

News from the Nebraska Real Property Appraiser Board

Director's Comments



Tyler Kohtz has been the Director for the Nebraska Real Property Appraiser Board since March of 2012. He is responsible for the development, implementation, and management of all programs for the agency, including the administration and enforcement of the Real Property Appraiser Act and the Appraisal Management Company Registration Act.

Director Tyler Kohtz

Housekeeping

This is one of the few times of the year that the Board gets a chance to catch its breath. The real property appraiser renewals are mostly complete, staff has processed the bulk of the AMC renewal applications, and the legislative session has ended. The Board has been busy preparing the next update to Title 298, getting the record keeping caught up, and laying the groundwork for the next strategic planning meeting. BEPM Duerig has also been hard at work getting real property appraisers "hooked" to Centurion Blue to ensure that all real property appraisers have access to Appraiser Login. If you have been contacted by her, please be sure to get in touch with her to complete this task. On another note, the Appraisal Subcommittee completed its first State Offsite Assessment of the Board's programs and found no areas of potential risk during their assessment. As always, the Board is here for you, so please feel free to reach out with any questions or comments that you might have, and I hope that you enjoy this edition of The Nebraska Appraiser.

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Upcoming NRPAB Meetings:

- July 21, 2022 @ NRPAB Office (Conference Room)
- August 18, 2022 @ NRPAB Office (Conference Room)
- September 15, 2022 @ NRPAB Office (Conference Room)

These meeting dates are all tentative. Please check the Board's Facebook page or website for information as these dates approach. The start time for each meeting can be found in the public notice and on the agenda posted to the Board's website at least 48 hours prior to the start of the meeting. Any meeting also held by virtual conferencing will stated as such in the public notice for that meeting.

Spring 2022

Changes to the Nebraska Real Property Appraiser Act Approved by the Nebraska State Legislature (LB707)

By Tyler N. Kohtz, Director

LB706 was introduced by Senator Williams on January 5, 2022 to update the Nebraska Real Property Appraiser Act ("Act") to implement the Real Property Appraiser Qualifications Criteria adopted by The Appraisal Foundation's Appraiser Qualifications Board, effective on January 1, 2021; and to maintain compliance with Title XI of FIRREA along with the Policy Statements of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. LB706 was amended into LB707 through AM1859 on February 16, 2022. LB707 was passed by the Nebraska State Legislature on April 12, 2022. Specifically, in LB707:

The word "awarded" is replaced with "issued" in the definition of "Completed application" found in Neb. Rev. Stat. § 76-2207.23 for consistency throughout the Act;

Neb. Rev. Stat. § 76-2218 is modified to expand the definition of "two-year education period" to allow those who obtain their Nebraska real property appraiser credential through reciprocity to utilize continuing education credits earned as a credentialed appraiser of the same class in another jurisdiction prior to being issued a credential in Nebraska;

The phrase "except that a real property appraiser or a person licensed under the Nebraska Real Estate Licensed Act is not exempt under this subdivision" is stricken from Neb. Rev. Stat. § 76-2221(4),(5) concerning a person licensed under the Nebraska Real Estate Licensed Act who is also an owner of real estate, employee of the owner, or attorney licensed to practice law in this state representing the owner that may render an opinion of value of the real estate or any interest in the real estate when such estimate or opinion is for the purpose of real estate taxation or offered as testimony in any condemnation proceeding;

The language "Successfully complete a PAREA program. If the PAREA program does not satisfy all required experience for credentialing, the remaining experience hours shall be completed pursuant to subdivision..." is added in Neb. Rev. Stat. §§ 76-2230, 76-2231.01, and 76-2232 to allow the successful completion of a PAREA program to be accepted in place of traditional real property appraisal practice experience hours;

"From an accredited degree-awarding community college, college, or university" is stricken from Neb. Rev. Stat. § 76-2231.01(1)(b)(iv) to align with the Real Property Appraiser Qualifications Criteria, which does not require that a College-Level Examination Program be administered by an accredited degree-awarding community college, college, or university;



Changes to the Nebraska Real Property Appraiser Act Approved by the Nebraska State Legislature (Continued)

"College composition" and "college mathematics" is stricken from Neb. Rev. Stat. § 76-2231.01(1)(b)(iv) (A), and new subdivision (B), which adds the language "Six semester hours in each of the following subject matter areas: College composition; and college mathematics" is added to correct incorrect language found in the Act as the Real Property Appraiser Qualifications Criteria requires that the College-Level Examination Program examinations include six semester hours for college mathematics;

