1	0	0	0	0	0	0	0	0	1
Nebraska	0	0	0	2	0	0	2	0	0	0	0	0	4
New Mexico	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0
Oklahoma	0	0	0	1	0	0	0	0	0	0	0	0	1
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	0
Pennsylvania	0	0	0	7	3	0	0	0	0	0	0	0	10
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	1	0	1
Tennessee	0	0	0	0	0	0	0	0	0	0	0	4	4
Texas	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	5	0	0	0	0	0	0	0	0	5
Virginia	0	0	0	5	0	0	0	0	0	0	0	4	9
West Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>16</b>	<b>58</b>

# APPENDIX E

## APPRAISAL COMPLAINT NATIONAL HOTLINE

January-December 2022

In-Bound Source	Calendar Year 2022 Totals
Call Center Calls	571
Call Center Referrals	n/a
Email Referral	7
Website Hits/Visits	4021
Federal Agency Referrals	50
State Agency Referrals	454

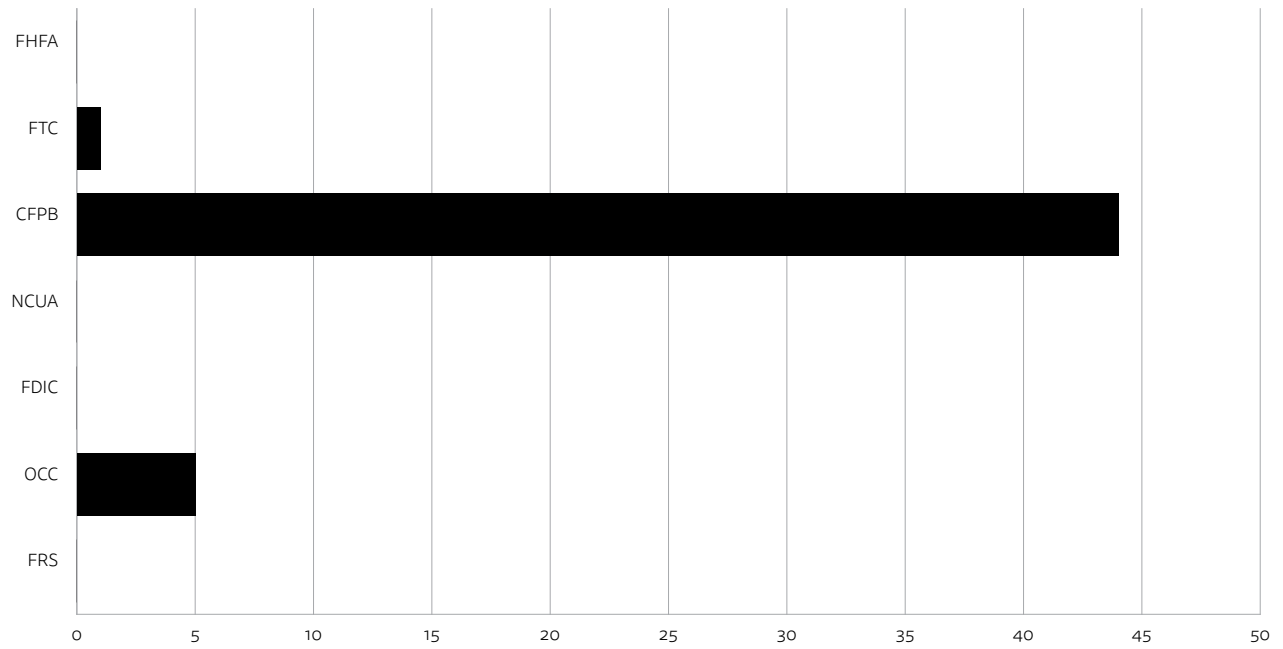
### Member Agency Referrals

Agency	Calendar Year 2022 Totals
FRS	0
OCC	5
FDIC	0
NCUA	0
CFPB	44
FTC	1
FHFA	0

Description	Calendar Year 2022 Totals
<b>Complainant</b>	
Appraiser	55
AMC	11
Bank, savings and loan, thrift, credit union, or other financial institution	12
Mortgage broker, lender, or loan originator	22
Settlement services provider	1
Other Totals	353
Consumer*	313
Real Estate Agent	27
Attorney	1
Insurance Agent	0
Federal Entity	0
Blank/Undefined	12
<b>Complaint</b>	
USPAP	317
Appraisal Independence	137
<b>Complaint Against</b>	
Appraiser	397
AMC	11
Bank, savings and loan, thrift, credit union, or other financial institution	10
Mortgage broker, lender, or loan originator	7
Settlement services provider	3
Other	26
<b>Property Type</b>	
1-4 Unit Residential	424
Commercial	21
No Property	9
<b>Federal Loan Type</b>	
FHA	81
VA	40
USDA	9
None	4

\*Consumer consists of the following self-identified categories: Property Owner, Homeowner, Buyer, Borrower, Seller and Loan Applicant.

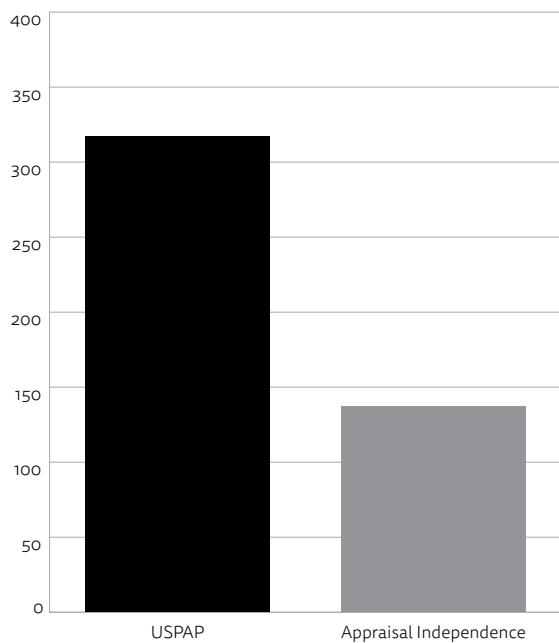
### Federal Agency Referrals



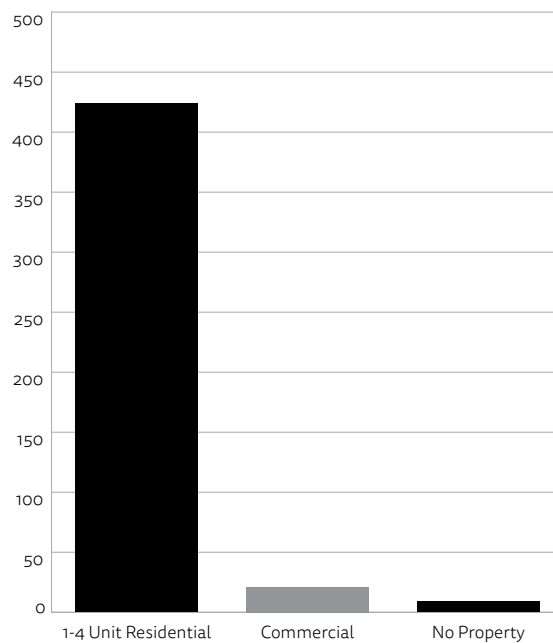
### Complainant Type



### Complaint Type



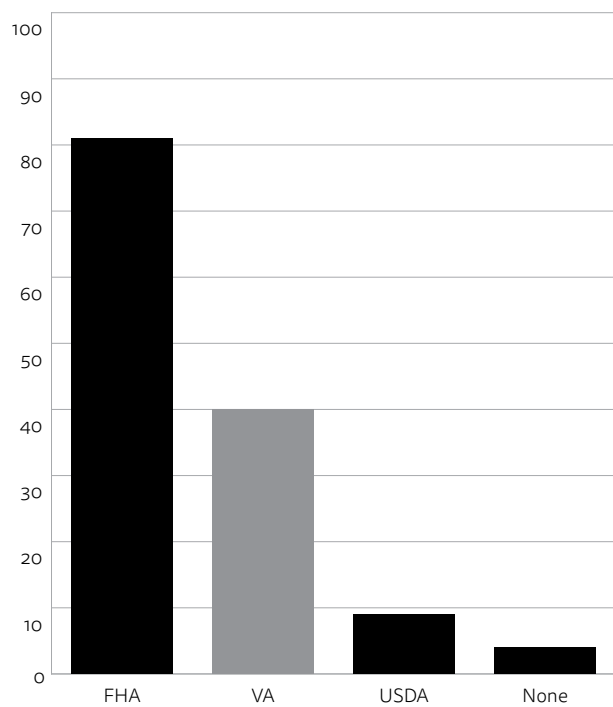
### Property Type



### Complaint Against



### Federal Loan Type



# APPENDIX F

## AGENCY COMPLAINT DATA

January-December 2022

Description	FDIC	FRB	NCUA	OCC	CFPB	Total
<b>Complainant</b>						
Appraiser	3	0	1	5	4	<b>13</b>
Appraisal Management Company	0	0	0	0	0	<b>0</b>
Business Property Owner	4	0	0	1	0	<b>5</b>
Financial Institution Lender	0	0	0	0	0	<b>0</b>
Individual Property Owner	19	5	4	38	179	<b>245</b>
Mortgage Broker	0	0	0	0	2	<b>2</b>
Non-Financial Institution Lender	0	0	0	0	0	<b>0</b>
Other	8	0	0	1	17	<b>26</b>
<b>Complaint Against</b>						
Appraiser	14	1	1	13	78	<b>107</b>
Appraisal Management Company	1			1	7	<b>9</b>
Lender	26	4	4	33	115	<b>182</b>
Other	1	0	0	0	2	<b>3</b>
<b>Complaint Type</b>						
Non-Compliance with USPAP	21	1	1	5	94	<b>122</b>
Appraisal Independence	3	0	1	0	33	<b>33</b>
Other	13	4	3	40	75	<b>135</b>

Notes:

OCC referred 73 complaints to CFPB, 6 complaints to FDIC and 3 complaints to FRB which are not included in the OCC counts above.

In addition to the complaints noted above, the CFPB referred 79 appraisal related complaints to other agencies.



# APPENDIX G

## REFERENCE MATERIALS

### STATUTORY REFERENCES

#### Unofficial Staff Version of Title XI of FIRREA Real Estate Appraisal Reform [12 U.S.C. 3331-3356] as amended by the Dodd-Frank Act and the Economic Growth, Regulatory Relief and Consumer Protection Act

##### § 1101. Purpose

[12 U.S.C. 3331]

The purpose of this title is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.

##### § 1102. Establishment of Appraisal Subcommittee of the Federal Financial Institutions Examination Council

[12 U.S.C. 3310]

The Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) is amended by adding at the end thereof the following new section:

##### § 1101. Establishment of Appraisal Subcommittee

There shall be within the Council a subcommittee to be known as the Appraisal Subcommittee, which shall consist of the designees of the heads of the Federal financial institutions regulatory agencies, the Consumer Financial Protection Bureau, and the Federal Housing Finance Agency. Each such designee shall be a person who has demonstrated knowledge and competence concerning the appraisal profession. At all times at least one member of the Appraisal Subcommittee shall have demonstrated knowledge and competence through licensure, certification, or professional designation within the appraisal profession.

##### § 1103. Functions of Appraisal Subcommittee

[12 U.S.C. 3332]

- (a) *In general.* The Appraisal Subcommittee shall—
- (1) monitor the requirements established by States—

- (A) for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility; and
  - (B) for the registration and supervision of the operations and activities of an appraisal management company;
- (2) monitor the requirements established by the Federal financial institutions regulatory agencies [and the Resolution Trust Corporation] with respect to—
    - (A) appraisal standards for federally related transactions under their jurisdiction, and
    - (B) determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser;
  - (3) maintain a National Registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions;
  - (4) [Omitted] terminated effective May 15, 2000, pursuant to § 3003 of Act Dec. 21, 1995, P.L. 10-466, which appears as 31 USCS § 1113 note (*see also* page 170 of House Document No. 103-7);
  - (5) transmit an annual report to the Congress not later than June 15 of each year that describes the manner in which each function assigned to the Appraisal Subcommittee has been carried out during the preceding year. The report shall also detail the activities of the Appraisal Subcommittee, including the results of all audits of State appraiser regulatory agencies, and provide an accounting of disapproved actions and warnings taken in the previous year, including a description of the conditions causing the disapproval and actions taken to achieve compliance; and

- (6) maintain a national registry of appraisal management companies that either are registered with and subject to supervision of a State appraiser certifying and licensing agency or are operating subsidiaries of a Federally regulated financial institution.

- (b) *Monitoring and reviewing Foundation.* The Appraisal Subcommittee shall monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation.

**§ 1104. Chairperson of Appraisal Subcommittee; term of Chairperson; meetings** [12 U.S.C. 3333]

- (a) *Chairperson.* The Council shall select the Chairperson of the subcommittee. The term of the Chairperson shall be 2 years.
- (b) *Meetings; quorum; voting.* The Appraisal Subcommittee shall meet in public session after notice in the *Federal Register*, but may close certain portions of these meetings related to personnel and review of preliminary State audit reports at the call of the Chairperson or a majority of its members when there is business to be conducted. A majority of members of the Appraisal Subcommittee shall constitute a quorum but 2 or more members may hold hearings. Decisions of the Appraisal Subcommittee shall be made by the vote of a majority of its members. The subject matter discussed in any closed or executive session shall be described in the *Federal Register* notice of the meeting.

**§ 1105. Officers and staff** [12 U.S.C. 3334]

The Chairperson of the Appraisal Subcommittee shall appoint such officers and staff as may be necessary to carry out the functions of this title consistent with the appointment and compensation practices of the Council.

**§ 1106. Powers of Appraisal Subcommittee** [12 U.S.C. 3335]

The Appraisal Subcommittee may, for the purpose of carrying out this title, establish advisory committees, hold hearings, prescribe regulations in accordance with chapter 5 of title 5, *United States Code* (commonly referred to as the Administrative Procedures Act) after notice and opportunity for comment, sit and act at times and places, take testimony, receive evidence, provide information, and perform research, as the Appraisal Subcommittee considers appropriate. Any regulations prescribed by the Appraisal Subcommittee shall (unless otherwise provided in this title) be limited to the following functions: temporary practice, national registry, information sharing, and enforcement. For purposes of prescribing regulations, the Appraisal Subcommittee shall establish an advisory committee of industry participants, including appraisers, lenders, consumer advocates, real estate agents, and government agencies, and hold meetings as necessary to support the development of regulations.

**§ 1107. Procedures for establishing appraisal standards and requiring the use of certified and licensed appraisers** [12 U.S.C. 3336]

Appraisal standards and requirements for using State certified and licensed appraisers in federally related transactions pursuant to this title shall be prescribed in accordance with procedures set forth in section 553 of title 5, *United States Code*, including the publication of notice and receipt of written comments or the holding of public hearings with respect to any standards or requirements proposed to be established.

**§ 1108. Startup funding** [12 U.S.C. 3337]

- (a) *In general.* For purposes of this title, the Secretary of the Treasury shall pay to the Appraisal Subcommittee a one-time payment of \$ 5,000,000 on the date of the enactment of this Act [enacted Aug. 9, 1989]. Thereafter, expenses of the subcommittee shall be funded through the collection of registry fees from certain certified and licensed appraisers pursuant to section 1109 [12 USCS § 3338] or, if required, pursuant to section 1122(b) of this title [12 USCS § 3351(b)].
- (b) *Additional funds.* Except as provided in section 1122(c) of this title [12 USCS § 3351(b)], funds in addition to the funds provided under subsection (a) may be made available to the Appraisal Subcommittee only if authorized and appropriated by law.

(c) *Repayment of Treasury loan.* Not later than September 30, 1998, the Appraisal Subcommittee shall repay to the Secretary of the Treasury the unpaid portion of the \$5,000,000 paid to the Appraisal Subcommittee pursuant to this section.

**§ 1109. Roster of State certified or licensed appraisers; authority to collect and transmit fees [12 U.S.C. 3338]**

(a) *In general.* Each State with an appraiser certifying and licensing agency whose certifications and licenses comply with this title, shall—

- (1) transmit to the Appraisal Subcommittee, no less than annually, a roster listing individuals who have received a State certification or license in accordance with this title;
- (2) transmit reports on the issuance and renewal of licenses and certifications, sanctions, disciplinary actions, license and certification revocations, and license and certification suspensions on a timely basis to the national registry of the Appraisal Subcommittee;
- (3) transmit reports on a timely basis of supervisory activities involving appraisal management companies or other third-party providers of appraisals and appraisal management services, including investigations initiated and disciplinary actions taken; and
- (4) collect—
  - (A) from such individuals who perform or seek to perform appraisals in federally related transactions, an annual registry fee of not more than \$40, such fees to be transmitted by the State agencies to the Council on an annual basis; and
  - (B) from an appraisal management company that either has registered with a State appraiser certifying and licensing agency in accordance with this title or operates as a subsidiary of a federally regulated financial institution, an annual registry fee of—
    - (i) in the case of such a company that has been in existence for more than a year, \$25 multiplied by the number of appraisers working for or contracting with such company in such State during the previous year, but where such \$25 amount may be adjusted, up to a maximum of \$50, at the discretion of the Appraisal Subcommittee, if necessary to carry out the Subcommittee's functions under this title; and

(ii) in the case of such a company that has not been in existence for more than a year, \$25 multiplied by an appropriate number to be determined by the Appraisal Subcommittee, and where such number will be used for determining the fee of all such companies that were not in existence for more than a year, but where such \$25 amount may be adjusted, up to a maximum of \$50, at the discretion of the Appraisal Subcommittee, if necessary to carry out the Subcommittee's functions under this title.

Subject to the approval of the Council, the Appraisal Subcommittee may adjust the dollar amount of registry fees under paragraph (4)(A), up to a maximum of \$80 per annum, as necessary to carry out its functions under this title. The Appraisal Subcommittee shall consider at least once every 5 years whether to adjust the dollar amount of the registry fees to account for inflation. In implementing any change in registry fees, the Appraisal Subcommittee shall provide flexibility to the States for multi-year certifications and licenses already in place, as well as a transition period to implement the changes in registry fees.

In establishing the amount of the annual registry fee for an appraisal management company, the Appraisal Subcommittee shall have the discretion to impose a minimum annual registry fee for an appraisal management company to protect against the under reporting of the number of appraisers working for or contracted by the appraisal management company.

- (b) *Use of amounts appropriated or collected.* Amounts appropriated for or collected by the Appraisal Subcommittee under this section shall be used—
- (1) to maintain a registry of individuals who are qualified and eligible to perform appraisals in connection with federally related transactions;
  - (2) to support its activities under this title;
  - (3) to reimburse the general fund of the Treasury for amounts appropriated to and expended by the Appraisal Subcommittee during the 24-month startup period following the date of the enactment of this title [enacted Aug. 9, 1989];
  - (4) to make grants in such amounts as it deems appropriate to the Appraisal Foundation, to help defray those costs of the foundation relating to the activities of its Appraisal Standards and Appraiser Qualification Boards;

- (5) to make grants to State appraiser certifying and licensing agencies, in accordance with policies to be developed by the Appraisal Subcommittee, to support the efforts of such agencies to comply with this title, including—
- (A) the complaint process, complaint investigations, and appraiser enforcement activities of such agencies; and
- (B) the submission of data on State licensed and certified appraisers and appraisal management companies to the National appraisal registry, including information affirming that the appraiser or appraisal management company meets the required qualification criteria and formal and informal disciplinary actions; and
- (6) to report to all State appraiser certifying and licensing agencies when a license or certification is surrendered, revoked, or suspended.

**§ 1110. Functions of Federal financial institutions regulatory agencies relating to appraisal standards**  
[12 U.S.C. 3339]

Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe appropriate standards for the performance of real estate appraisals in connection with federally related transactions under the jurisdiction of each such agency or instrumentality. These rules shall require, at a minimum—

- (1) that real estate appraisals be performed in accordance with generally accepted appraisal standards as evidenced by the appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation;
- (2) that such appraisals shall be written appraisals. Each such agency or instrumentality may require compliance with additional standards if it makes a determination in writing that such additional standards are required in order to properly carry out its statutory responsibilities; and
- (3) that such appraisals shall be subject to appropriate review for compliance with the *Uniform Standards of Professional Appraisal Practice*.

**§ 1111. Time for proposal and adoption of standards**  
[12 U.S.C. 3340]

Appraisal standards established under this title shall be proposed not later than 6 months and shall be adopted in final form and become effective not later than 12 months after the date of the enactment of this Act [enacted Aug. 9, 1989].

**§ 1112. Functions of Federal financial institutions regulatory agencies relating to appraiser qualifications**  
[12 U.S.C. 3341]

- (a) *In general.* Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe, in accordance with sections 1113 and 1114 of this title [12 USCS §§ 3342, 3343], which categories of federally related transactions should be appraised by a State certified appraiser and which by a State licensed appraiser under this title.
- (b) *Threshold level.* Each Federal financial institutions regulatory agency and the Resolution Trust Corporation may establish a threshold level at or below which a certified or licensed appraiser is not required to perform appraisals in connection with federally related transactions, if such agency determines in writing that such threshold level does not represent a threat to the safety and soundness of financial institutions and receives concurrence from the Consumer Financial Protection Bureau that such threshold level provides reasonable protection for consumers who purchase 1–4 unit single family residences.
- (c) *GAO study of appraisals in connection with real estate related financial transactions below the threshold level.*
- (1) *GAO studies.* The Comptroller General of the United States may conduct, under such conditions as the Comptroller General determines appropriate, studies on the adequacy and quality of appraisals or evaluations conducted in connection with real estate related financial transactions below the threshold level established under subsection (b), taking into account—
- (A) the cost to any financial institution involved in any such transaction;
- (B) the possibility of losses to the Deposit Insurance Fund or the National Credit Union Share Insurance Fund;
- (C) the cost to any customer involved in any such transaction; and
- (D) the effect on low-income housing.

- (2) *Reports to Congress and the appropriate Federal financial institutions regulatory agencies.* Upon completing each of the studies referred to in paragraph (1), the Comptroller General shall submit a report on the Comptroller General’s findings and conclusions with respect to such study to the Federal financial institutions regulatory agencies, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, together with such recommendations for legislative or administrative action as the Comptroller General determines to be appropriate.

**§ 1113. Transactions requiring the services of a State certified appraiser [12 U.S.C. 3342]**

In determining whether an appraisal in connection with a federally related transaction shall be performed by a State certified appraiser, an agency or instrumentality under this title shall consider whether transactions, either individually or collectively, are of sufficient financial or public policy importance to the United States that an individual who performs an appraisal in connection with such transactions should be a State certified appraiser, except that—

- (a) a State certified appraiser shall be required for all federally related transactions having a value of \$1,000,000 or more; and
- (b) 1-to-4 unit, single family residential appraisals may be performed by State licensed appraisers unless the size and complexity requires a State certified appraiser, where a complex 1-to-4 unit single family residential appraisal means an appraisal for which the property to be appraised, the form of ownership, the property characteristics, or the market conditions are atypical.

**§ 1114. Transactions requiring the services of a State licensed appraiser [12 U.S.C. 3343]**

All federally related transactions not requiring the services of a State certified appraiser shall be performed by either a State certified or licensed appraiser.

**§ 1115. Time for proposal and adoption of rules [12 U.S.C. 3344]**

As appropriate, rules issued under sections 1113 and 1114 [12 USCS §§ 3342 and 3343] shall be proposed not later than 6 months and shall be effective upon adoption in final form not later than 12 months after the date of the enactment of this Act [enacted Aug. 9, 1989].

**§ 1116. Certification and licensing requirements [12 U.S.C. 3345]**

- (a) *In general.* For purposes of this title, the term “State certified real estate appraiser” means any individual who has satisfied the requirements for State certification in a State or territory whose criteria for certification as a real estate appraiser currently meets the minimum criteria for certification issued by the Appraiser Qualification Board of the Appraisal Foundation.
- (b) *Restriction.* No individual shall be a State certified real estate appraiser under this section unless such individual has achieved a passing grade upon a suitable examination administered by a State or territory that is consistent with and equivalent to the Uniform State Certification Examination issued or endorsed by the Appraiser Qualification Board of the Appraisal Foundation.
- (c) *“State licensed appraiser” defined.* As used in this section, the term “State licensed appraiser” means an individual who has satisfied the requirements for State licensing in a State or territory whose criteria for the licensing of a real estate appraiser currently meet or exceed the minimum criteria issued by the Appraisal Qualifications Board of The Appraisal Foundation for the licensing of real estate appraisers.
- (d) *Additional qualification criteria.* Nothing in this title shall be construed to prevent any Federal agency or instrumentality under this title from establishing such additional qualification criteria as may be necessary or appropriate to carry out the statutory responsibilities of such department, agency, or instrumentality.
- (e) *Minimum Qualification Requirements.* Any requirements established for individuals in the position of ‘Trainee Appraiser’ and ‘Supervisory Appraiser’ shall meet or exceed the minimum qualification requirements of the Appraiser Qualifications Board of The Appraisal Foundation. The Appraisal Subcommittee shall have the authority to enforce these requirements.

**§ 1117. Establishment of State appraiser certifying and licensing agencies [12 U.S.C. 3346]**

To assure the availability of State certified and licensed appraisers for the performance in a State of appraisals in federally related transactions and to assure effective supervision of the activities of certified and licensed appraisers, a State may establish a State appraiser certifying and licensing agency. The duties of such agency may additionally include the registration and supervision of appraisal management companies and the addition of information about the appraisal management company to the national registry.

**§ 1118. Monitoring of State appraiser certifying and licensing agencies [12 U.S.C. 3347]**

- (a) *In general.* The Appraisal Subcommittee shall monitor each State appraiser certifying and licensing agency for the purposes of determining whether such agency—
- (1) has policies, practices, funding, staffing, and procedures that are consistent with this title;
  - (2) processes complaints and completes investigations in a reasonable time period;
  - (3) appropriately disciplines sanctioned appraisers and appraisal management companies;
  - (4) maintains an effective regulatory program; and
  - (5) reports complaints and disciplinary actions on a timely basis to the national registries on appraisers and appraisal management companies maintained by the Appraisal Subcommittee.

The Appraisal Subcommittee shall have the authority to remove a State licensed or certified appraiser or a registered appraisal management company from a national registry on an interim basis, not to exceed 90 days, pending State agency action on licensing, certification, registration, and disciplinary proceedings. The Appraisal Subcommittee and all agencies, instrumentalities, and Federally recognized entities under this title shall not recognize appraiser certifications and licenses from States whose appraisal policies, practices, funding, staffing, or procedures are found to be inconsistent with this title.

The Appraisal Subcommittee shall have the authority to impose sanctions, as described in this section, against a State agency that fails to have an effective appraiser regulatory program. In determining whether such a program is effective, the Appraisal Subcommittee shall include an analysis of the licensing and certification of appraisers, the registration of appraisal management companies, the issuance of temporary licenses and certifications for appraisers, the receiving and tracking of submitted complaints against appraisers and appraisal management companies, the investigation of complaints, and enforcement actions against appraisers and appraisal management companies. The Appraisal Subcommittee shall have the authority to impose interim actions and suspensions against a State agency as an alternative to, or in advance of the derecognition of a State agency.

- (b) *Disapproval by Appraisal Subcommittee.* The Federal financial institutions regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation shall accept certifications and licenses awarded by a State appraiser certifying the licensing agency unless the Appraisal Subcommittee issues a written finding that—
- (1) the State agency fails to recognize and enforce the standards, requirements, and procedures prescribed pursuant to this title;
  - (2) the State agency is not granted authority or sufficient funding by the State which is adequate to permit the agency to carry out its functions under this title; or
  - (3) decisions concerning appraisal standards, appraiser qualifications and supervision of appraiser practices are not made in a manner that carries out the purposes of this title.
- (c) *Rejection of State certifications and licenses.*
- (1) *Opportunity to be heard or correct conditions.* Before refusing to recognize a State's appraiser certifications or licenses, the Appraisal Subcommittee shall provide that State's certifying and licensing agency a written notice of its intention not to recognize the State's certified or licensed appraisers and ample opportunity to provide rebuttal information or to correct the conditions causing the refusal.
  - (2) *Adoption of procedures.* The Appraisal Subcommittee shall adopt written procedures for taking actions described in this section.
  - (3) *Judicial review.* A decision of the subcommittee under this section shall be subject to judicial review.

**§ 1119. Recognition of State certified and licensed appraisers for purposes of this title [12 U.S.C. 3348]**

- (a) *Effective date for use of certified or licensed appraisers only.*
- (1) *In general.* Not later than December 31, 1992, all appraisals performed in connection with federally related transactions shall be performed only by individuals certified or licensed in accordance with the requirements of this title.

- (2) *Extension of effective date.* Subject to the approval of the Council, the Appraisal Subcommittee may extend, until December 31, 1991, the effective date for the use of certified or licensed appraisers if it makes a written finding that a State has made substantial progress in establishing a State certification and licensing system that appears to conform to the provisions of this title.
- (b) *Temporary waiver of appraiser certification or licensing requirements for State having scarcity of qualified appraisers.* Subject to the approval of the Council, the Appraisal Subcommittee may waive any requirement relating to certification or licensing of a person to perform appraisals under this title if the Appraisal Subcommittee or a State agency whose certifications and licenses are in compliance with this title, makes a written determination that there is a scarcity of certified or licensed appraisers to perform appraisals in connection with federally related transactions in a State, or in any geographical political subdivision of a State, leading to significant delays in the performance of such appraisals. The waiver terminates when the Appraisal Subcommittee determines that such significant delays have been eliminated.
- (c) *Reports to State certifying and licensing agencies.* The Appraisal Subcommittee, any other Federal agency or instrumentality, or any federally recognized entity shall report any action of a State certified or licensed appraiser that is contrary to the purposes of this title to the appropriate State agency for a disposition of the subject of the referral. The State agency shall provide the Appraisal Subcommittee or the other Federal agency or instrumentality with a report on its disposition of the matter referred. Subsequent to such disposition, the subcommittee or the agency or instrumentality may take such further action, pursuant to written procedures, it deems necessary to carry out the purposes of this title.
- (2) for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Resolution Trust Corporation to knowingly contract for the performance of any appraisal by a person who is not a State certified or licensed appraiser in connection with a real estate related financial transaction defined in section 1121(5) [12 USCS § 3350(5)] to which such association or corporation is a party.
- (b) *Penalties.* A financial institution that violates subsection (a)(1) shall be subject to civil penalties under section 8(i)(2) of the Federal Deposit Insurance Act or section 206(k)(2) of the Federal Credit Union Act [12 USCS § 1818(i)(2) or 1786(k)(2)], as appropriate.
- (c) *Proceeding.* A proceeding with respect to a violation of this section shall be an administrative proceeding which may be conducted by a Federal financial institutions regulatory agency in accordance with the procedures set forth in subchapter II of chapter 5 of title 5, United States Code [5 USCS §§ 551 et seq.].

#### § 1121. Definitions [12 U.S.C. 3350]

For purposes of this title:

- (1) *State appraiser certifying and licensing agency.* The term “State appraiser certifying and licensing agency” means a State agency established in compliance with this title.
- (2) *Appraisal Subcommittee; subcommittee.* The terms “Appraisal Subcommittee” and “subcommittee” mean the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.
- (3) *Council.* The term “Council” means the Federal Financial Institutions Examination Council.
- (4) *Federally related transaction.* The term “federally related transaction” means any real estate-related financial transaction which—
- (A) a Federal financial institutions regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and
- (B) requires the services of an appraiser.
- (5) *Real estate related financial transaction.* The term “real estate-related financial transaction” means any transaction involving—
- (A) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;
- (B) the refinancing of real property or interests in real property; and

#### § 1120. Violations in obtaining and performing appraisals in federally related transactions

[12 U.S.C. 3349]

- (a) *Violations.* Except as authorized by the Appraisal Subcommittee in exercising its waiver authority pursuant to section 1119(b) [12 USCS § 3348(b)], it shall be a violation of this section—
- (1) for a financial institution to seek, obtain, or give money or any other thing of value in exchange for the performance of an appraisal by a person who the institution knows is not a State certified or licensed appraiser in connection with a federally related transaction; and

- (C) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.
- (6) *Federal financial institutions regulatory agencies*. The term “Federal financial institutions regulatory agencies” means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration.
- (7) *Financial institution*. The term “financial institution” means an insured depository institution as defined in section 3 of the Federal Deposit Insurance Act [12 USCS § 1813] or an insured credit union as defined in section 101 of the Federal Credit Union Act [12 USCS § 1752].
- (8) *Chairperson*. The term “Chairperson” means the Chairperson of the Appraisal Subcommittee selected by the Council.
- (9) *Foundation*. The terms “Appraisal Foundation” and “Foundation” means [mean] the Appraisal Foundation established on November 30, 1987, as a not for profit corporation under the laws of Illinois.
- (10) *Written appraisal*. The term “written appraisal” means a written statement used in connection with a federally related transaction that is independently and impartially prepared by a licensed or certified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.
- (11) *Appraisal Management Company*. The term ‘appraisal management company’ means, in connection with valuing properties collateralizing mortgage loans or mortgages incorporated into a securitization, any external third party authorized either by a creditor of a consumer credit transaction secured by a consumer’s principal dwelling or by an underwriter of or other principal in the secondary mortgage markets, that oversees a network or panel of more than 15 certified or licensed appraisers in a State or 25 or more nationally within a given year—
- (A) to recruit, select, and retain appraisers;
- (B) to contract with licensed and certified appraisers to perform appraisal assignments;
- (C) to manage the process of having an appraisal performed, including providing administrative duties such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed; or
- (D) to review and verify the work of appraisers.

## § 1122. Miscellaneous provisions [12 U.S.C. 3351]

- (a) *Temporary practice*.
- (1) *In general*. A State appraiser certifying or licensing agency shall recognize on a temporary basis the certification or license of an appraiser issued by another State if—
- (A) the property to be appraised is part of a federally related transaction,
- (B) the appraiser’s business is of a temporary nature, and
- (C) the appraiser registers with the appraiser certifying or licensing agency in the State of temporary practice.
- (2) *Fees for temporary practice*. A State appraiser certifying or licensing agency shall not impose excessive fees or burdensome requirements, as determined by the Appraisal Subcommittee, for temporary practice under this subsection.
- (b) *Reciprocity*. Notwithstanding any other provisions of this title, a federally related transaction shall not be appraised by a certified or licensed appraiser unless the State appraiser certifying or licensing agency of the State certifying or licensing such appraiser has in place a policy of issuing a reciprocal certification or license for an individual from another State when—
- (1) the appraiser licensing and certification program of such other State is in compliance with the provisions of this title; and
- (2) the appraiser holds a valid certification from a State whose requirements for certification or licensing meet or exceed the licensure standards established by the State where an individual seeks appraisal licensure.
- (c) *Supplemental funding*. Funds available to the Federal financial institutions regulatory agencies may be made available to the Federal Financial Institutions Examination Council to support the Council’s functions under this title.



- (d) *Prohibition against discrimination.* Criteria established by the Federal financial institutions regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation for appraiser qualifications in addition to State certification or licensing may include education achieved, experience, sample appraisals, and references from prior clients. Membership in a nationally recognized professional appraisal organization may be a criteria considered, though lack of membership therein shall not be the sole bar against consideration for an assignment under these criteria.
- (e) *Other requirements.* A corporation, partnership, or other business entity may provide appraisal services in connection with federally related transactions if such appraisal is prepared by individuals certified or licensed in accordance with the requirements of this title. An individual who is not a State certified or licensed appraiser may assist in the preparation of an appraisal if—
- (1) the assistant is under the direct supervision of a licensed or certified individual; and
  - (2) the final appraisal document is approved and signed by an individual who is certified or licensed.
- (f) *Studies.*
- (1) *Study.* The Appraisal Subcommittee shall—
    - (A) conduct a study to determine whether real estate sales and financing information and data that is available to real estate appraisers in the States is sufficient to permit appraisers to properly estimate the values of properties in connection with federally related transactions; and
    - (B) study the feasibility and desirability of extending the provisions of this title to the function of personal property appraising and to personal property appraisers in connection with Federal financial and public policy interests.
  - (2) *Report.* The Appraisal Subcommittee shall— (A) report its findings to the Congress with respect to the study described in paragraph (1)(A) no later than 12 months after the date of the enactment of this title [enacted Aug. 9, 1989], and (B) report its findings with respect to the study described in paragraph (1) (B) to Congress not later than 18 months after the date of the enactment of this title [enacted Aug. 9, 1989].
- (g) *Appraiser Independence Monitoring.* The Appraisal Subcommittee shall monitor each State appraiser certifying and licensing agency for the purpose of determining whether such agency’s policies, practices, and procedures are consistent with the purposes of maintaining appraiser independence and whether such State has adopted and maintains effective laws, regulations, and policies aimed at maintaining appraiser independence.
- (h) *Approved Education.* The Appraisal Subcommittee shall encourage the States to accept courses approved by the Appraiser Qualification Board’s Course Approval Program.
- (i) *Appraisal Complaint National Hotline.* If, 6 months after the date of the enactment of this subsection, the Appraisal Subcommittee determines that no national hotline exists to receive complaints of non-compliance with appraisal independence standards and *Uniform Standards of Professional Appraisal Practice*, including complaints from appraisers, individuals, or other entities concerning the improper influencing or attempted improper influencing of appraisers or the appraisal process, the Appraisal Subcommittee shall establish and operate such a national hotline, which shall include a toll-free telephone number and an email address. If the Appraisal Subcommittee operates such a national hotline, the Appraisal Subcommittee shall refer complaints for further action to appropriate governmental bodies, including a State appraiser certifying and licensing agency, a financial institution regulator, or other appropriate legal authorities. For complaints referred to State appraiser certifying and licensing agencies or to Federal regulators, the Appraisal Subcommittee shall have the authority to follow up such complaint referrals in order to determine the status of the resolution of the complaint.