The phrase "and completion date" is stricken from Neb. Rev. Stat. § 76-2223.01(2)(b) as ach temporary credential expires upon the completion of the assignment or upon the expiration of a period of six months from the date of issuance, whichever occurs first and the anticipated completion date is often unknown in advance;

The phrase "The continuing education period begins on January 1 of the next year for any credential holder who first obtained his or her credential at the current level on or after July 1" is stricken from Neb. Rev. Stat. § 76-2236 as the two-year continuing education period for each credential holder is defined in Neb. Rev. Stat. § 76-2218;

Updates "2021" to "2022" in the definition of "Financial Institutions Reform, Recovery, and Enforcement Act of 1989" and "Uniform Standards of Professional Appraisal Practice;" and

A new definition "PAREA program" is added for Practical Applications of Real Estate Appraisal programs approved by The Appraiser Qualifications Board of The Appraisal Foundation.

Finally, LB707 also includes minor changes to clean up the language and to address the administration of the Act. More details regarding the specifics of these changes can be provided upon request. If you have questions regarding LB707 or the changes to the Nebraska Real Property Appraiser Act, please contact me by email at <u>tyler.kohtz@nebraska.gov</u>, or by phone at 402-471-9015.

NRPAB Quick Hits

- Pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI), the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council monitors each State's appraiser and AMC regulatory programs to ensure the State:
 - Recognizes and enforces the standards, requirements, and procedures prescribed by Title XI;
 - Has adequate authority to permit it to carry out its Title XI related functions; and
 - Makes decisions concerning appraisal standards, appraiser qualifications and supervision of appraiser practices consistent with Title XI.

The ASC performed an State Off-Site Assessment ("SOA") of the State of Nebraska Appraiser Regulatory Program and AMC Regulatory Program in February of 2022. Although the ASC does not issue a finding for an SOA, the ASC noted that the Board's Appraiser Regulatory Program has no areas of potential risk, and observed that 298 NAC Chapter 7, § 003.01 and the Federally Regulated AMC Reporting Form requires information of Federally Regulated AMCs that is beyond the authority of the AMC Rule and Revised Bulletin 2017 -01 issued April 16, 2018. The Board removed the collection of this information during the ASC's SOA.

The Board's staff is working to make sure that all Nebraska real property appraisers have access to Appraiser Login. In January 2021, the Board announced that Appraiser Login had been enhanced to include an online real property appraiser renewal application and contact information self-service interface. The additional security required for these enhancements meant that Appraiser Login had to be moved to the Centurion Blue platform. As of April 2022, around 80% of appraisers have taken the steps to create new Centurion login information and access Appraiser Login. In addition to renewing a credential and updating contact information, one may submit education completion certificates, review education history, and download the eUSPAP through Appraiser Login as well. If you have not received an invitation to Centurion Blue, and have never accessed Appraiser Login via Centurion contact the Board's office at Blue. please nrpab.AppraiserLogin@nebraska.gov or 402-471-9015.

NRPAB Quick Hits

- The Nebraska Real Property Appraiser Board retired Guidance Document 21-01, and adopted no new guidance documents between January and March. All Guidance Documents are available for viewing on the Board's website at: <u>https://appraiser.ne.gov/guidance_documents.html</u>.
- Compliance Update
 - Between the months of January and March, no grievances were filed against any Nebraska credentialed real property appraisers; the Board closed one grievance. During this time, no disciplinary actions were taken by the Board against any appraisers.
 - Between the months of January and March, no grievances were filed against any appraisal management companies. During this time, no disciplinary actions were taken by the Board against any appraisal management companies.



During its March 17, 2022 meeting, the Board discussed the USPAP Q&A from the Appraisal Standards Board titled, "Using Rules of Thumb for Market Adjustments." A rule-of-thumb does not meet the appraisal development requirements. Standards Rule 1-3(a) requires an appraiser to identify and analyze market data and to draw supported conclusions. Simply applying a rule-of -thumb to determine whether to make an adjustment for market conditions without analyzing market data and concluding what it indicates results in an unsupported conclusion and may result in misleading assignment results.

Have questions? We have answers!