### § 1123. Emergency exceptions for disaster areas

[12 U.S.C. 3352]

- (a) *In general.* Each Federal financial institutions regulatory agency may, by regulation or order, make exceptions to this title, and to standards prescribed pursuant to this title, for transactions involving institutions for which the agency is the primary Federal regulator with respect to real property located within a disaster area if the agency—
- (1) makes the exception not later than 30 months after the date on which the President determines, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 USCS § 5170], that a major disaster exists in the area; and

- (2) determines that the exception—
  - (A) would facilitate recovery from the major disaster; and
  - (B) is consistent with safety and soundness.
- (b) *3-year limit on exceptions.* Any exception made under this section shall expire not later than 3 years after the date of the determination referred to in subsection (a) (1).
- (c) *Publication required.* Any Federal financial institutions regulatory agency shall publish in the *Federal Register* a statement that—
  - (1) describes any exception made under this section; and
  - (2) explains how the exception—
    - (A) would facilitate recovery from the major disaster; and
    - (B) is consistent with safety and soundness.
- (d) *“Disaster area” defined.* For purposes of this section, the term “disaster area” means an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 USCS § 5170], has determined that a major disaster exists.

**§ 1124. Appraisal Management Company  
Minimum Requirements [12 U.S.C. 3353]**

- (a) *In general.* The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Consumer Financial Protection Bureau shall jointly, by rule, establish minimum requirements to be applied by a State in the registration of appraisal management companies. Such requirements shall include a requirement that such companies—
  - (1) register with and be subject to supervision by a State appraiser certifying and licensing agency in each State in which such company operates;
  - (2) verify that only licensed or certified appraisers are used for federally related transactions;
  - (3) require that appraisals coordinated by an appraisal management company comply with the *Uniform Standards of Professional Appraisal Practice*; and
  - (4) require that appraisals are conducted independently and free from inappropriate influence and coercion pursuant to the appraisal independence standards established under section 129E of the Truth in Lending Act.
- (b) *Relation to State Law.* Nothing in this section shall be construed to prevent States from establishing requirements in addition to any rules promulgated under subsection (a).
- (c) *Federally Regulated Financial Institutions.* The requirements of subsection (a) shall apply to an appraisal management company that is a subsidiary owned and controlled by a financial institution and regulated by a Federal financial institution regulatory agency. An appraisal management company that is a subsidiary owned and controlled by a financial institution regulated by a Federal financial institution regulatory agency shall not be required to register with a State.
- (d) *Registration Limitations.* An appraisal management company shall not be registered by a State or included on the national registry if such company, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State. Additionally, each person that owns more than 10 percent of an appraisal management company shall be of good moral character, as determined by the State appraiser certifying and licensing agency, and shall submit to a background investigation carried out by the State appraiser certifying and licensing agency.
- (e) *Reporting.* The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Consumer Financial Protection Bureau shall jointly promulgate regulations for the reporting of the activities of appraisal management companies to the Appraisal Subcommittee in determining the payment of the annual registry fee.
- (f) *Effective Date.*
  - (1) In general. No appraisal management company may perform services related to a federally related transaction in a State after the date that is 36 months after the date on which the regulations required to be prescribed under subsection (a) are prescribed in final form unless such company is registered with such State or subject to oversight by a Federal financial institutions regulatory agency.

- (2) *Extension of Effective Date.* Subject to the approval of the Council, the Appraisal Subcommittee may extend by an additional 12 months the requirements for the registration and supervision of appraisal management companies if it makes a written finding that a State has made substantial progress in establishing a State appraisal management company registration and supervision system that appears to conform with the provisions of this title.

**§ 1125. Automated Valuation Models Used to Estimate Collateral Value for Mortgage Lending Purposes.**

[12 U.S.C. 3354]

- (a) *In general.* Automated valuation models shall adhere to quality control standards designed to—
- (1) ensure a high level of confidence in the estimates produced by automated valuation models;
  - (2) protect against the manipulation of data;
  - (3) seek to avoid conflicts of interest;
  - (4) require random sample testing and reviews; and
  - (5) account for any other such factor that the agencies listed in subsection (b) determine to be appropriate.
- (b) *Adoption of Regulations.* The Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Consumer Financial Protection Bureau, in consultation with the staff of the Appraisal Subcommittee and the Appraisal Standards Board of the Appraisal Foundation, shall promulgate regulations to implement the quality control standards required under this section.
- (c) *Enforcement.* Compliance with regulations issued under this subsection shall be enforced by—
- (1) with respect to a financial institution, or subsidiary owned and controlled by a financial institution and regulated by a Federal financial institution regulatory agency, the Federal financial institution regulatory agency that acts as the primary Federal supervisor of such financial institution or subsidiary; and
  - (2) with respect to other participants in the market for appraisals of 1-to-4 unit single family residential real estate, the Federal Trade Commission, the Consumer Financial Protection Bureau, and a State attorney general.
- (d) *Automated Valuation Model Defined.* For purposes of this section, the term ‘automated valuation model’ means any computerized model used by mortgage originators and secondary market issuers to determine the collateral worth of a mortgage secured by a consumer’s principal dwelling.

**§ 1126. Broker Price Opinions** [12 U.S.C. 3355]

- (a) *General Prohibition.* In conjunction with the purchase of a consumer’s principal dwelling, broker price opinions may not be used as the primary basis to determine the value of a piece of property for the purpose of a loan origination of a residential mortgage loan secured by such piece of property.
- (b) *Broker Price Opinion Defined.* For purposes of this section, the term ‘broker price opinion’ means an estimate prepared by a real estate broker, agent, or sales person that details the probable selling price of a particular piece of real estate property and provides a varying level of detail about the property’s condition, market, and neighborhood, and information on comparable sales, but does not include an automated valuation model, as defined in section 1125(c).

**§ 1127. Exemption From Appraisals of Real Estate Located in Rural Areas** [12 U.S.C. 3356]

- (a) *Definitions.* In this section—
- (1) the term ‘mortgage originator’ has the meaning given the term in section 103 of the Truth in Lending Act (15 U.S.C. 1602); and
  - (2) the term ‘transaction value’ means the amount of a loan or extension of credit, including a loan or extension of credit that is part of a pool of loans or extensions of credit.
- (b) *Appraisal Not Required.* Except as provided in subsection (d), notwithstanding any other provision of law, an appraisal in connection with a federally related transaction involving real property or an interest in real property is not required if—
- (1) the real property or interest in real property is located in a rural area, as described in section 1026.35(b) (2)(iv)(A) of title 12, Code of Federal Regulations;

- (2) not later than 3 days after the date on which the Closing Disclosure Form, made in accordance with the final rule of the Consumer Financial Protection Bureau entitled ‘Integrated Mortgage Disclosures Under the Real Estate Settlement Procedures Act (Regulation X) and the Truth in Lending Act (Regulation Z)’ (78 Fed. Reg. 79730 (December 31, 2013)), relating to the federally related transaction is given to the consumer, the mortgage originator or its agent, directly or indirectly—
- (A) has contacted not fewer than 3 State certified appraisers or State licensed appraisers, as applicable, on the mortgage originator’s approved appraiser list in the market area in accordance with part 226 of title 12, Code of Federal Regulations; and
- (B) has documented that no State certified appraiser or State licensed appraiser, as applicable, was available within 5 business days beyond customary and reasonable fee and timeliness standards for comparable appraisal assignments, as documented by the mortgage originator or its agent;
- (3) the transaction value is less than \$400,000; and
- (4) the mortgage originator is subject to oversight by a Federal financial institutions regulatory agency.
- (c) *Sale, Assignment, or Transfer.* A mortgage originator that makes a loan without an appraisal under the terms of subsection (b) shall not sell, assign, or otherwise transfer legal title to the loan unless—
- (1) the loan is sold, assigned, or otherwise transferred to another person by reason of the bankruptcy or failure of the mortgage originator;
- (2) the loan is sold, assigned, or otherwise transferred to another person regulated by a Federal financial institutions regulatory agency, so long as the loan is retained in portfolio by the person;
- (3) the sale, assignment, or transfer is pursuant to a merger of the mortgage originator with another person or the acquisition of the mortgage originator by another person or of another person by the mortgage originator; or
- (4) the sale, loan, or transfer is to a wholly owned subsidiary of the mortgage originator, provided that, after the sale, assignment, or transfer, the loan is considered to be an asset of the mortgage originator for regulatory accounting purposes.
- (d) *Exception.* Subsection (b) shall not apply if—
- (1) a Federal financial institutions regulatory agency requires an appraisal under section 225.63(c), 323.3(c), 34.43(c), or 722.3(e) of title 12, Code of Federal Regulations; or
- (2) the loan is a high-cost mortgage, as defined in section 103 of the Truth in Lending Act (15 U.S.C. 1602).
- (e) *Anti-Evasion.* Each Federal financial institutions regulatory agency shall ensure that any mortgage originator that the Federal financial institutions regulatory agency oversees that makes a significant amount of loans under subsection (b) is complying with the requirements of subsection (b)(2) with respect to each loan.

### Department of Housing and Urban Development Reform Act of 1989

#### § 142 FHA Operations

[12 U.S.C. § 1708(g)]

- (a) *Appraisal standards.*
- (1) The Secretary shall prescribe standards for the appraisal of all property to be insured by the Federal Housing Administration. Such appraisals shall be performed in accordance with uniform standards, by individuals who have demonstrated competence and whose professional conduct is subject to effective supervision. These standards shall require at a minimum—
- (A) that the appraisals of properties to be insured by the Federal Housing Administration shall be performed in accordance with generally accepted appraisal standards promulgated by the Appraisal Foundation a not-for-profit corporation established on November 30, 1987 under the laws of Illinois; and
- (B) that each appraisal is a written statement used in connection with a real estate transaction that is independently and impartially prepared by a licensed or certified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.
- (2) The Appraisal Subcommittee of the Federal Financial Institutions Examination Council shall include the Secretary or his designee.

## POLICY STATEMENTS

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## INTRODUCTION AND PURPOSE

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 as amended (Title XI) established the Appraisal Subcommittee of the Federal Financial Institutions Examination Council (ASC).<sup>1</sup> The purpose of Title XI is to provide protection of Federal financial and public policy interests by upholding Title XI requirements for appraisals performed for federally related transactions. Specifically, those appraisals shall be performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.

Pursuant to Title XI, one of the ASC’s core functions is to monitor the requirements established by the States<sup>2</sup> for certification and licensing of appraisers qualified to perform appraisals in connection with federally related transactions.<sup>3</sup> Title XI as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act)<sup>4</sup> expanded the ASC’s core functions to include monitoring of the requirements established by States that elect to register and supervise the operations and activities of appraisal management companies<sup>5</sup> (AMCs).<sup>6</sup>

The ASC performs periodic Compliance Reviews<sup>7</sup> of each State appraiser regulatory program (Appraiser Program) to determine compliance or lack thereof with Title XI, and to assess implementation of minimum requirements for credentialing of appraisers as adopted by the Appraiser Qualifications Board (*The Real Property Appraiser Qualification Criteria* or AQB Criteria). As a result of the Dodd-Frank Act amendments to Title XI, States with an AMC regulatory program (AMC Program) will be evaluated during the Compliance Review to determine compliance or lack thereof with Title XI, and to assess implementation of the minimum requirements for State registration and supervision of AMCs as established by the AMC Rule.<sup>8</sup>

The ASC is issuing these revised Policy Statements<sup>9</sup> in three parts to provide States with the necessary information to maintain their Appraiser Programs and AMC Programs in compliance with Title XI:

- Part A, *Appraiser Program*—Policy Statements 1 through 7 correspond with the categories that are: (a) evaluated during the Appraiser Program Compliance Review; and (b) included in the ASC’s *Compliance Review Report of the Appraiser Program*.
- Part B, *AMC Program*—Policy Statements 8 through 10 correspond with the categories that are: (a) evaluated during the AMC Program Compliance Review; and (b) included in the ASC’s *Compliance Review Report of the AMC Program*.
- Part C, *Interim Sanctions*—Policy Statement 12 sets forth required procedures in the event that interim sanctions are imposed against a State by the ASC for non-compliance in either the Appraiser Program or the AMC Program.

<sup>1</sup> The ASC Board is made up of seven members. Five members are designated by the heads of the FFIEC agencies (Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and National Credit Union Administration). The other two members are designated by the heads of the Department of Housing and Urban Development and the Federal Housing Finance Agency.

<sup>2</sup> See Appendix B, *Glossary of Terms*, for the definition of “State.”

<sup>3</sup> See Appendix B, *Glossary of Terms*, for the definition of “federally related transaction.”

<sup>4</sup> Pub. L. 111-203, 124 Stat. 1376.

<sup>5</sup> Title XI § 1103 (a)(1)(B), 12 U.S.C. § 3332.

<sup>6</sup> See Appendix B, *Glossary of Terms*, for the definition of “appraisal management company” or AMC.

<sup>7</sup> See Appendix A, *Compliance Review Process*.

<sup>8</sup> The Dodd-Frank Act required the Office of the Comptroller of the Currency; Board of Governors of the Federal Reserve System; Federal Deposit Insurance Corporation; National Credit Union Administration; Consumer Financial Protection Bureau; and Federal Housing Finance Agency to establish, by rule, minimum requirements to be imposed by a participating State appraiser certifying and licensing agency on AMCs doing business in the State. (Title XI § 1124 (a), 12 U.S.C. 3353(a)). Those rules were finalized and published on June 9, 2015, at 80 *Federal Register* 32658 with an effective date of August 10, 2015. (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 – 323.14; 12 CFR 1222.20 – 1222.26).

<sup>9</sup> These Policy Statements, adopted February 14, 2018, supersede all previous Policy Statements adopted by the ASC.

# Part A: Appraiser Program

## POLICY STATEMENT 1

### Statutes, Regulations, Policies and Procedures Governing State Appraiser Programs

#### A. State Regulatory Structure

Title XI requires the ASC to monitor each State appraiser certifying and licensing agency for the purpose of determining whether each such agency has in place policies, practices and procedures consistent with the requirements of Title XI.<sup>10</sup> The ASC recognizes that each State may have legal, fiscal, regulatory or other factors that may influence the structure and organization of its Appraiser Program. Therefore, a State has flexibility to structure its Appraiser Program so long as it meets its Title XI-related responsibilities.

States should maintain an organizational structure for appraiser certification, licensing and supervision that avoids conflicts of interest. A State agency may be headed by a board, commission or an individual. State board<sup>11</sup> or commission members, or employees in policy or decision-making positions, should understand and adhere to State statutes and regulations governing performance of responsibilities consistent with the highest ethical standards for public service. In addition, Appraiser Programs using private entities or contractors should establish appropriate internal policies, procedures and safeguards to promote compliance with the State agency's responsibilities under Title XI and these Policy Statements.

#### B. Funding and Staffing

The Dodd-Frank Act amended Title XI to require the ASC to determine whether States have sufficient funding and staffing to meet their Title XI requirements. Compliance with this provision requires that a State must provide its Appraiser Program with funding and staffing sufficient to carry out its Title XI-related duties. The ASC evaluates the sufficiency of funding and staffing as part of its review of all aspects of an Appraiser Program's effectiveness, including the adequacy of State boards, committees, or commissions responsible for carrying out Title XI-related duties.

#### C. Minimum Criteria

Title XI requires States to adopt and/or implement all relevant AQB Criteria. Requirements established by a State for certified residential or certified general appraisers, as well as requirements established for licensed appraisers, trainee appraisers and supervisory appraisers must meet or exceed applicable AQB Criteria.

#### D. Federally Recognized Appraiser Classifications

##### *State Certified Appraisers*

"State certified appraisers" means those individuals who have satisfied the requirements for residential or general certification in a State whose criteria for certification meet or exceed the applicable minimum AQB Criteria. Permitted scope of practice and designation for State certified residential or certified general appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

<sup>10</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>11</sup> See Appendix B, *Glossary of Terms*, for the definition of "State board."

### *State Licensed Appraisers*

“State licensed appraisers” means those individuals who have satisfied the requirements for licensing in a State whose criteria for licensing meet or exceed the applicable minimum AQB Criteria. The permitted scope of practice and designation for State licensed appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

### *Trainee Appraisers*

“Trainee appraisers” means those individuals who have satisfied the requirements for credentialing in a State whose criteria for credentialing meet or exceed the applicable minimum AQB Criteria. Any minimum qualification requirements established by a State for individuals in the position of “trainee appraiser” or “supervisory appraiser” must meet or exceed the applicable minimum AQB Criteria. ASC staff will evaluate State designations such as “registered appraiser,” “apprentice appraiser,” “provisional appraiser,” or any other similar designation to determine if, in substance, such designation is consistent with a “trainee appraiser” designation and, therefore, administered to comply with Title XI. The permitted scope of practice and designation for trainee appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

Any State or Federal agency may impose additional appraiser qualification requirements for trainee, State licensed, certified residential or certified general classifications, if they consider such requirements necessary to carry out their responsibilities under Federal and/or State statutes and regulations, so long as the additional qualification requirements do not preclude compliance with AQB Criteria.

### **E. Non-federally Recognized Credentials**

States using non-federally recognized credentials or designations<sup>12</sup> must ensure that they are easily distinguished from the federally recognized credentials.

### **F. Appraisal Standards**

Title XI and the Federal financial institutions regulatory agencies’ regulations mandate that all appraisals performed in connection with federally related transactions be in written form, prepared in accordance with generally accepted appraisal standards as promulgated by the Appraisal Standards Board (ASB) in the *Uniform Standards of Professional Appraisal Practice* (USPAP), and be subject to appropriate review for compliance with USPAP.<sup>13</sup> States that have incorporated USPAP into State law should ensure that statutes or regulations are updated timely to adopt the current version of USPAP, or if State law allows, automatically incorporate the latest version of USPAP as it becomes effective. States should consider ASB Advisory Opinions, Frequently Asked Questions, and other written guidance issued by the ASB regarding interpretation and application of USPAP.

Any State or Federal agency may impose additional appraisal standards if they consider such standards necessary to carry out their responsibilities, so long as additional appraisal standards do not preclude compliance with USPAP or the Federal financial institutions regulatory agencies’ appraisal regulations for work performed for federally related transactions.

<sup>12</sup> See Appendix B, *Glossary of Terms*, for the definition of “non-federally recognized credentials or designations.”