Questions related to appraisal management company registration and renewal: nrpab.amc@nebraska.gov

Questions related to real property appraiser credentialing: nrpab.credentialing@nebraska.gov

Questions related to real property appraiser credential renewal: nrpab.renewals@nebraska.gov

Questions related to real property appraiser education (QE & CE): nrpab.education@nebraska.gov

Questions related to investigations, or how to file a grievance: nrpab.compliance@nebraska.gov

Questions related to Appraiser Login: nrpab.AppraiserLogin@nebraska.gov

General Questions: nrpab.questions@nebraska.gov

NRPAB Staff

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Visit NRPAB on Facebook

NRPAB Quick Hits

In addition to LB707, the Board is also interested in many other legislative bills active during the current session. A summary of these bills, along with the link to the legislative information, can be found on the main page of the Board's website at: <u>appraiser.ne.gov</u>. Select the hyperlink titled "2022 Legislative Bills of NRPAB Interest" in the blue box on the right-hand side of the page. If you have any comments regarding any of the bills listed in this document, please feel free to contact the Board's office at 402-471-9015, or email Director Kohtz at tyler.kohtz@nebraska.gov.

Who's New?

The Nebraska Real Property Appraiser Board congratulates the following individuals who received real property appraiser credentials, and the organizations newly registered as appraisal management companies, between January and March of 2022.

Trainee Real Property Appraisers Mary Dorn, Lincoln NE – T2022001 Michael Tolley, Omaha NE - T2022002 Emily Kaiser, Lincoln NE – T2022003 Emma Loseke, Lincoln NE – T2022004 Dawson Coughlin, Fremont NE – T2022005

Licensed Residential Real Property Appraisers **Brandon Cernik**, Omaha NE – L2022001

Certified Residential Real Property Appraisers Ann Kaczmarek, Saint Augustine FL – CR2022001R Katie McGarvie, Lincoln NE – CR2022002 Cathleen Van Winkle, Lincoln NE – CR2022003

Certified General Real Property Appraisers Ethan Sorensen, Lincoln NE – CG2022001 Walker Kelly, Fort Worth TX – CG2022002R Michael O'Brien, Fort Worth TX – CG2022003R Michael Wilken, Oxford NE – CG2022004 Steven Hickstein, Casper WY – CG2022005R Douglas Hattery, Davenport IA – CG2022006R Lee Canel, Wilmette IL – CG2022007R Emily Lucke, Cora WY – CG2022007R Emily Lucke, Cora WY – CG2022008R David Mielnicki, Clarkston MI – CG2022009R Ryan Fix, Wray CO – CG2022010R Logan Woodward, Gering NE – CG2022011 Erik Hill, Dallas TX – CG2022012R Jeffrey Rauland, Aubrey TX – CG2022013R Leo Kao, Los Angeles CA – CG2022014R

Appraisal Management Companies Change AMC, LLC – NE2021009 Think Tank AMC, LLC – NE2021010



Chairperson of the Board Thomas M. Luhrs, Imperial Certified General Appraiser Licensed Real Estate Broker Rep Term Expires: January 1, 2023

Vice-Chairperson of the Board Wade Walkenhorst, Lincoln Financial Institutions Rep Term Expires: January 1, 2024

Board Member

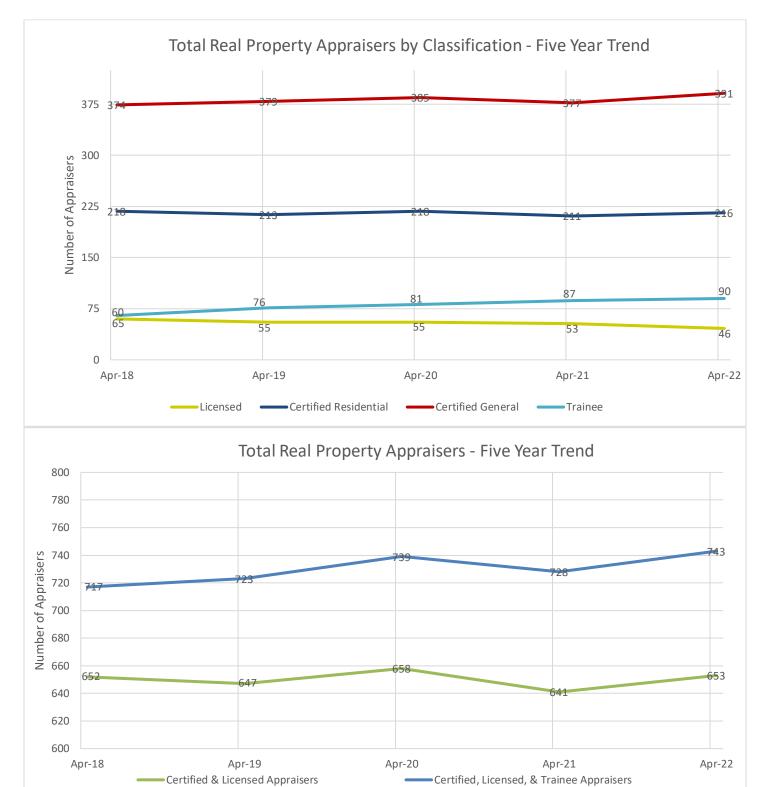
Bonnie M. Downing, Dunning Certified General Appraiser 3rd District Representative Term Expires: January 1, 2025