<sup>13</sup> See Appendix B, *Glossary of Terms*, for the definition of “Uniform Standards of Professional Appraisal Practice.”



The Federal financial institutions regulatory agencies' appraisal regulations define "appraisal" and identify which real estate-related financial transactions require the services of a State certified or licensed appraiser. These regulations define "appraisal" as a "written statement independently and impartially prepared by a qualified appraiser setting forth an opinion as to the market value of an adequately described property as of a specific date(s) supported by the presentation and analysis of relevant market information." Per these regulations, an appraiser performing an appraisal review which includes the reviewer providing his or her own opinion of value constitutes an appraisal. Under these same regulations, an appraisal review that does not include the reviewer providing his or her own opinion of value does not constitute an appraisal. Therefore, under the Federal financial institutions regulatory agencies' regulations, only those transactions that involve appraisals for federally related transactions require the services of a State certified or licensed appraiser.

### G. Exemptions

Title XI and the Federal financial institutions regulatory agencies' regulations specifically require the use of State certified or licensed appraisers in connection with the appraisal of certain real estate-related financial transactions.<sup>14</sup> A State may not exempt any individual or group of individuals from meeting the State's certification or licensing requirements if the individual or group member performs an appraisal when Federal statutes and regulations require the use of a certified or licensed appraiser.

For example, an individual who has been exempted by the State from its appraiser certification or licensing requirements because he or she is an officer, director, employee or agent of a federally regulated financial institution would not be permitted to perform an appraisal in connection with a federally related transaction.

### H. ASC Staff Attendance at State Board Meetings

The efficacy of the ASC's Compliance Review process rests on the ASC's ability to obtain reliable information about all areas of a State's Appraiser Program. ASC staff regularly attends open State board meetings as part of the on-site Compliance Review process. States are expected to make available for review by ASC staff minutes of closed meetings and executive sessions. States are encouraged to allow ASC staff to attend closed and executive sessions of State board meetings where such attendance would not violate State law or regulation or be inconsistent with other legal obligations of the State board. ASC staff is obligated to protect information obtained during the Compliance Review process concerning the privacy of individuals and any confidential matters.

### I. Summary of Requirements

1. States must require that appraisals be performed in accordance with the latest version of USPAP.<sup>15</sup>
2. States must, at a minimum, adopt and/or implement all relevant AQB Criteria.<sup>16</sup>
3. States must have policies, practices and procedures consistent with Title XI.<sup>17</sup>
4. States must have funding and staffing sufficient to carry out their Title XI-related duties.<sup>18</sup>
5. States must use proper designations and permitted scope of practice for certified residential; certified general; licensed; and trainee classifications.<sup>19</sup>

<sup>14</sup> Title XI § 1112, 12 U.S.C. § 3341; Title XI § 1113, 12 U.S.C. § 3342; Title XI § 1114, 12 U.S.C. § 3343.

<sup>15</sup> Title XI § 1101, 12 U.S.C. § 3331; Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>16</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345; Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>17</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>18</sup> *Id.*; Title XI § 1118 (b), 12 U.S.C. § 3347.

<sup>19</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345; Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1113, 12 U.S.C. § 3342; AQB *Real Property Appraiser Qualification Criteria*.

6. State board members, and any persons in policy or decision-making positions, must perform their responsibilities consistent with Title XI.<sup>20</sup>
7. States' certification and licensing requirements must meet the minimum requirements set forth in Title XI.<sup>21</sup>
8. State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria.
9. State agencies must be granted adequate authority by the State to maintain an effective regulatory Appraiser Program in compliance with Title XI.<sup>22</sup>

## POLICY STATEMENT 2

### Temporary Practice

#### A. Requirement for Temporary Practice

Title XI requires State agencies to recognize, on a temporary basis, the certification or license of an out-of-State appraiser entering the State for the purpose of completing an appraisal assignment<sup>23</sup> for a federally related transaction. States are not, however, required to grant temporary practice permits to trainee appraisers. The out-of-State appraiser must register with the State agency in the State of temporary practice (Host State). A State may determine the process necessary for "registration" provided such process complies with Title XI and does not impose "excessive fees or burdensome requirements," as determined by the ASC.<sup>24</sup> Thus, a credentialed appraiser<sup>25</sup> from State A has a statutory right to enter State B (the Host State) to perform an assignment concerning a federally related transaction, so long as the appraiser registers with the State agency in State B prior to performing the assignment. Though Title XI contemplates reasonably free movement of credentialed appraisers across State lines, an out-of-State appraiser must comply with the Host State's real estate appraisal statutes and regulations and is

subject to the Host State's full regulatory jurisdiction. States should utilize the National Registry of Appraisers to verify credential status on applicants for temporary practice.

#### B. Excessive Fees or Burdensome Requirements

Title XI prohibits States from imposing excessive fees or burdensome requirements, as determined by the ASC, for temporary practice.<sup>26</sup> Adherence by State agencies to the following mandates and prohibitions will deter the imposition of excessive fees or burdensome requirements.

##### *Host State agencies must:*

- a. issue temporary practice permits on an assignment basis;
- b. issue temporary practice permits within five business days of receipt of a completed application, or notify the applicant and document the file as to the circumstances justifying delay or other action;
- c. issue temporary practice permits designating the permit's effective date;
- d. take regulatory responsibility for a temporary practitioner's unethical, incompetent and/or fraudulent practices performed while in the State;
- e. notify the appraiser's home State agency<sup>27</sup> in the case of disciplinary action concerning a temporary practitioner;
- f. allow at least one temporary practice permit extension through a streamlined process;
- g. track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any (States are strongly encouraged to maintain this information in an electronic, sortable format); and
- h. maintain documentation sufficient to demonstrate compliance with this Policy Statement.

<sup>20</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>21</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345.

<sup>22</sup> Title XI § 1118 (b), 12 U.S.C. § 3347.

<sup>23</sup> See Appendix B, *Glossary of Terms*, for the definition of "assignment."

<sup>24</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

<sup>25</sup> See Appendix B, *Glossary of Terms*, for the definition of "credentialed appraisers."

<sup>26</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

<sup>27</sup> See Appendix B, *Glossary of Terms*, for the definition of "home State agency."

**Host State agencies may not:**

- a. limit the valid time period of a temporary practice permit to less than 6 months (unless the applicant requests a specific end date and the applicant is allowed an extension if required to complete the assignment, the applicant’s credential is no longer in active status during that period of time);
- b. limit an appraiser to one temporary practice permit per calendar year;<sup>28</sup>
- c. charge a temporary practice permit fee exceeding \$250, including one extension fee;
- d. impose State appraiser qualification requirements for education, experience and/or exam upon temporary practitioners;
- e. require temporary practitioners to obtain a certification or license in the State of temporary practice;
- f. require temporary practitioners to affiliate with an in-State licensed or certified appraiser;
- g. refuse to register licensed or certified appraisers seeking temporary practice in a State that does not have a licensed or certified level credential; or
- h. prohibit temporary practice.

**Home State agencies may not:**

- a. delay the issuance of a written “letter of good standing” or similar document for more than five business days after receipt of a request; or
- b. fail to consider and, if appropriate, take disciplinary action when one of its certified or licensed appraisers is disciplined by another State.

**C. Summary of Requirements**

1. States must recognize, on a temporary basis, appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction.<sup>29</sup>

2. States must adhere to mandates, prohibitions and documentation requirements as set forth above in Section B above, titled *Excessive Fees or Burdensome Requirements*.<sup>30</sup>

**POLICY STATEMENT 3****National Registry of Appraisers (Appraiser Registry)****A. Requirements for the Appraiser Registry**

Title XI requires the ASC to maintain a National Registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions.<sup>31</sup> Title XI further requires the States to transmit to the ASC: (1) a roster listing individuals who have received a State certification or license in accordance with Title XI; (2) reports on the issuance and renewal of licenses and certifications, sanctions, disciplinary actions, revocations and suspensions; and (3) the registry fee as set by the ASC<sup>32</sup> from individuals who have received certification or licensing. States must notify the ASC as soon as practicable if a credential holder listed on the Appraiser Registry does not qualify for the credential held.

Roster and registry fee requirements apply to all individuals who receive State certifications or licenses, originally or by reciprocity, whether or not the individuals are, in fact, performing or planning to perform appraisals in federally related transactions. If an appraiser is certified or licensed in more than one State, the appraiser is required to be on each State’s roster of certified or licensed appraisers, and a registry fee is due from each State in which the appraiser is certified or licensed.

<sup>28</sup> State agencies may establish by statute or regulation a policy that places reasonable limits on the number of times an out-of-State certified or licensed appraiser may exercise his or her temporary practice rights in a given year. If such a policy is not established, a State agency may choose not to honor an out-of-State certified or licensed appraiser’s temporary practice rights if it has made a determination that the appraiser is abusing his or her temporary practice rights and is regularly engaging in real estate appraisal services within the State.

<sup>29</sup> Title XI § 1122 (a) (1), 12 U.S.C. § 3351.

<sup>30</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

<sup>31</sup> Title XI § 1103 (a) (3), 12 U.S.C. § 3332.

<sup>32</sup> Title XI § 1109, *Roster of State certified or licensed appraisers; authority to collect and transmit fees*, requires the ASC to consider at least once every 5 years whether to adjust the dollar amount of the registry fees to account for inflation. (Title XI § 1109 (a), 12 U.S.C. § 3338).

Only AQB-compliant certified and licensed appraisers in active status on the Appraiser Registry are eligible to perform appraisals in connection with federally related transactions. Only those appraisers whose registry fees have been transmitted to the ASC will be eligible to be on the Appraiser Registry for the period subsequent to payment of the fee.

Some States may give State certified or licensed appraisers an option to not pay the registry fee. If a State certified or licensed appraiser chooses not to pay the registry fee, then the Appraiser Program must ensure that any potential user of that appraiser's services is aware that the appraiser is not eligible to perform appraisals for federally related transactions. The Appraiser Program must place a conspicuous notice directly on the face of any evidence of the appraiser's authority to appraise stating, "Not Eligible To Appraise Federally Related Transactions," and the appraiser must not be listed in active status on the Appraiser Registry.

The ASC extranet application allows States to update their appraiser credential information directly to the Appraiser Registry. Only Authorized Registry Officials are allowed to request access for their State personnel (see section C below). The ASC will issue a User Name and Password to the designated State personnel responsible for that State's Appraiser Registry entries. Designated State personnel are required to protect the right of access, and not share their User Name or Password with anyone. States must adopt and implement a written policy to protect the right of access, as well as the ASC issued User Name and Password. The ASC will provide detailed specifications regarding the data elements on the Appraiser Registry.

## **B. Registry Fee and Invoicing Policies**

Each State must remit to the ASC the annual registry fee, as set by the ASC, for State certified or licensed appraisers within the State to be listed on the Appraiser Registry. Requests to prorate refunds or partial-year registrations will not be granted. If a State collects multiple-year fees for multiple-year certifications or licenses, the State may choose to remit to the ASC the total amount of the multiple-year registry fees or the equivalent annual fee amount. The ASC will, however, record appraisers on the Appraiser Registry only for the number of years for which the ASC has received payment. Nonpayment by a State of an appraiser's registry fee may result in the status of that appraiser being listed as "inactive." States must reconcile and pay registry invoices in a timely manner (45 calendar days after the invoice date). When a State's failure to pay a past due invoice results in appraisers being listed as inactive, the ASC will not change those appraisers back to active status until payment is received from the State. An inactive status on the Appraiser Registry, for whatever the reason, renders an appraiser ineligible to perform appraisals in connection with federally related transactions.

## **C. Access to Appraiser Registry Data**

The ASC website provides free access to the public portion of the Appraiser Registry at [www.asc.gov](http://www.asc.gov). The public portion of the Appraiser Registry data may be downloaded using predefined queries or user-customized applications.

Access to the full database, which includes non-public data (e.g., certain disciplinary action information), is restricted to authorized State and Federal regulatory agencies. States must designate a senior official, such as an executive director, to serve as the State's Authorized Registry Official, and provide to the ASC, in writing, information regarding the designated Authorized Registry Official. States must ensure that the authorization information provided to the ASC is updated and accurate.

## D. Information Sharing

Information sharing (routine exchange of certain information among lenders, governmental entities, State agencies and the ASC) is essential for carrying out the purposes of Title XI. Title XI requires the ASC, any other Federal agency or instrumentality, or any federally recognized entity to report any action of a State certified or licensed appraiser that is contrary to the purposes of Title XI to the appropriate State agency for disposition. The ASC believes that full implementation of this Title XI requirement is vital to the integrity of the system of State appraiser regulation. States are encouraged to develop and maintain procedures for sharing of information among themselves.

The Appraiser Registry’s value and usefulness are largely dependent on the quality and frequency of State data submissions. Accurate and frequent data submissions from all States are necessary to maintain an up-to-date Appraiser Registry. States must submit appraiser data in a secure format to the ASC at least monthly. If there are no changes to the data, the State agency must notify the ASC of that fact in writing. States are encouraged to submit data as frequently as possible.

States must report all disciplinary action<sup>33</sup> taken against an appraiser to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>34</sup> States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>35</sup> For the most serious disciplinary actions (i.e., voluntary surrenders, suspensions and revocations, or any action that interrupts a credential holder’s ability to practice), the appraiser’s status must be changed on the Appraiser Registry to “inactive,” thereby making the appraiser ineligible to perform appraisals for federally related transactions or other transactions requiring the use of State certified or licensed appraisers.<sup>36</sup>

Title XI also contemplates the reasonably free movement of certified and licensed appraisers across State lines. This freedom of movement assumes, however, that certified and licensed appraisers are, in all cases, held accountable and responsible for their actions while performing appraisal activities.

## E. Summary of Requirements

1. States must reconcile and pay registry invoices in a timely manner (45 calendar days after the invoice date).<sup>37</sup>
2. States must report all disciplinary action taken against an appraiser to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>38</sup>
3. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>39</sup>

<sup>33</sup> See Appendix B, *Glossary of Terms*, for the definition of “disciplinary action.”

<sup>34</sup> *Id.*

<sup>35</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>36</sup> *Id.*

<sup>37</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1109 (a), 12 U.S.C. § 3338.

<sup>38</sup> *Id.*

<sup>39</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

4. For the most serious disciplinary actions (i.e., voluntary surrenders, suspensions and revocations, or any action that interrupts a credential holder’s ability to practice), the appraiser’s status must be changed on the Appraiser Registry to “inactive,” thereby making the appraiser ineligible to perform appraisals for federally related transactions or other transactions requiring the use of State certified or licensed appraisers.<sup>40</sup>
5. States must designate a senior official, such as an executive director, who will serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf.<sup>41</sup>
6. States must ensure that the authorization information provided to the ASC is updated and accurate.<sup>42</sup>
7. States must adopt and implement a written policy to protect the right of access to the Appraiser Registry, as well as the ASC issued User Name and Password.<sup>43</sup>
8. States must ensure the accuracy of all data submitted to the Appraiser Registry.<sup>44</sup>
9. States must submit appraiser data (other than discipline) to the ASC at least monthly. If a State’s data does not change during the month, the State agency must notify the ASC of that fact in writing.<sup>45</sup>
10. If a State certified or licensed appraiser chooses not to pay the registry fee, the State must ensure that any potential user of that appraiser’s services is aware that the appraiser’s certificate or license is limited to performing appraisals only in connection with nonfederally related transactions.<sup>46</sup>

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*

<sup>44</sup> *Id.*

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> Includes applications for credentialing of trainee, licensed, certified residential or certified general classifications.

## POLICY STATEMENT 4

### Application Process

AQB Criteria sets forth the minimum education, experience and examination requirements applicable to all States for credentialing of real property appraisers (certified, licensed, trainee and supervisory). In the application process, States must, at a minimum, employ a reliable means of validating both education and experience credit claimed by applicants for credentialing.<sup>47</sup> Effective January 1, 2017, AQB Criteria also requires States to assess whether an applicant for a real property appraiser credential possesses a background that would not call into question public trust. The basis for such assessment shall be a matter left to the individual States, and must, at a minimum, be documented to the file.

### A. Processing of Applications

States must process applications in a consistent, equitable and well-documented manner. Applications for credentialing should be timely processed by State agencies (within 90 calendar days after receipt of a completed application). Any delay in the processing of applications must be sufficiently documented in the file to explain the delay. States must ensure appraiser credential applications submitted for processing do not contain invalid examinations as established by AQB Criteria.

States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance, upgrade and renewal of a credential so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations. Documentation must include:

1. Application receipt date;
2. Education;
3. Experience;
4. Examination;

5. Continuing education; and
6. Any administrative or disciplinary action taken in connection with the application process, including results of any continuing education audit.

### **B. Qualifying Education for Initial or Upgrade Applications**

States must verify that:

1. the applicant’s claimed education courses are acceptable under AQB Criteria; and
2. the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought.

States may not accept an affidavit for claimed qualifying education from applicants for any federally recognized credential.<sup>48</sup> States must maintain adequate documentation to support verification of education claimed by applicants.

### **C. Continuing Education for Reinstatement and Renewal Applications**

#### **1. Reinstatement Applications**

States must verify that:

1. the applicant’s claimed continuing education courses are acceptable under AQB Criteria; and
2. the applicant has successfully completed all continuing education consistent with AQB Criteria for reinstatement of the appraiser credential sought.

States may not accept an affidavit for continuing education claimed from applicants for reinstatement. Applicants for reinstatement must submit documentation to support claimed continuing education and States must maintain adequate documentation to support verification of claimed education.

#### **2. Renewal Applications**

States must ensure that continuing education courses for renewal of an appraiser credential are consistent with AQB Criteria and that continuing education hours required for renewal of an appraiser credential were completed consistent with AQB Criteria. States may accept affidavits for continuing education credit claimed for credential renewal so long as the State implements a reliable validation procedure that adheres to the following objectives and requirements:

##### *a. Validation Objectives*

The State’s validation procedures must be structured to permit acceptable projections of the sample results to the entire population of subject appraisers. Therefore, the sample must include an adequate number of affidavits selected from each federally recognized credential level to have a reasonable chance of identifying appraisers who fail to comply with AQB Criteria, and the sample must include a statistically relevant representation of the appraiser population being sampled.

##### *b. Minimum Standards*

1. Validation must include a prompt post-approval audit. Each audit of an affidavit for continuing education credit claimed must be completed within 60 business days from the date the credential is scheduled for renewal (based on the credential’s expiration date). To ensure the audit is a statistically relevant representation, a sampling of credentials that were renewed after the scheduled expiration date and/or beyond the date the sample was selected, must also be audited to ensure that a credential holder may not avoid being selected for a continuing education audit by renewing early or late.
2. States must audit the continuing education-related affidavit for each credentialed appraiser selected in the sampling procedure.
3. States must determine that education courses claimed conform to AQB Criteria and that the appraiser successfully completed each course.