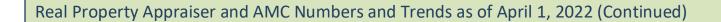
Board Member Cody Gerdes, Lincoln Certified General Appraiser 1st District Representative Term Expires: January 1, 2026

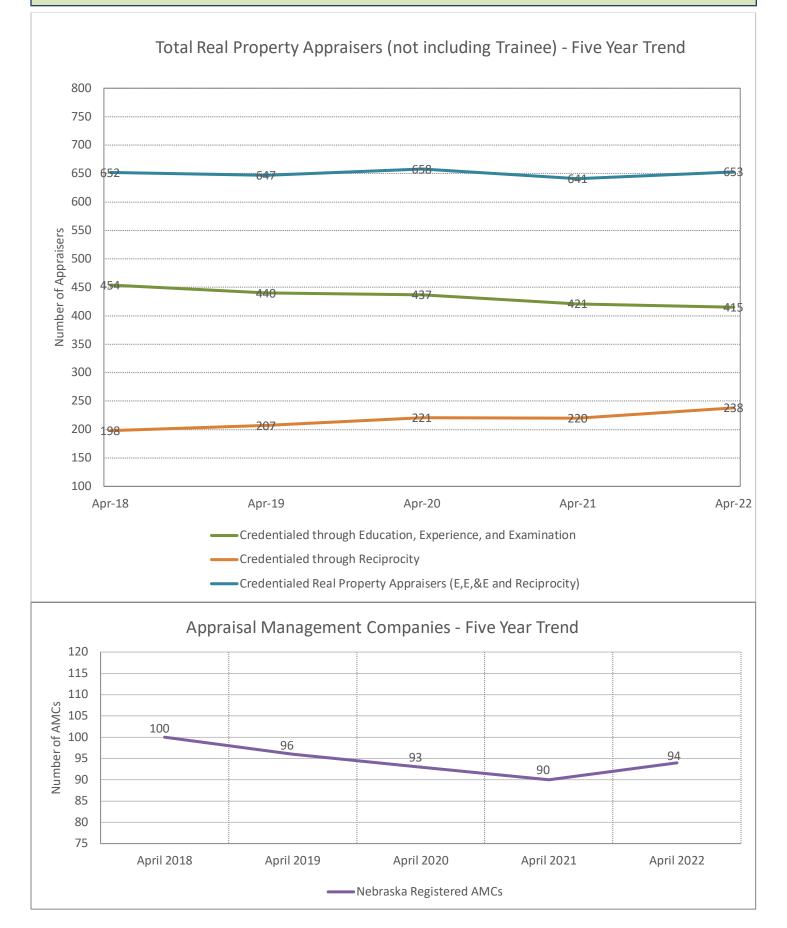
Board Member Kevin Hermsen, Gretna Certified General Appraiser 2nd District Representative Term Expires: January 1, 2027

Real Property Appraiser and AMC Numbers and Trends as of April 1, 2022

The charts below outline the five-year trend for the number of Nebraska credentialed real property appraisers and Nebraska registered appraisal management companies as of April 1, 2022. There are currently 653 licensed residential, certified residential, and certified general real property appraisers in Nebraska, and 90 credentialed trainee real property appraisers. In addition, there are currently 94 appraisal management companies registered in Nebraska.