<sup>48</sup> If a State accepts education-related affidavits from applicants for initial licensure in any non-certified classification, upon the appraiser’s application to upgrade to a certified classification, the State must require documentation to support the appraiser’s educational qualification for the certified classification, not just the incremental amount of education required to move from the non-certified to the certified classification. This requirement applies to all federally recognized credentials.

4. When a State determines that an appraiser's continuing education does not meet AQB Criteria, and the appraiser has failed to complete any remedial action offered, the State must take appropriate action to suspend the appraiser's eligibility to perform appraisals in federally related transactions until such time that the requisite continuing education has been completed. The State must notify the ASC within five (5) business days after taking such action in order for the appraiser's record on the Appraiser Registry to be updated appropriately.
5. If a State determines that a renewal applicant knowingly falsely attested to completing the continuing education required by AQB Criteria, the State must take appropriate administrative and/or disciplinary action and report such action, if deemed to be discipline, to the ASC within five (5) business days.
6. If more than ten percent of the audited appraisers fail to meet the AQB Criteria, the State must take remedial action<sup>49</sup> to address the apparent weakness of its affidavit process. The ASC will determine on a case-by-case basis whether remedial actions are effective and acceptable.
7. In the case of a renewal being processed after the credential's expiration date, but within the State's allowed grace period for a late renewal, the State must establish a reliable process to audit affidavits for continuing education (e.g., requiring documentation of all continuing education).

#### *c. Documentation*

States must maintain adequate documentation to support its affidavit renewal and audit procedures and actions.

#### *d. List of Education Courses*

To promote accountability, the ASC encourages States accepting affidavits for continuing education credit claimed for credential renewal to require that the appraiser provide a list of courses to support the affidavit.

#### **D. Experience for Initial or Upgrade Applications**

States must ensure that appraiser experience logs conform to AQB Criteria. States may not accept an affidavit for experience credit claimed by applicants for any federally recognized credential.<sup>50</sup>

##### **1. Validation Required**

States must implement a reliable validation procedure to verify that each applicant's experience meets AQB Criteria, including but not limited to, being USPAP compliant and containing the required number of hours and months.

##### **2. Validation Procedures, Objectives and Requirements**

###### *a. Experience Hours Validation*

States must determine the hours and time period claimed on the experience log are accurate. Appraiser Program staff or State board members must select the work product to validate the experience hours claimed; applicants may not have any role in this selection process.

###### *b. USPAP Compliance*

<sup>49</sup> For example:

- (1) a State may conduct an additional audit using a higher percentage of audited appraisers; or
- (2) a State may publicly post action taken to sanction non-compliant appraisers to increase awareness in the appraiser community of the importance of compliance with continuing education requirements.

<sup>50</sup> See Policy Statement 1D and E for discussion of "federally recognized credential" and "non-federally recognized credential." If prior to July 1, 2013, a State accepted experience-related affidavits from applicants for initial licensure in any non-certified classification, upon the appraiser's application to upgrade to a certified classification, the State must require experience documentation to support the appraiser's qualification for the certified classification, not just the incremental amount of experience required to move from the non-certified to the certified classification. For example, if a State accepted an experience affidavit from an appraiser to support the appraiser's initial hours to qualify for the licensed classification, and subsequently that appraiser applies to upgrade to the certified residential classification, the State must require documentation to support the full experience hours required for the certified residential classification, not just the difference in hours between the two classifications.



States must analyze a representative sample of the applicant’s work product for compliance with USPAP. For appraisal experience to be acceptable under AQB Criteria, it must be USPAP compliant. States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP. Persons analyzing work product for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.

#### *c. Determination of Experience Time Periods*

Experience time periods must conform to requirements set forth in the AQB Criteria for the credential sought.

#### *d. Supporting Documentation*

States must maintain adequate documentation to support validation methods. The applicant’s file, either electronic or paper, must include the information necessary to identify each appraisal assignment selected to validate the experience hours claimed and each appraisal assignment analyzed by the State for USPAP compliance, notes, letters and/or reports prepared by the official(s) evaluating the report for USPAP compliance, and any correspondence exchanged with the applicant regarding the appraisals submitted. This supporting documentation may be discarded upon the completion of the first ASC Compliance Review performed after the credential issuance or denial for that applicant.

### **E. Examination**

States must ensure that an appropriate AQB-approved qualifying examination is administered for each of the federally recognized appraiser classifications requiring an examination.

### **F. Summary of Requirements**

#### *Processing of Applications*

1. States must process applications in a consistent, equitable and well-documented manner.<sup>51</sup>
2. States must ensure appraiser credential applications submitted for processing do not contain invalid examinations as established by AQB Criteria.<sup>52</sup>
3. States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance, upgrade or renewal of a credential so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>53</sup>

#### *Education*

1. States must verify that the applicant’s claimed education courses are acceptable under AQB Criteria, whether for initial credentialing, renewal, upgrade or reinstatement.<sup>54</sup>
2. States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought, whether for initial credentialing, renewal, upgrade or reinstatement.<sup>55</sup>
3. States must maintain adequate documentation to support verification.<sup>56</sup>
4. States may not accept an affidavit for education claimed from applicants for any federally recognized credential.<sup>57</sup>
5. States may not accept an affidavit for continuing education claimed from applicants for reinstatement.<sup>58</sup>
6. States may accept affidavits for continuing education credit claimed for credential renewal so long as the State implements a reliable validation procedure.<sup>59</sup>

<sup>51</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>52</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>53</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>57</sup> *Id.*

<sup>58</sup> *Id.*

<sup>59</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

7. Audits of affidavits for continuing education credit claimed must be completed within sixty (60) business days from the date the credential is scheduled for renewal (based on the credential's expiration date).<sup>60</sup>
8. In the case of a renewal being processed after the credential's expiration date, but within the State's allowed grace period for a late renewal, the State must establish a reliable process to audit affidavits for continuing education (*e.g.*, requiring documentation of all continuing education).<sup>61</sup>
9. States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education credit claimed fail to meet the minimum AQB Criteria.<sup>62</sup>
10. States are required to take appropriate administrative and/or disciplinary action when it is determined that an applicant knowingly falsely attested to completing continuing education.<sup>63</sup>
11. When a State determines that an appraiser's continuing education does not meet AQB Criteria, and the appraiser has failed to complete any remedial action offered, the State must take appropriate action to suspend the appraiser's eligibility to perform appraisals in federally related transactions until such time that the requisite continuing education has been completed.

The State must notify the ASC within five (5) business days after taking such action in order for the appraiser's record on the Appraiser Registry to be updated appropriately.<sup>64</sup>

<sup>60</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

<sup>63</sup> *Id.*

<sup>64</sup> *Id.*

<sup>65</sup> *Id.*

<sup>66</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB Real Property Appraiser Qualification Criteria.

<sup>67</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>68</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>69</sup> *Id.*

<sup>70</sup> *Id.*

<sup>71</sup> *Id.*

<sup>72</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB Real Property Appraiser Qualification Criteria.

<sup>73</sup> *Id.*

### Experience

1. States may not accept an affidavit for experience credit claimed from applicants for any federally recognized credential.<sup>65</sup>
2. States must ensure that appraiser experience logs conform to AQB Criteria.<sup>66</sup>
3. States must use a reliable means of validating appraiser experience claims on all initial or upgrade applications for appraiser credentialing.<sup>67</sup>
4. States must select the work product to validate the experience hours claimed on all initial or upgrade applications for appraiser credentialing.<sup>68</sup>
5. States must analyze a representative sample of the applicant's work product for compliance with USPAP on all initial or upgrade applications for appraiser credentialing.<sup>69</sup>
6. States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing.<sup>70</sup>
7. Persons analyzing work product for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.<sup>71</sup>
8. Experience time periods must conform to requirements set forth in the AQB Criteria for the credential sought.<sup>72</sup>

### Examination

1. States must ensure that an appropriate AQB-approved qualifying examination is administered for each of the federally recognized credentials requiring an examination.<sup>73</sup>

## POLICY STATEMENT 5

### Reciprocity

#### A. Reciprocity Policy

Title XI contemplates the reasonably free movement of certified and licensed appraisers across State lines. The ASC monitors Appraiser Programs for compliance with the reciprocity provision of Title XI as amended by the Dodd-Frank Act.<sup>74</sup> Title XI requires that in order for a State’s appraisers to be eligible to perform appraisals for federally related transactions, the State must have a policy in place for issuing reciprocal credentials IF:

- a. the appraiser is coming from a State (Home State) that is “in compliance” with Title XI as determined by the ASC; AND
- b. (i) the appraiser holds a valid credential from the Home State; AND  
(ii) the credentialing requirements of the Home State<sup>75</sup> meet or exceed those of the reciprocal credentialing State (Reciprocal State).<sup>76</sup>

An appraiser relying on a credential from a State that does not have such a policy in place may not perform appraisals for federally related transactions. A State may be more lenient in the issuance of reciprocal credentials by implementing a more open door policy. However, States cannot impose additional impediments to obtaining reciprocal credentials.

For purposes of implementing the reciprocity policy, States with an ASC Finding<sup>77</sup> of “Poor” do not satisfy the “in compliance” provision for reciprocity. Therefore, States are not required to recognize, for purposes of granting a reciprocal credential, the license or certification of an appraiser credentialed in a State with an ASC Finding of “Poor.”

#### B. Application of Reciprocity Policy

The following examples illustrate application of reciprocity in a manner that complies with Title XI. The examples refer to the reciprocity policy requiring issuance of a reciprocal credential IF:

- a. the appraiser is coming from a State that is “in compliance”; AND
- b. (i) the appraiser holds a valid credential from that State; AND  
(ii) the credentialing requirements of that State (as they currently exist) meet or exceed those of the reciprocal credentialing State (as they currently exist).

#### *Example 1. Additional Requirements Imposed on Applicants*

State A requires that prior to issuing a reciprocal credential the applicant must certify that disciplinary proceedings are not pending against that applicant in any jurisdiction. Under b (ii) above, if this requirement is not imposed on all of its own applicants for credentialing, STATE A cannot impose this requirement on applicants for reciprocal credentialing.

#### *Example 2. Credentialing Requirements*

An appraiser is seeking a reciprocal credential in STATE A. The appraiser holds a valid credential in STATE Z, even though it was issued in 2007. This satisfies b (i) above. However, in order to satisfy b (ii), STATE A would evaluate STATE Z’s credentialing requirements as they currently exist to determine whether they meet or exceed STATE A’s current requirements for credentialing.

#### *Example 3. Multiple State Credentials*

An appraiser credentialed in several States is seeking a reciprocal credential in State A. That appraiser’s initial credentials were obtained through examination in the original credentialing State and through reciprocity in the additional States. State A requires the applicant to provide a “letter of good standing” from the State of original credentialing as a condition of granting a reciprocal credential. State A may not impose such a requirement since Title XI does not distinguish between credentials obtained by examination and credentials obtained by reciprocity for purposes of granting reciprocal credentials.

<sup>74</sup> Title XI § 1122 (b), 12 U.S.C. § 3351.

<sup>75</sup> As they exist at the time of application for reciprocal credential.

<sup>76</sup> *Id.*

<sup>77</sup> See Appendix A, *Compliance Review Process*, for an explanation of ASC Findings.

### C. Appraiser Compliance Requirements

In order to maintain a credential granted by reciprocity, appraisers must comply with the credentialing State’s policies, rules and statutes governing appraisers, including requirements for payment of certification and licensing fees, as well as continuing education.<sup>78</sup>

### D. Well-Documented Application Files

States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance of a credential by reciprocity so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

### E. Summary of Requirements

1. States must have a reciprocity policy in place for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI in order for the State’s appraisers to be eligible to perform appraisals for federally related transactions.<sup>79</sup>
2. States may be more lenient in the issuance of reciprocal credentials by implementing a more open door policy; however, States may not impose additional impediments to issuance of reciprocal credentials.<sup>80</sup>
3. States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance of a credential by reciprocity so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>81</sup>

<sup>78</sup> A State may offer to accept continuing education (CE) for a renewal applicant who has satisfied CE requirements of a home State; however, a State may not impose this as a requirement for renewal, thereby imposing a requirement for the renewal applicant to retain a home State credential.

<sup>79</sup> Title XI § 1122 (b), 12 U.S.C. § 3351.

<sup>80</sup> *Id.*

<sup>81</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>82</sup> For example:

- (1) consent agreements requiring additional education should not specify a particular course provider when there are other providers on the State’s approved course listing offering the same course; and
- (2) courses from professional organizations should not be automatically approved and/or approved in a manner that is less burdensome than the State’s normal approval process.

## POLICY STATEMENT 6

### Education

AQB Criteria sets forth minimum requirements for appraiser education courses. This Policy Statement addresses proper administration of education requirements for compliance with AQB Criteria. (For requirements concerning qualifying and continuing education in the application process, see Policy Statement 4, *Application Process*.)

#### A. Course Approval

States must ensure that approved appraiser education courses are consistent with AQB Criteria and maintain sufficient documentation to support that approved appraiser education courses conform to AQB Criteria.

States should ensure that course approval expiration dates assigned by the State coincide with the endorsement period assigned by the AQB’s Course Approval Program or any other AQB-approved organization providing approval of course design and delivery. States may not continue to accept AQB approved courses after the AQB’s expiration date unless the course content is reviewed and approved by the State.

States should ensure that educational providers are afforded equal treatment in all respects.<sup>82</sup>

States are encouraged to accept courses approved by the AQB’s Course Approval Program.

#### B. Distance Education

States must ensure that distance education courses meet AQB Criteria and that the delivery mechanism for distance education courses offered by a non-academic provider, including secondary providers, has been approved by an AQB-approved organization providing approval of course design and delivery.

States may not continue to accept courses after the AQB-approved organization's approval of course design and delivery date has expired.

### C. Summary of Requirements

1. States must ensure that appraiser education courses are consistent with AQB Criteria.<sup>83</sup>
2. States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria.<sup>84</sup>
3. States must ensure the delivery mechanism for distance education courses offered by a non-academic provider, including secondary providers, has been approved by an AQB-approved organization providing approval of course design and delivery.<sup>85</sup>

## POLICY STATEMENT 7

### State Agency Enforcement

#### A. State Agency Regulatory Program

Title XI requires the ASC to monitor the States for the purpose of determining whether the State processes complaints and completes investigations in a reasonable time period, appropriately disciplines sanctioned appraisers and maintains an effective regulatory program.<sup>86</sup>

#### B. Enforcement Process

States must ensure that the system for processing and investigating complaints<sup>87</sup> and sanctioning appraisers is administered in a timely, effective, consistent, equitable, and well-documented manner.

#### 1. Timely Enforcement

States must process complaints of appraiser misconduct or wrongdoing in a timely manner to ensure effective supervision of appraisers, and when appropriate, that incompetent or unethical appraisers are not allowed to continue their appraisal practice. Absent special documented circumstances, final administrative decisions regarding complaints must occur within one year (12 months) of the complaint filing date.<sup>88</sup> Special documented circumstances are those extenuating circumstances (fully documented) beyond the control of the State agency that delays normal processing of a complaint such as: complaints involving a criminal investigation by a law enforcement agency when the investigative agency requests that the State refrain from proceeding; final disposition that has been appealed to a higher court; documented medical condition of the respondent; ancillary civil litigation; and complex cases that involve multiple individuals and reports. Such special documented circumstances also include those periods when State rules require referral of a complaint to another State entity for review and the State agency is precluded from further processing of the complaint until it is returned. In that circumstance, the State agency should document the required referral and the time period during which the complaint was not under its control or authority.

#### 2. Effective Enforcement

Effective enforcement requires that States investigate allegations of appraiser misconduct or wrongdoing, and if allegations are proven, take appropriate disciplinary or remedial action. Dismissal of an alleged violation solely due to an “absence of harm to the public” is inconsistent with Title XI. Financial loss or the lack thereof is not an element in determining whether there is a violation. The extent of such loss, however, may be a factor in determining the appropriate level of discipline.

<sup>83</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>84</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>85</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>86</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>87</sup> See Appendix B, *Glossary of Terms*, for the definition of “complaint.”

<sup>88</sup> The one-year period for resolution of complaints is not intended to have the impact of a statute of limitation or statute of repose.

Persons analyzing complaints for USPAP compliance must be knowledgeable about appraisal practice and USPAP and States must be able to document how such persons are so qualified.

States must analyze each complaint to determine whether additional violations, especially those relating to USPAP, should be added to the complaint.

Closure of a complaint based solely on a State's statute of limitations that results in dismissal of a complaint without the investigation of the merits of the complaint is inconsistent with the Title XI requirement that States assure effective supervision of the activities of credentialed appraisers.<sup>89</sup>

### 3. *Consistent and Equitable Enforcement*

Absent specific documented facts or considerations, substantially similar cases within a State should result in similar dispositions.

### 4. *Well-Documented Enforcement*

States must obtain and maintain sufficient relevant documentation pertaining to a matter so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

#### a. *Complaint Files*

Complaint files must:

- include documentation outlining the progress of the investigation;
- demonstrate that appraisal reports are analyzed and any USPAP violations are identified and considered, whether or not they were the subject of the complaint;
- include rationale for the final outcome of the case (i.e., dismissal or imposition of discipline);
- include documentation explaining any delay in processing, investigation or adjudication;
- contain documentation that all ordered or agreed upon discipline, such as probation, fine, or completion of education is tracked and that completion of all terms is confirmed; and
- be organized in a manner that allows understanding of the steps taken throughout the complaint, investigation, and adjudicatory process.

#### b. *Complaint Logs*

States must track all complaints using a complaint log. The complaint log must record all complaints, regardless of their procedural status in the investigation and/or resolution process, including complaints pending before the State board, Office of the Attorney General, other law enforcement agencies, and/or offices of administrative hearings.

The complaint log must include the following information (States are strongly encouraged to maintain this information in an electronic, sortable format):

1. Case number
2. Name of respondent
3. Actual date the complaint was received by the State
4. Source of complaint (e.g., consumer, lender, AMC, bank regulator, appraiser, hotline) or name of complainant
5. Current status of the complaint
6. Date the complaint was closed (e.g., final disposition by the administrative hearing agency, Office of the Attorney General, State Appraiser Regulatory Agency or Court of Appeals)
7. Method of disposition (e.g., dismissal, letter of warning, consent order, final order)

<sup>89</sup> Title XI § 1117, 12 U.S.C. § 3346.

### C. Summary of Requirements

1. States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>90</sup>
2. States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date, except for special documented circumstances.<sup>91</sup>
3. States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.<sup>92</sup>
4. States must track complaints of alleged appraiser misconduct or wrongdoing using a complaint log.<sup>93</sup>
5. States must appropriately document enforcement files and include rationale.<sup>94</sup>
6. States must regulate, supervise and discipline their credentialed appraisers.<sup>95</sup>
7. Persons analyzing complaints for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.<sup>96</sup>

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<sup>90</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>91</sup> *Id.*

<sup>92</sup> *Id.*

<sup>93</sup> *Id.*

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> *Id.*

# Part B: AMC Program

## POLICY STATEMENT 8

### Statutes, Regulations, Policies and Procedures Governing State AMC Programs

#### A. Participating States and ASC Oversight

States are not required to establish an AMC registration and supervision program. For those States electing to participate in the registration and supervision of AMCs (participating States), ASC staff will informally monitor the State's progress to implement the requirements of Title XI and the AMC Rule.<sup>97</sup> Formal ASC oversight of State AMC Programs will begin at the next regularly scheduled Compliance Review of a State after a State elects to register and supervise AMCs pursuant to the AMC Rule. Formal ASC oversight will consist of evaluating AMC Programs in participating States during the Compliance Review process to determine compliance or lack thereof with Title XI, and to assess implementation of the minimum requirements for State registration and supervision of AMCs as established by the AMC Rule. Upon expiration of the statutory implementation period (see Policy Statement 11, *Statutory Implementation Period*), Compliance Reviews will include ASC oversight of AMC Programs for any participating State.

#### B. Relation to State Law

Participating States may establish requirements in addition to those in the AMC Rule.

Participating States may also have a more expansive definition of AMCs.<sup>98</sup> However, if a participating State has a more expansive definition of AMCs than in Title XI (thereby encompassing State regulation of AMCs that are not within the Title XI definition of AMC), the State must ensure such AMCs are identified as such in the State database, just as States currently do for non-federally recognized credentials or designations. Only those AMCs that meet the Federal definition of AMC will be eligible to be on the AMC Registry.

#### C. Funding and Staffing

The Dodd-Frank Act amended Title XI to require the ASC to determine whether participating States have sufficient funding and staffing to meet their Title XI requirements. Compliance with this provision requires that a State must provide its AMC Program with funding and staffing sufficient to carry out its Title XI-related duties. The ASC evaluates the sufficiency of funding and staffing as part of its review of all aspects of an AMC Program's effectiveness, including the adequacy of State boards, committees, or commissions responsible for carrying out Title XI-related duties.

#### D. Minimum Requirements for Registration and Supervision of AMCs as Established by the AMC Rule

##### 1. AMC Registration and Supervision

If a State chooses to participate in the registration and supervision of AMCs in accordance with the AMC Rule, the State will be required to comply with the minimum requirements set forth in the AMC Rule. States should refer to the AMC Rule for compliance requirements<sup>99</sup> as this Policy Statement merely summarizes what the AMC Rule requires of participating States.

<sup>97</sup> Title XI § 1103 (a)(1)(B), 12 U.S.C. § 3332. AMC Rule means the inter-agency final rule on minimum requirements for State registration and supervision of AMCs (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 – 323.14; 12 CFR 1222.20 – 1222.26).

<sup>98</sup> Title XI as amended by the Dodd-Frank Act defines "appraisal management company" to mean, in part, an external third party that oversees a network or panel of more than 15 appraisers (State certified or licensed) in a State, or 25 or more appraisers nationally (two or more States) within a given year. (12 U.S.C. 3350(11)). Title XI as amended by the Dodd-Frank Act also allows States to adopt requirements in addition to those in the AMC Rule. (12 U.S.C. 3353(b)). For example, States may decide to supervise entities that provide appraisal management services, but do not meet the size thresholds of the Title XI definition of AMC. If a State has a more expansive regulatory framework that covers entities that provide appraisal management services but do not meet the Title XI definition of AMC, the State should only submit information regarding AMCs meeting the Title XI definition to the AMC Registry.

<sup>99</sup> See footnote 97.



a. The AMC Rule includes requirements for participating States to establish and maintain within the State appraiser certifying and licensing agency an AMC Program with the legal authority and mechanisms to:

- (1) Review and approve or deny AMC initial registration applications and/or renewals for registration;
- (2) Examine records of AMCs and require AMCs to submit information;
- (3) Verify that appraisers on AMCs' panels hold valid State credentials;
- (4) Conduct investigations of AMCs to assess potential violations of appraisal-related laws, regulations, or orders;
- (5) Discipline, suspend, terminate, or deny renewal of the registration of an AMC that violates appraisal related laws, regulations, or orders; and
- (6) Report an AMC's violation of appraisal-related laws, regulations, or orders, as well as disciplinary and enforcement actions and other relevant information about an AMC's operations, to the ASC.

b. The AMC Rule includes requirements for participating States to impose requirements on AMCs that are not Federally regulated AMCs<sup>100</sup> to:

- (1) Register with and be subject to supervision by the State appraiser certifying and licensing agency;
- (2) Engage only State-certified or State-licensed appraisers for federally related transactions in conformity with any federally related transaction regulations;
- (3) Establish and comply with processes and controls reasonably designed to ensure that the AMC, in engaging an appraiser, selects an appraiser who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the appraisal assignment for the particular market and property type;

(4) Direct the appraiser to perform the assignment in accordance with USPAP; and

(5) Establish and comply with processes and controls reasonably designed to ensure that the AMC conducts its appraisal management services in accordance with the requirements of section 129E(a) through (i) of the Truth in Lending Act, 15 U.S.C. 1639e(a) through (i), and regulations thereunder.

## 2. *Ownership Limitations for State-registered AMCs*

### A. *Appraiser certification or licensing of Owners*

An AMC subject to State registration shall not be registered by a State or included on the AMC Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause,<sup>101</sup> as determined by the State appraiser certifying and licensing agency. A State's process for review could, for example, be by questionnaire, or affidavit, or background screening, or otherwise. States must document to the file the State's method of review and the result.

### B. *Good Moral Character of Owners*

An AMC shall not be registered by a State if any person that owns more than 10 percent of the AMC—

1. Is determined by the State not to have good moral character; or
2. Fails to submit to a background investigation carried out by the State.

A State's process for review could, for example, be by questionnaire, or affidavit, or background screening, or otherwise. The ASC would expect written documentation of the State's method of review and the result.

<sup>100</sup> "Federally regulated AMCs," meaning AMCs that are subsidiaries owned and controlled by an insured depository institution or an insured credit union and regulated by a Federal financial institutions regulatory agency, are not required to register with the State (Title XI § 1124 (c), 12 U.S.C. § 3353(c)).

<sup>101</sup> An AMC subject to State registration is not barred from being registered by a State or included on the AMC Registry of AMCs if the license or certificate of the appraiser with an ownership interest was not revoked for a substantive cause and has been reinstated by the State or States in which the appraiser was licensed or certified. (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

### 3. Requirements for Federally Regulated AMCs

Participating States are not required to identify Federally regulated AMCs<sup>102</sup> operating in their States, but rather the Federal financial institution regulatory agencies are responsible for requiring such AMCs to identify themselves to participating States and report required information.

A Federally regulated AMC shall not be included on the AMC Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause, as determined by the ASC.

#### E. Summary of Requirements

1. Participating States must establish and maintain an AMC Program with the legal authority and mechanisms consistent with the AMC Rule.<sup>103</sup>
2. Participating States must impose requirements on AMCs consistent with the AMC Rule.<sup>104</sup>
3. Participating States must enforce and document ownership limitations for State-registered AMCs.<sup>105</sup>
4. Only those AMCs that meet the Federal definition of AMC will be eligible to be on the AMC Registry. Therefore, participating States that have a more expansive definition of AMCs than in the AMC Rule must ensure such non-Federally recognized AMCs are identified as such in the State database.<sup>106</sup>
5. States must have funding and staffing sufficient to carry out their Title XI-related duties.<sup>107</sup>

<sup>102</sup> See footnote 97.

<sup>103</sup> 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 – 323.14; 12 CFR 1222.20 – 1222.26.

<sup>104</sup> *Id.*

<sup>105</sup> *Id.*

<sup>106</sup> Title XI § 1118 (b), 12 U.S.C. § 3347.

<sup>107</sup> *Id.*

<sup>108</sup> Title XI § 1103 (a) (6), 12 U.S.C. § 3332.

<sup>109</sup> Title XI § 1109 (a) (4), 12 U.S.C. § 3338.

<sup>110</sup> Title XI § 1109 (a) (3) and (4), 12 U.S.C. § 3338.

## POLICY STATEMENT 9

### National Registry of AMCs (AMC Registry)

#### A. Requirements for the AMC Registry

Title XI requires the ASC to maintain the AMC Registry of AMCs that are either registered with and subject to supervision of a participating State or are operating subsidiaries of a Federally regulated financial institution.<sup>108</sup> Title XI further requires the States to transmit to the ASC: (1) reports on a timely basis of supervisory activities involving AMCs, including investigations resulting in disciplinary action being taken; and (2) the registry fee as set by the ASC<sup>109</sup> from AMCs that are either registered with a participating State or are Federally regulated AMCs.<sup>110</sup>

As with appraiser registry fees, Title XI, § 1109(a) (4) (b) requires the AMC registry fee to be collected by each participating State and transmitted to the ASC. Therefore, as with appraisers, an AMC will pay a registry fee in each participating State in which the AMC operates. As with appraisers, an AMC operating in multiple participating States will pay a registry fee in multiple States in order to be on the AMC Registry for each State.

States must notify the ASC as soon as practicable if an AMC listed on the AMC Registry is no longer registered with or operating in the State. The ASC extranet application allows States to update their AMC information directly to the AMC Registry.

## B. Registry Fee and Invoicing Policies

Each State must remit to the ASC the annual registry fee, as set by the ASC, for AMCs to be listed on the AMC Registry. Requests to prorate refunds or partial-year registrations will not be granted. If a State collects multiple-year fees for multiple-years, the State may choose to remit to the ASC the total amount of the multiple-year registry fees or the equivalent annual fee amount. The ASC will, however, record AMCs on the AMC Registry only for the number of years for which the ASC has received payment.

States must reconcile and pay registry invoices in a timely manner (45 calendar days after receipt of the invoice).

## C. Reporting Requirements

State agencies must report all disciplinary action<sup>111</sup> taken against an AMC to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement. For the most serious disciplinary actions (*e.g.*, any action that interrupts an AMCs ability to provide appraisal management services), the AMCs status must be changed on the AMC Registry to “inactive.” A Federally regulated AMC operating in a State must report to the State the information required to be submitted by the State to the ASC, pursuant to the ASC’s policies regarding the determination of the AMC registry fee.

## D. Access to AMC Registry Data

The ASC website provides free access to the public portion of the AMC Registry at [www.asc.gov](http://www.asc.gov). The public portion of the AMC Registry data may be downloaded using predefined queries or user-customized applications.

Access to the full database, which includes non-public data (*e.g.*, certain disciplinary action information), is restricted to authorized State and Federal regulatory agencies. States must designate a senior official, such as an executive director, to serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the designated Authorized Registry Official. States must ensure that the authorization information provided to the ASC is updated and accurate.

States must adopt and implement a written policy to protect the right of access, as well as the ASC issued User Name and Password.

## E. Summary of Requirements

1. States must reconcile and pay registry invoices in a timely manner (45 calendar days after receipt of the invoice).<sup>112</sup>
2. State agencies must report all disciplinary action taken against an AMC to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>113</sup>
3. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>114</sup>
4. For the most serious disciplinary actions (*e.g.*, any action that interrupts an AMC’s ability to provide appraisal management services), the AMC’s status must be changed on the AMC Registry to “inactive.”<sup>115</sup>
5. States must notify the ASC as soon as practicable if an AMC listed on the AMC Registry is no longer registered with or operating in the State.
6. States must designate a senior official, such as an executive director, who will serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf.<sup>116</sup>

<sup>111</sup> See Appendix B, *Glossary of Terms*, for the definition of “disciplinary action.”

<sup>112</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1109 (a), 12 U.S.C. § 3338.

<sup>113</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>114</sup> *Id.*

<sup>115</sup> *Id.*

<sup>116</sup> *Id.*

7. States must adopt and implement a written policy to protect the right of access to the AMC Registry, as well as the ASC issued User Name and Password.<sup>117</sup>
8. States must ensure the accuracy of all data submitted to the AMC Registry.<sup>118</sup>

## POLICY STATEMENT 10

### State Agency Enforcement

#### A. State Agency Regulatory Program

Title XI requires the ASC to monitor the States for the purpose of determining whether the State processes complaints and completes investigations in a reasonable time period, appropriately disciplines sanctioned AMCs and maintains an effective regulatory program.<sup>119</sup>

#### B. Enforcement Process

States must ensure that the system for processing and investigating complaints<sup>120</sup> and sanctioning AMCs is administered in a timely, effective, consistent, equitable, and well-documented<sup>121</sup> manner.

##### 1. Timely Enforcement

States must process complaints against AMCs in a timely manner to ensure effective supervision of AMCs. Absent special documented circumstances, final administrative decisions regarding complaints must occur within one year (12 months) of the complaint filing date. Special documented circumstances are those extenuating circumstances (fully documented) beyond the control of the State agency that delays normal processing of a complaint such as: complaints involving a criminal investigation by a law enforcement agency when the investigative agency requests that the State refrain from proceeding; final disposition that has been appealed to a higher court; documented medical condition of the respondent; ancillary civil litigation; and complex fraud cases that involve multiple individuals and reports. Such special documented circumstances also include those periods when State

rules require referral of a complaint to another State entity for review and the State agency is precluded from further processing of the complaint until it is returned. In that circumstance, the State agency should document the required referral and the time period during which the complaint was not under its control or authority.

##### 2. Effective Enforcement

Effective enforcement requires that States investigate complaints, and if allegations are proven, take appropriate disciplinary or remedial action.

##### 3. Consistent and Equitable Enforcement

Absent specific documented facts or considerations, substantially similar cases within a State should result in similar dispositions.

##### 4. Well-Documented Enforcement

States must obtain and maintain sufficient relevant documentation pertaining to a matter so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

###### a. Complaint Files

Complaint files must:

- include documentation outlining the progress of the investigation;
- include rationale for the final outcome of the case (i.e., dismissal or imposition of discipline);
- include documentation explaining any delay in processing, investigation or adjudication;
- contain documentation that all ordered or agreed upon discipline is tracked and that completion of all terms is confirmed; and
- be organized in a manner that allows understanding of the steps taken throughout the complaint, investigation, and adjudicatory process.

<sup>117</sup> *Id.*

<sup>118</sup> *Id.*

<sup>119</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>120</sup> See Appendix B, *Glossary of Terms*, for the definition of “complaint.”

<sup>121</sup> See Appendix B, *Glossary of Terms*, for the definition of “well- documented.”

### b. Complaint Logs

States must track all complaints using a complaint log. The complaint log must record all complaints, regardless of their procedural status in the investigation and/or resolution process, including complaints pending before the State board, Office of the Attorney General, other law enforcement agencies, and/or offices of administrative hearings. The complaint log must include the following information (States are strongly encouraged to maintain this information in an electronic, sortable format):

1. Case number
2. Name of respondent
3. Actual date the complaint was received by the State
4. Source of complaint (e.g., consumer, lender, AMC, bank regulator, appraiser, hotline) or name of complainant
5. Current status of the complaint
6. Date the complaint was closed (e.g., final disposition by the administrative hearing agency, Office of the Attorney General, State AMC Program or Court of Appeals)
7. Method of disposition (e.g., dismissal, letter of warning, consent order, final order)

### C. Summary of Requirements

1. States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>122</sup>
2. States must resolve all complaints filed against AMCs within one year (12 months) of the complaint filing date, except for special documented circumstances.<sup>123</sup>

3. States must ensure that the system for processing and investigating complaints and sanctioning AMCs is administered in an effective, consistent, equitable, and well-documented manner.<sup>124</sup>
4. States must track complaints of alleged AMC misconduct or wrongdoing using a complaint log.<sup>125</sup>
5. States must appropriately document enforcement files and include rationale.<sup>126</sup>

## POLICY STATEMENT 11

### Statutory Implementation Period

Title XI and the AMC Rule set forth the statutory implementation period.<sup>127</sup> The AMC Rule was effective on August 10, 2015. As of 36 months from that date (August 10, 2018), an AMC may not provide appraisal management services for a federally related transaction in a non-participating State unless the AMC is a Federally regulated AMC. Appraisal management services may still be provided for federally related transactions in non-participating States by individual appraisers, by AMCs that are below the minimum statutory panel size threshold, and as noted, by Federally regulated AMCs.

The ASC, with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this statutory implementation period for an additional 12 months if the ASC makes a finding that a State has made substantial progress toward implementing a registration and supervision program for AMCs that meets the standards of Title XI.<sup>128</sup>

<sup>122</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>123</sup> *Id.*

<sup>124</sup> *Id.*

<sup>125</sup> *Id.*

<sup>126</sup> *Id.*

<sup>127</sup> Title XI § 1124 (f)(1), 12 U.S.C. § 3353 and 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

<sup>128</sup> Title XI § 1124 (f)(2), 12 U.S.C. § 3353.

# Part C: Interim Sanctions

## POLICY STATEMENT 12

### Interim Sanctions

#### A. Authority

Title XI grants the ASC authority to impose sanctions on a State that fails to have an effective Appraiser or AMC Program.<sup>129</sup> The ASC may remove a State credentialed appraiser or a registered AMC from the Appraiser or AMC Registry on an interim basis, not to exceed 90 days, pending State agency action on licensing, certification, registration and disciplinary proceedings as an alternative to or in advance of a non-recognition proceeding.<sup>130</sup> In determining whether an Appraiser or AMC Program is effective, the ASC shall conduct an analysis as required by Title XI. An ASC Finding of Poor on the Compliance Review Report<sup>131</sup> issued to a State at the conclusion of an ASC Compliance Review may trigger an analysis by the ASC for potential interim sanction(s). The following provisions apply to the exercise by the ASC of its authority to impose interim sanction(s) on State agencies.

#### B. Opportunity to be Heard or Correct Conditions

The ASC shall provide the State agency with:

1. written notice of intention to impose an interim sanction; and
2. opportunity to respond or to correct the conditions causing such notice to the State.

Notice and opportunity to respond or correct the conditions shall be in accordance with section C, *Procedures*.

#### C. Procedures

This section prescribes the ASC's procedures which will be followed in arriving at a decision by the ASC to impose an interim sanction against a State agency.

#### 1. Notice

The ASC shall provide a written Notice of intention to impose an interim sanction (Notice) to the State agency. The Notice shall contain the ASC's analysis as required by Title XI of the State's licensing and certification of appraisers, the registration of AMCs, the issuance of temporary licenses and certifications for appraisers, the receiving and tracking of submitted complaints against appraisers and AMCs, the investigation of complaints, and enforcement actions against appraisers and AMCs.<sup>132</sup> The ASC shall verify the State's date of receipt, and publish both the Notice and the State's date of receipt in the *Federal Register*.