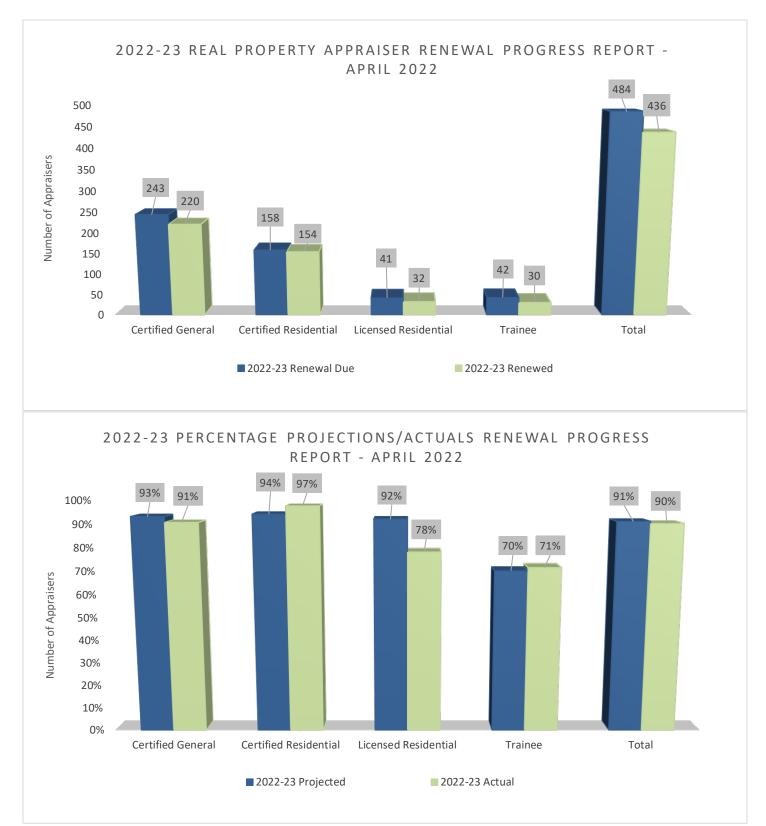






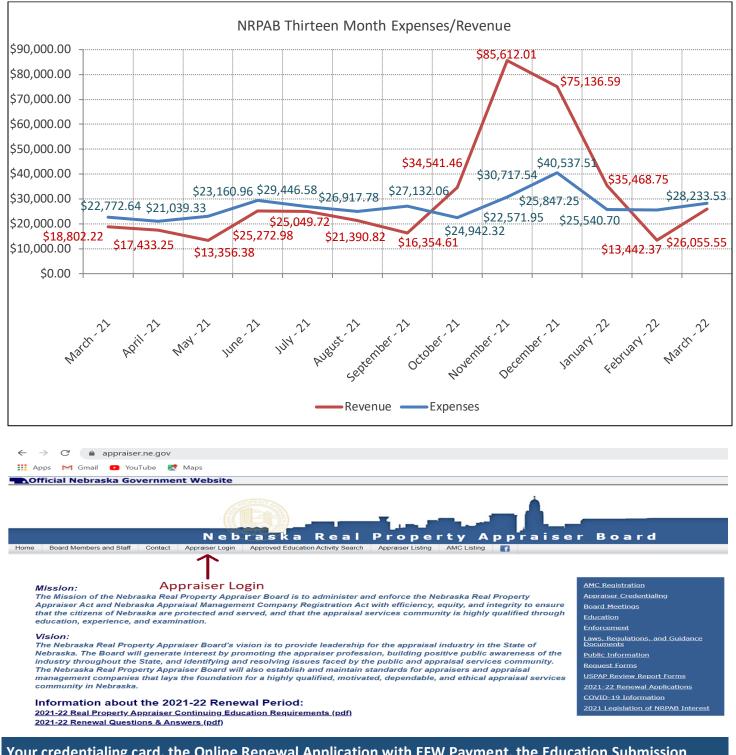
Real Property Appraiser Renewal Counts and Percentages as of April 2022

The charts below outline the real property appraiser renewal counts and percentages as of April 2022. There were 484 trainee, licensed residential, certified residential, and certified general real property appraiser renewals due, and 436 credentials were renewed.



NRPAB Financial Snapshot as of March 31, 2022

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$252,440.64 in expenditures and \$333,051.88 in revenues were recorded as of March 31, 2022. Actual expenses registered at 60.37 percent of the budgeted expenditures for the fiscal year; 75.07 percent of the fiscal year has passed.



Your credentialing card, the Online Renewal Application with EFW Payment, the Education Submission Portal, continuing education requirements, education history, and USPAP download are all found in the Appraiser Login on the Board's website.