#### 2. State Agency Response

Within 15 days of receipt of the Notice, the State may submit a response to the ASC's Executive Director. Alternatively, a State may submit a Notice Not to Contest with the ASC's Executive Director. The filing of a Notice Not to Contest shall not constitute a waiver of the right to a judicial review of the ASC's decision, findings and conclusions. Failure to file a Response within 15 days shall constitute authorization for the ASC to find the facts to be as presented in the Notice and analysis. The ASC, for good cause shown, may permit the filing of a Response after the prescribed time.

#### 3. Briefs, Memoranda and Statements

Within 45 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, the State agency may file with the ASC's Executive Director a written brief, memorandum or other statement providing factual data and policy and legal arguments regarding the matters set out in the Notice and analysis.

<sup>129</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>130</sup> *Id.*

<sup>131</sup> See Appendix A—Compliance Review Process.

<sup>132</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

#### 4. Oral Presentations to the ASC

Within 45 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, the State may file a request with the ASC's Executive Director to make oral presentation to the ASC. If the State has filed a request for oral presentation, the matter shall be heard within 45 days. An oral presentation shall be considered as an opportunity to offer, emphasize and clarify the facts, policies and laws concerning the proceeding, and is not a Meeting<sup>133</sup> of the ASC. On the appropriate date and time, the State agency will make the oral presentation before the ASC. Any ASC member may ask pertinent questions relating to the content of the oral presentation. Oral presentations will not be recorded or otherwise transcribed. Summary notes will be taken by ASC staff and made part of the record on which the ASC shall decide the matter.

#### 5. Conduct of Interim Sanction Proceedings

##### (a) Written Submissions

All aspects of the proceeding shall be conducted by written submissions, with the exception of oral presentations allowed under subsection 4 above.

##### (b) Disqualification

An ASC member who deems himself or herself disqualified may at any time withdraw. Upon receipt of a timely and sufficient affidavit of personal bias or disqualification of such member, the ASC will rule on the matter as a part of the record.

##### (c) Authority of ASC Chairperson

The Chairperson of the ASC, in consultation with other members of the ASC whenever appropriate, shall have complete charge of the proceeding and shall have the duty to conduct it in a fair and impartial manner and to take all necessary action to avoid delay in the disposition of proceedings.

##### (d) Rules of Evidence

Except as is otherwise set forth in this section, relevant material and reliable evidence that is not unduly repetitive is admissible to the fullest extent authorized by the Administrative Procedure Act (5 U.S.C. §§ 551-559) and other applicable law.

#### 6. Decision of the ASC and Judicial Review

Within 90 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, or in the case of oral presentation having been granted, within 30 days after presentation, the ASC shall issue a final decision, findings and conclusions and shall publish the decision promptly in the *Federal Register*. The final decision shall be effective on issuance. The ASC's Executive Director shall ensure prompt circulation of the decision to the State agency. A final decision of the ASC is a prerequisite to seeking judicial review.

#### 7. Computing Time

Time computation is based on business days. The date of the act, event or default from which the designated period of time begins to run is not included. The last day is included unless it is a Saturday, Sunday, or Federal holiday, in which case the period runs until the end of the next day which is not a Saturday, Sunday or Federal holiday.

#### 8. Documents and Exhibits

Unless otherwise provided by statute, all documents, papers and exhibits filed in connection with any proceeding, other than those that may be withheld from disclosure under applicable law, shall be placed by the ASC's Executive Director in the proceeding's file and will be available for public inspection and copying.

#### 9. Judicial Review

A decision of the ASC under this section shall be subject to judicial review. The form of proceeding for judicial review may include any applicable form of legal action, including actions for declaratory judgments or writs of prohibitory or mandatory injunction in a court of competent jurisdiction.<sup>134</sup>

<sup>133</sup> The proceeding is more in the nature of a Briefing not subject to open meeting requirements. The presentation is an opportunity for the State to brief the ASC—to offer, emphasize and clarify the facts, policies and laws concerning the proceeding, and for the ASC members to ask questions. Additional consideration is given to the fact that this stage of the proceeding is pre-decisional.

<sup>134</sup> 5 U.S.C. § 703 - Form and venue of proceeding.

# Appendix A

## COMPLIANCE REVIEW PROCESS

The ASC monitors State Appraiser and AMC Programs for compliance with Title XI. The monitoring of State Programs is largely accomplished through on-site visits known as a Compliance Review (Review). A Review is conducted over a two- to four-day period, and is scheduled to coincide with a meeting of the Program’s decision-making body whenever possible. ASC staff reviews the Appraiser Program and the seven compliance areas addressed in Policy Statements 1 through 7. ASC staff reviews a participating State’s AMC Program and the three compliance areas addressed in Policy Statements 8 through 10. Sufficient documentation demonstrating compliance must be maintained by a State and made available for inspection during the Review. ASC staff reviews a sampling of documentation in each of the compliance areas. The sampling is intended to be representative of a State Program in its entirety.

Based on the Review, ASC staff provides the State with an ASC staff report for the Appraiser Program, and if applicable, an ASC staff report for the AMC Program, detailing preliminary findings. The State is given 60 days to respond to the ASC staff report(s). At the conclusion of the Review, a Compliance Review Report (Report) is issued to the State for the Appraiser Program, and if applicable, a Report is also issued for the AMC Program, with the ASC Finding on each Program’s overall compliance, or lack thereof, with Title XI. Deficiencies resulting in non-compliance in any of the compliance areas are cited in the Report. “Areas of Concern” which potentially expose a Program to compliance issues in the future are also addressed in the Report. The ASC’s final disposition is based upon the ASC staff report, the State’s response and staff’s recommendation.

The following chart provides an explanation of the ASC Findings and rating criteria for each ASC Finding category. The ASC Finding places particular emphasis on whether the State is maintaining an effective regulatory Program in compliance with Title XI.

The ASC has two primary Review Cycles: two-year and one-year. Most States are scheduled on a two-year Review Cycle. States may be moved to a one-year Review Cycle if the ASC determines more frequent on-site Reviews are needed to ensure that the State maintains an effective Program. Generally, States are placed on a one-year Review Cycle because of non-compliance issues or serious areas of concerns that warrant more frequent on-site visits. Both two-year and one-year Review Cycles include a review of all aspects of the State’s Program.

The ASC may conduct Follow-up Reviews and additional monitoring. A Follow-up Review focuses only on specific areas identified during the previous on-site Review. Follow-up Reviews usually occur within 6-12 months of the previous Review. In addition, as a risk management tool, ASC staff identifies State Programs that may have a significant impact on the nation’s appraiser regulatory system in the event of Title XI compliance issues. For States that represent a significant percentage of the credentials on the Appraiser Registry, ASC staff performs annual on-site Priority Contact visits. The primary purpose of the Priority Contact visit is to review topical issues, evaluate regulatory compliance issues, and maintain a close working relationship with the State. This is not a complete Review of the Program. The ASC will also schedule a Priority Contact visit for a State when a specific concern is identified that requires special attention. Additional monitoring may be required where a deficiency is identified and reports on required or agreed upon corrective actions are required monthly or quarterly. Additional monitoring may include on-site monitoring as well as off-site monitoring.



## State Compliance Review Finding Descriptions

ASC FINDING	RATING CRITERIA	REVIEW CYCLE**
<b>Excellent</b>	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
<b>Good</b>	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
<b>Needs Improvement</b>	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
<b>Not Satisfactory</b>	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
<b>Poor<sup>135</sup></b>	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\* Program history or nature of deficiency may warrant a more accelerated Review Cycle.

<sup>135</sup> An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 12, *Interim Sanctions*.

# Appendix B

## GLOSSARY OF TERMS

**Appraisal management company (AMC):** Refers to, in connection with valuing properties collateralizing mortgage loans or mortgages incorporated into a securitization, any external third party authorized either by a creditor of a consumer credit transaction secured by a consumer’s principal dwelling or by an underwriter of or other principal in the secondary mortgage markets, that oversees a network or panel of more than 15 certified or licensed appraisers in a State or 25 or more nationally within a given year—

- a. to recruit, select, and retain appraisers;
- b. to contract with licensed and certified appraisers to perform appraisal assignments;
- c. to manage the process of having an appraisal performed, including providing administrative duties such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed; or
- d. to review and verify the work of appraisers.

**AQB Criteria:** Refers to the *Real Property Appraiser Qualification Criteria* as established by the Appraiser Qualifications Board of the Appraisal Foundation setting forth minimum education, experience and examination requirements for the licensure and certification of real property appraisers, and minimum requirements for “Trainee” and “Supervisory” appraisers.

**Assignment:** As referenced herein, for purposes of temporary practice, “assignment” means one or more real estate appraisals and written appraisal report(s) covered by a single contractual agreement.

**Complaint:** As referenced herein, any document filed with, received by, or serving as the basis for possible inquiry by the State agency regarding alleged violation of Title XI, Federal or State law or regulation, or USPAP by a credentialed appraiser or appraiser applicant, for allegations of unlicensed appraisal activity, or complaints involving AMCs. A complaint may be in the form of a referral, letter of inquiry, or other document alleging misconduct or wrongdoing.

**Credentialed appraisers:** Refers to State licensed, certified residential or certified general appraiser classifications.

**Disciplinary action:** As referenced herein, corrective or punitive action taken by or on behalf of a State agency which may be formal or informal, or may be consensual or involuntary, resulting in any of the following:

- a. revocation of credential or registration
- b. suspension of credential or registration
- c. written consent agreements, orders or reprimands
- d. probation or any other restriction on the use of a credential
- e. fine
- f. voluntary surrender<sup>136</sup>
- g. other acts as defined by State statute or regulation as disciplinary

With the exception of voluntary surrender, suspension or revocation, such action may be exempt from reporting to the National Registry if defined by State statute, regulation or written policy as “non-disciplinary.”

**Federally related transaction:** Refers to any real estate related financial transaction which:

- a. a federal financial institutions regulatory agency engages in, contracts for, or regulates; and
- b. requires the services of an appraiser. (See Title XI § 1121 (4), 12 U.S.C. § 3350.)

<sup>136</sup> A voluntary surrender that is not deemed disciplinary by State law or regulation, or is not related to any disciplinary process need not be reported as discipline provided the individual’s Appraiser Registry record is updated to show the credential is inactive.

**Federal financial institutions regulatory agencies:** Refers to the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the National Credit Union Administration. (See Title XI § 1121 (6), 12 U.S.C. § 3350.)

**Home State agency:** As referenced herein, State agency or agencies that grant an appraiser a licensed or certified credential. Residency in the home State is not required. Appraisers may have more than one home State agency.

**Non- federally recognized credentials or designations:** Refers to any State appraiser credential or designation other than trainee, State licensed, certified residential or certified general classifications as defined in Policy Statement 1, and which is not recognized by Title XI.

**Real estate related financial transaction:** Any transaction involving:

- a. the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;
- b. the refinancing of real property or interests in real property; and
- c. the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

(See Title XI § 1121 (5), 12 U.S.C. 3350.)

**State:** Any State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands. (American Samoa does not have a Program.)

**State board:** As referenced herein, “State board” means a group of individuals (usually appraisers, AMC representatives, bankers, consumers, and/or real estate professionals) appointed by the Governor or a similarly positioned State official to assist or oversee State Programs. A State agency may be headed by a board, commission or an individual.

*Uniform Standards of Professional Appraisal Practice (USPAP):* Refers to appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation establishing minimum requirements for development and reporting of appraisals, including real property appraisal. Title XI requires appraisals prepared by State certified and licensed appraisers to be performed in conformance with USPAP.

**Well-documented:** Means that States obtain and maintain sufficient relevant documentation pertaining to a matter so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

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Appraisal Subcommittee of the Federal Financial Institutions Examination Council  
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<https://www.asc.gov>

burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on June 22, 2023.

**James P. Sheesley,**

*Assistant Executive Secretary.*

[FR Doc. 2023-13649 Filed 6-26-23; 8:45 am]

**BILLING CODE P**

## FEDERAL ELECTION COMMISSION

### Sunshine Act Meetings

**FEDERAL REGISTER CITATION NOTICE OF PREVIOUS ANNOUNCEMENT:** 88 FR 39254.

**PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING:** Wednesday, June 21, 2023 at 10:30 a.m. and its continuation at the conclusion of the open meeting on June 22, 2023.

**CHANGES IN THE MEETING:** The meeting also discussed:

Information the premature disclosure of which would be likely to have a considerable adverse effect on the implementation of a proposed Commission action.

**CONTACT PERSON FOR MORE INFORMATION:** Judith Ingram, Press Officer, Telephone: (202) 694-1220.

(Authority: Government in the Sunshine Act, 5 U.S.C. 552b.)

**Vicktoria J. Allen,**

*Deputy Secretary of the Commission.*

[FR Doc. 2023-13776 Filed 6-23-23; 4:15 pm]

**BILLING CODE 6715-01-P**

## FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

[Docket No. AS23-09]

### Agency Information Collection Activities; Renewal of an Approved Information Collection: Collection and Transmission of Annual AMC Registry Fees

**AGENCY:** Appraisal Subcommittee of the Federal Financial Institutions Examination Council (ASC).

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, the ASC invites public comments on our intention to request the Office of Management and Budget (OMB) approval to renew an information collection request entitled "Collection

and Transmission of Annual AMC Registry Fees."

**DATES:** Written comments must be received on or before August 28, 2023 to be assured of consideration.

**ADDRESSES:** Commenters are encouraged to submit comments by the Federal eRulemaking Portal or email, if possible. You may submit comments, identified by Docket Number AS23-09, by any of the following methods:

- **Federal eRulemaking Portal:**

<https://www.regulations.gov>. Follow the instructions for submitting comments. Click on the "Help" tab on the *Regulations.gov* home page to get information on using *Regulations.gov*, including instructions for submitting public comments.

- **Email:** [webmaster@asc.gov](mailto:webmaster@asc.gov). Include the docket number in the subject line of the message.

- **Fax:** (202) 289-4101. Include docket number on fax cover sheet.

- **Mail or Hand Delivery/Courier:** Address to Appraisal Subcommittee, Attn: Lori Schuster, Management and Program Analyst, 1325 G Street NW, Suite 500, Washington, DC 20005.

In general, the ASC will enter all comments received into the docket and publish those comments on the *Regulations.gov* website without change, including any business or personal information that you provide, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure. The ASC will summarize and/or include your comments in the request for OMB's clearance of this information collection.

You may review comments and other related materials that pertain to this rulemaking action by any of the following methods:

- **Viewing Comments Electronically:**

Go to <https://www.regulations.gov>. Enter "Docket ID AS20-06" in the Search box and click "Search." Click on the "Help" tab on the *Regulations.gov* home page to get information on using *Regulations.gov*, including instructions for viewing public comments, viewing other supporting and related materials, and viewing the docket after the close of the comment period.

- **Viewing Comments Personally:** You may personally inspect comments at the ASC office, 1325 G Street NW, Suite 500, Washington, DC 20005. To make an appointment, please call Lori Schuster at (202) 595-7578.

**FOR FURTHER INFORMATION CONTACT:** Juan Burgos, Attorney Advisor, at (202) 792-1170, or Lori Schuster, Management and Program Analyst, at (202) 595-7578, Appraisal Subcommittee, 1325 G Street NW, Suite 500, Washington, DC 20005.

### SUPPLEMENTARY INFORMATION:

**Title:** Collection and Transmission of Annual AMC Registry Fees.

**OMB Number:** 3139-0008.

**Abstract:** States that register and supervise appraisal management companies (AMCs) are required to collect and transmit annual AMC registry fees to the ASC. 12 CFR part 1102, and in particular section 1102.402, established the annual AMC registry fee for States that register and supervise AMCs as follows: (1) in the case of an AMC that has been in existence for more than a year, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC on a covered transaction in such State during the previous year; and (2) in the case of an AMC that has not been in existence for more than a year, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC on a covered transaction in such State since the AMC commenced doing business. Performance of an appraisal means the appraisal service requested of an appraiser by the AMC was provided to the AMC. Section 1102.403 requires AMC registry fees to be collected and transmitted to the ASC on an annual basis by States that register and supervise AMCs. Only those AMCs whose registry fees have been transmitted to the ASC are eligible to be on the AMC Registry for the 12-month period following the payment of the fee. Section 1102.403 clarified that States may align a one-year period with any 12-month period, which may, or may not, be based on the calendar year. The registration cycle is left to the individual States to determine.

**Current Action:** There are no changes being made to this regulation.

**Type of Review:** Extension of a currently approved collection.

**Affected Public:** States; businesses or other for-profit and not-for-profit organizations.

**Estimated Number of Respondents:** 400 AMCs, 55 States.

**Estimated Total Annual Burden Hours:** 400 hours.

**Frequency of Response:** Event generated.

By the Appraisal Subcommittee.

**James R. Park,**

*Executive Director.*

[FR Doc. 2023-13626 Filed 6-26-23; 8:45 am]

**BILLING CODE 6700-01-P**

June 16, 2023

Via <https://www.surveymonkey.com/r/AQBComments>

Brad Swinney  
Chair, Appraiser Qualifications Board  
The Appraisal Foundation  
1155 15<sup>th</sup> Street, NW  
Suite 1111  
Washington, DC 20005

RE: Appraisal Subcommittee Staff Comments on the May 17, 2023 Second Exposure Draft of Proposed Changes to the *Real Property Appraiser Qualification Criteria*

Dear Chair Swinney:

The Appraisal Subcommittee (ASC) staff appreciates the opportunity to comment on the Appraiser Qualifications Board's (AQB) May 17, 2023 Second Exposure Draft of Proposed Changes to the *Real Property Appraiser Qualification Criteria* (Criteria). The following comments reflect the opinions of the ASC staff and not the opinions of the ASC or its member agencies.

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI) empowered the ASC with the responsibility to monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation and its boards.<sup>1</sup> Title XI also empowered the ASC to monitor State appraiser certifying and licensing agencies for the purpose of determining whether a State agency's policies, practices, and procedures are consistent with Title XI.<sup>2</sup> Accordingly, ASC staff has reviewed the exposure draft and offers the following comments:

We support the proposed requirements to make *Valuation Bias and Fair Housing Laws and Regulations* courses part of qualifying and continuing education (CE) course requirements for aspiring and current appraisers.

We appreciate in this exposure draft the AQB clarified the language regarding a 2-year cycle to ensure that States and appraisers understand that the *Valuation Bias and Fair Housing Laws and Regulations* course must be successfully completed every two calendar years.

Lines 90 - 94 address the *USPAP Instructor Recertification Course* (IRC) equivalency. The AQB concludes in the Introduction that this is a "minor change" resulting from changing the

<sup>1</sup> Title XI § 1103(b) (12 U.S.C. § 3332(b)).

<sup>2</sup> Title XI § 1103(a) (12 U.S.C. § 3332(a)).



name of the course. We question whether this change is “minor.” The proposed Criteria allows USPAP IRC instructors to take the IRC and be given credit for 7 hours of CE even if the IRC is less than 7 hours in length. This could conflict with State laws or regulations, or both, that require a National USPAP Update course to be 7 hours in length. It also appears to conflict with existing AQB Criteria that defines a class hour as “60 minutes, of which 50 minutes are instruction attended by the student.” It would be helpful if the AQB could share any data that has been collected on the number of States that will require changes in their laws and or regulations.

Regarding the IRC Course:

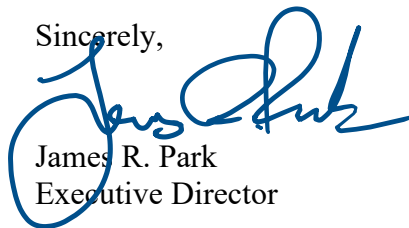
- Will USPAP Instructors be required to take the same, or an instructor’s version of the 4-hour *Valuation Bias and Fair Housing Laws and Regulations* course?
- How will the AQB ensure certified USPAP Instructors understand and can effectively teach appraisers about valuation bias and fair housing laws that are included in the USPAP courses?
- Will USPAP Instructors be required to take the IRC class every 2 years even if USPAP hasn’t changed?
- Will States be required to treat an IRC that is less than 7 hours as if it was 7 hours in length?

Regarding the Valuation Bias and Fair Housing Laws and Regulations Course Outline:

- State fair housing laws and regulations are an important factor for appraisers to understand and consider. We recommend the outline include language similar to that found in the Supervisory Appraiser/Trainee Appraiser Course Objectives which allows for the inclusion of jurisdictional requirements.
- The course outline does not mention the qualifications of instructors for the course. We recommend the AQB include a requirement that at least one of the instructors be knowledgeable about Valuation Bias and Fair Housing Laws and Regulations.

Thank you again for the opportunity to comment. Please contact us if you have any questions.

Sincerely,



James R. Park  
Executive Director

**APPRAISAL SUBCOMMITTEE  
QUARTERLY MEETING MINUTES  
MARCH 15, 2023**

LOCATION: Webex

**ATTENDEES**

**MEMBERS:** CFPB – Zixta Martinez (Chair)  
FDIC – Luke Brown  
FRB – Suzanne Williams  
NCUA – JeanMarie Komyathy  
OCC – Enice Thomas

**ALTERNATES:** FHFA – Julie Giesbrecht  
HUD – Brian Barnes

**STAFF:** Executive Director – Jim Park  
Deputy Executive Director – Denise Graves  
Acting General Counsel – Juan Burgos  
Grants Director – Rae Frederique  
Financial Manager – Girard Hull  
Attorney Advisor – Ada Bohorfoush  
Attorney Advisor – Natalie Lutz  
Management and Program Analyst – Lori Schuster  
Administrative Officer – Brian Kelly  
Administrative Assistant – Oteal Griffin  
Policy Manager – Tom Lewis

**OBSERVERS:** See attached list.

The Meeting was called to order at 10:00 a.m. by Chair Z. Martinez.

**REPORTS**

- **Chair**

Z. Martinez announced that HUD has a new member, Julia Gordon. She thanked former Vice Chair B. Borland for her service. She also thanked ASC members, member staff and ASC staff for their assistance with the January 24<sup>th</sup> hearing.

- **Executive Director**

J. Park updated the ASC on recent staff activity as noted below.

- The ASC held its first hearing on Appraisal Bias on January 24<sup>th</sup> at CFPB headquarters. The hearing was held in hybrid format with in-person and on-line attendees. Thus far, there have been over 5,000 views of the hearing.
- He introduced the new Grants Director Regeane (Rae) Frederique who started on February 13<sup>th</sup>.
- The Appraisal Standards Board will issue a fifth Exposure Draft of Proposed Changes to USPAP soon.
- The Appraiser Qualifications Board issued its first Exposure Draft on Proposed Changes to the Real Property Appraiser Qualification Criteria. ASC staff is preparing a response.
- After nearly a 3-year hiatus due to COVID-19, the Policy Managers began conducting on-site State Compliance Reviews in January.
- It has been nearly one year since the Interagency Property Appraisal and Valuation Equity Task Force released its *Action Plan to Advance Property Appraisal and Valuation Equity*. The ASC continues to work on commitments that came out of the Action Plan.
- **Grants Program**

R. Frederique noted her 20 years of experience in grants at the Federal and State level. She has been reviewing ASC grants policies and procedures and reaching out to current grant recipients to introduce herself.

- **Financial Manager**

G. Hull provided an update for the first quarter of Fiscal Year 2023.

- For the first quarter of Fiscal Year 23 (FY23) which ended on December 31, 2022, the ASC recognized total revenue of \$2.9M, representing 99% of the FY23 budgeted amount for the 1<sup>st</sup> quarter of FY23. This total revenue is comprised of \$934K of Appraiser Registry fees and approximately \$2M of AMC Registry fees. The total budgeted revenue for FY23 is \$11.6M and, as of now, the ASC is on track to attain that amount.
- Expenditures for the 1<sup>st</sup> quarter of FY23 totaled \$2.1M representing 85% of the budgeted expenditure amount, \$2.4M, for the same period. Overall, expenditures in FY23 have been within budget with no unusual budget variances.

## **ACTION ITEMS**

- **November 16, 2022 Quarterly Meeting Minutes**

Z. Martinez asked for a motion to approve the November 16<sup>th</sup> Quarterly Meeting Minutes. J. Komyathy made a motion to approve the November 16<sup>th</sup> quarterly meeting minutes as presented. E. Thomas seconded and all members present voted to approve.

- **Future ASC Public Hearings**

J. Park reported that the first hearing set the stage for future hearings. The Hearing Working Group (WG) has been meeting regularly to discuss the focus for future hearings. The WG recommendations are included in the motion. Z. Martinez asked for a motion pursuant to the ASC's authority under 12.U.S.C. § 3335 to hold a series of at least three public hearings, scheduled for three hours each, to further explore the causes and impact of bias in real estate appraisals. The public hearings will be held at periodic times throughout 2023 and early 2024. The next hearing will take place on May 19, 2023, at 10:00 a.m. ET, to be hosted by the Federal Housing Finance Agency at 400 7<sup>th</sup> Street SW, Washington, DC (Constitution Center auditorium), with a focus on the appraiser regulatory system and exploring: (1) appraisal standards, (2) appraiser qualifications and criteria, (3) barriers to entry into the appraisal profession, (4) appraisal and appraiser practices, and (5) State regulation and enforcement. The following representatives will serve as witnesses at this hearing: (1) Appraisal Standards Board, (2) Appraiser Qualifications Board, (3) Association of Appraiser Regulatory Officials, (4) National Fair Housing Alliance, and (5) an active appraiser. Future public hearings may focus on the development and use of appraisals, and what opportunities may be available for the ASC to lead industry changes in the future. S. Williams moved to approve the motion. J. Komyathy seconded and all members present voted to approve.

- **60-day Paperwork Reduction Act Notice for the Appraiser Survey Project**

J. Burgos provided background on the Appraiser Survey Project (Survey). The Survey will result in data that are needed for the ASC to better understand the challenges facing the appraisal industry today including barriers to entry into the profession and appraiser shortages. The data collected from this Survey will improve the ASC's understanding of the current demographics of the appraisal profession, barriers to entry for aspiring appraisers, especially women and persons from underserved communities historically denied equitable treatment due to their race or ethnicity, or both, current trends and patterns of the appraisal practice, including the use of new valuation technologies and appraisal engagement practices, geographic differences in the number of appraisers in urban and rural areas, and potential market imbalances between appraiser supply and demand. The Council on Licensure, Enforcement and Regulation will administer the survey. It will be distributed to approximately 1,500 appraisers with an additional 75 appraisers chosen for a further qualitative interview. The Survey will take approximately 30 minutes to complete, and the qualitative interview will take approximately 60 minutes. J. Burgos thanked ASC member staff for their assistance. J. Giesbrecht moved to approve the Paperwork Reduction Act

Notice for publication in the *Federal Register*. E. Thomas seconded and all members present voted to approve.

Z. Martinez thanked ASC members, ASC staff and observers for attending today's meeting. The meeting adjourned at 10:30 a.m. The next quarterly ASC meeting is scheduled for June 14, 2023.

Attachment: Observer list

<b>Meeting:</b>	<b>Appraisal Subcommittee Meeting</b>	<b>Meeting Date:</b>	March 15, 2023
<b>Time:</b>	10:00 AM ET	<b>Location:</b>	Webex

<b>OBSERVERS</b>	
<b>Affiliation</b>	<b>Name</b>
American Society of Appraisers	John Russell
Appraisal Foundation	Edna Nkemngu
Appraisal Institute	Brian Rodgers
Appraisal Standards Board	Michelle Bradley
Bank of America	Wade Coffey
Clear Capital	John Brennan
Berge Company Realtors	Thomas Berge, Jr.
Conference of State Bank Supervisors	Daniel Berkland
Consumer Financial Protection Bureau	Deana Krumhansl
Consumer Financial Protection Bureau	John Schroeder
Consumer Financial Protection Bureau	David Uejio
Council on Licensure, Enforcement and Regulation	David Byerman
Council on Licensure, Enforcement and Regulation	Ralph Morales
Department of Housing and Urban Development	Venida Brown
Federal Deposit Insurance Corporation	Erin Barry
Federal Deposit Insurance Corporation	Navid Choudhury
Federal Deposit Insurance Corporation	Dawnelle Guyette
Federal Deposit Insurance Corporation	Stuart Hoff

Federal Deposit Insurance Corporation	Tom Lyons
Federal Deposit Insurance Corporation	Patrick Mancoske
Federal Deposit Insurance Corporation	George Parkerson
Federal Deposit Insurance Corporation	Nefretete Smith
Federal Deposit Insurance Corporation	Meron Wondwosen
Federal Housing Finance Agency	Sara Todd
Federal Reserve Bank of Cleveland	Joe Gillis
Federal Reserve Board	Susan Ali
Federal Reserve Board	Trevor Feigleson
Federal Reserve Board	Carmen Holly
Federal Reserve Board	David Imhoff
Federal Reserve Board	Keshia King
HomeSight Appraisal	Peter Gallo
K.L. Scott & Associates	Alex Russell
National Credit Union Administration	Rachel Ackmann
National Credit Union Administration	Gira Bose
National Credit Union Administration	Victoria Nahrwold
Network Designs, Inc.	Kim Garcia
Office of the Comptroller of the Currency	Carolle Cantwell
Office of the Comptroller of the Currency	Kevin Lawton
Office of the Comptroller of the Currency	Jim Rives
Real Estate Valuation Advocacy Association	Mark Schiffman

TD Bank	J. Michael Hilton
Utah Division of Real Estate	Jonathan Stewart
	Jennifer Vincent



# NEWSLETTER



Dear Subscriber,

There couldn't be a better time for folks seeking to get more involved in the appraisal profession.

Not only do we have open application cycles for the Appraisal Standards Board, Appraiser Qualifications Board, Personal Property Resource Panel and Business Valuation Resource Panel, but the Board of Trustees has just decided to reopen its application cycle for an unprecedented second time this year.

You can learn more about the opportunities to get involved with our technical boards and resource panels below, but I'm going to focus here on the Board of Trustees.

The Board has two unfilled seats that it is seeking to fill with this application cycle. The first is an open public interest seat, open to anyone. This seat is a partial two-year term ending December 31, 2025. The other public interest seat is reserved for an academic and will be a full three-year term beginning January 1, 2024.

This is an exciting opportunity for anyone with an interest in valuation to contribute to the future of the appraisal profession. I urge you to apply by the August 1st deadline.

Click [here](#) to see the application and candidate fact sheet.

Sincerely,

Dave Bunton  
President

P.S. The 2022 Annual Report is now available! Check out the Helpful Links section on the right side of this newsletter to read the full report and check out our recap video.

## Apply to Join the ASB and AQB

Applications to join the ASB and AQB, the Foundation's two technical boards, are now open. These boards are responsible

### In This Newsletter

**From the President's Desk:  
Board of Trustees Opens New  
Application Cycle**

**Apply to Join the ASB and  
AQB**

**Apply to Join the Resource  
Panels**

**Updates from the AQB**

**Updates from the BVRP**

**Join CARE**

**Appraiser Talk**

### Helpful Links

[2022 Annual Report](#)

[Annual Report Recap Video](#)

[Appraisal Buzz: Thinking is  
Easy. Acting is Difficult \(Page  
12\).](#)

### Contact Us

T 202-347-7722

[info@appraisalfoundation.org](mailto:info@appraisalfoundation.org)

[www.appraisalfoundation.org](http://www.appraisalfoundation.org)

for maintaining the standards and qualifications, respectively, to ensure they build public trust and advance the valuation profession.

The deadline to apply to join these boards is August 1, 2023. Click [here](#) to apply.

Be sure to check out [this video](#) talking about the application process and sharing insights from a few current board members.

## Apply to Join the Resource Panels

Applications are now open to join the Business Valuation Resource Panel and Personal Property Resource Panel. These panels provide important insights to the Foundation's boards from the perspective of business valuers and personal property appraisers.

If you are interested in applying to join these groups, please submit an application by September 1st.

[Apply to join the BVRP.](#)

[Apply to join the PPRP.](#)

## Updates from the AQB

The AQB has adopted the Second Exposure Draft of proposed changes to the *Real Property Appraiser Qualification Criteria*. This new edition will become effective on January 1, 2026.

The changes to the *Criteria* will require all new entrants into the profession to take a 7-hour qualifying education course with a one-hour exam.

Those already credentialed will be required to take a 7-hour continuing education course without an exam in the first cycle after the state adopts the new AQB requirement. After this transition period, all state credentialed real estate appraisers will have to take a 4-hour continuing education course on fair housing and valuation bias every two years.

## Updates from the BVRP

The BVRP has issued a Valuation Brief that is now available to the public titled: [Understanding the Differences: Conclusion of Value vs. Value Calculations](#).

In this Valuation Brief, the authors seek to provide clarity regarding the differences among each assignment's scope of work and the various forms of reports available to meet the requirements specific to a given valuation. They summarize the relevant business valuation standards provided by the appraisal

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standard setting and credentialing organizations and provide practical suggestions for valuation professionals and their clients on best practices.

## Join CARE

The Council to Advance Residential Equity is seeking nonprofit organizations with a mission of civil rights, fair housing or consumer advocacy to join them. The Council will meet three times a year and provide valuable insight to the Foundation's boards through a fair housing lens.

If you are interested in learning more, contact Jalin Debeuneure at [jalin@appraisalfoundation.org](mailto:jalin@appraisalfoundation.org).

## 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](mailto: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](http://www.appraisalfoundation.org).

**From:** The Appraisal Foundation <news@appraisalfoundation.org>  
**Sent:** Thursday, June 22, 2023 9:32 AM  
**To:** Kohtz, Tyler  
**Subject:** Applications to join the Board of Trustees are now open

## PRESS RELEASE



# The Appraisal Foundation Opens Applications for Board of Trustees

The Appraisal Foundation announced today that it is seeking qualified candidates to fill two public interest positions on its Board of Trustees. One is open to anyone with an interest in valuation to fill the remainder of a term ending December 31, 2025. The second position, with a three-year term beginning January 1, 2024, is reserved for an individual whose principal profession is in academia.

“While typically the Board of Trustees only appoints new members once a year, we have a unique opportunity this year to fill two more trustee positions,” said David Bunton, president of The Appraisal Foundation. “The Board is seeking any stakeholders or members of the public with a deep interest in the appraisal profession and leadership and non-profit management experience to join them as they shape the future of the Foundation and the appraisal profession.”

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, and, while Trustees are reimbursed for travel expenses, 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 and community 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.

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

via email at [arika@appraisalfoundation.org](mailto: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](http://www.appraisalfoundation.org).

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The Appraisal Foundation  
1155 15th Street NW STE 1111  
Washington, DC 20005



**From:** The Appraisal Foundation <news@appraisalfoundation.org>  
**Sent:** Friday, June 23, 2023 9:13 AM  
**To:** Kohtz, Tyler  
**Subject:** Appraiser Qualifications Board Adopts New Edition of the Real Property Appraiser Qualification Criteria

# PRESS RELEASE



## **Appraiser Qualifications Board Adopts New Edition of the *Real Property Appraiser Qualification Criteria***

***New edition will be effective January 1, 2026***

The Appraiser Qualifications Board yesterday voted to adopt the Second Exposure Draft of proposed changes to the *Real Property Appraiser Qualification Criteria*. The new edition will become effective on January 1, 2026.

“After our education forum last fall, it was clear that stakeholders saw a need for required fair housing and valuation bias training for all appraisers,” said Appraiser Qualifications Board Chair Brad Swinney. “The Board took action, developing the last two exposure drafts to require these courses as part of all appraiser’s qualifying and continuing education. We deeply appreciate all of the stakeholders and members of the public who reviewed and commented on these drafts and look forward to seeing how these new courses build public trust in the profession.”

All exposure drafts are developed by the Appraiser Qualifications Board and released for public comment. Successive exposure drafts are updated and released based on public comments on previous drafts.



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](http://www.appraisalfoundation.org).

**Manage Your Subscription**

This message was sent to **tyler.kohtz@nebraska.gov** from **news@appraisalfoundation.org**

The Appraisal Foundation  
1155 15th Street NW STE 1111  
Washington, DC 20005



Share this page

## Board of Trustees October 26-28, 2023 - Palm Springs, CA



Board of Trustees October 26-28, 2023 - Palm Springs, CA

### **Location:**

Double Tree Golf Resort  
67967 Vista Chino  
Cathedral City, CA 92234

### **Lodging Accommodations:**

If you are a Board of Trustees member, the Foundation has reserved your accommodations for arrival on Thursday, October 26 through Sunday, October 29. As in years past, the Foundation will have you on a master list for direct billing of room and tax directly to our account and you will only be responsible for your incidentals. Any days beyond this will be at your own expense. If your arrival and departure dates are different, please let me know immediately. Trustees, Board Chairs and Council Chairs that are traveling from the west coast and new trustees attending the New Trustee Orientation, reservations will be made for Wednesday arrival. **All other attendees must make their reservations with the hotel directly.**

The Appraisal Foundation has reserved a block of guest rooms at The Double Tree Golf Resort Hotel (67967 Vista Chino, Cathedral City, CA 92234) for meeting attendees. Rooms are at a discounted rate of \$144.00 single/double per night (excluding tax; rate is subject to change). Reservations can be made by calling the following number: (760) 322-7000 prior to the **September 25, 2023 cut-off date**. Hotel rooms are very limited, so make your reservation today!

### **Meeting Schedule:**

**TBA**



**Price** 0.00

**When** 10/26/2023 8:00 AM - 10/28/2023 1:00 PM

**Where** Double Tree Golf Resort  
67967 Vista Chino  
Cathedral City 92234

[Register Myself](#)

[Register Someone Else](#)

Last day to register is 10/26/2023

My registration status: Not registered