

THE NEBRASKA APPRAISER

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

Just Keep Swimming...

LB1417, which would have terminated the Board, was introduced in the Nebraska Legislature during the 2024 session. As mentioned in the Quick Hits section of this newsletter, LB1417 was voted out of committee with AM3346, which removes all references to the Board. Although there is always a possibility of a similar bill in the future, the chapter on this one is closed. On behalf of the Board and myself, thank you for caring and making your voice heard! The appraisal business community has always been a tight knit group, now the rest of the state has had the opportunity to see how special this community is. In Finding Nemo, Dory says it best; as the Board begins preparing for strategic planning and a new fiscal year, the Board will "just keep swimming." Finally, the two bills introduced on behalf of the Board passed final reading and have been signed by Governor Pillen. More information about LB992 and LB989 can be found in this edition of The Nebraska Appraiser. As always, the Board is here for you, so feel free to reach out with any questions or comments.

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- June 13,2024 @ NRPAB Office (Conference Room)
- June 20, 2024 @ NRPAB Office (Conference Room)
- July 18, 2024 @ 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 be stated as such in the public notice for that meeting.

Changes to the Nebraska Real Property Appraiser Act Approved by the Nebraska State Legislature (LB992)

By Tyler Kohtz, Director

LB992 was introduced by Senator Dungan on January 5, 2024 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, 2026; the Uniform Standards of Professional Appraisal Practice adopted by The Appraisal Foundation's Appraisal Standards Board, effective on January 1, 2024: the recommendations of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council as identified during its 2022 State Off-site Assessment; 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. LB992 was passed by the Nebraska Legislature on March 7, 2024 and signed by Governor Pillen on March 12, 2024. LB992 includes the following changes:

"2022" is updated to "2024" in the definition of "Financial Institutions Reform, Recovery, and Enforcement Act of 1989" in Neb. Rev. Stat. § 76-2207.30;

"Personal inspection" is added as defined term found in USPAP that is also utilized in the Real Property Appraiser Act;

"2022" is updated to "2024" in the definition of "Uniform Standards of Professional Appraisal Practice" in Neb. Rev. Stat. § 76-2218.02;

"Real property appraisal" is added before "practice" to utilize the defined term "real property appraisal practice" in Neb. Rev. Stat. § 76-2221;

The definition of "workfile" in Neb. Rev. Stat. § 76-2219.02 is updated to harmonize the definition with the defined term found in USPAP; The high school education, or equivalent, requirement found in Neb. Rev. Stat. § 76-2228.01(1)(b) for a trainee real property appraiser, and N.R.S. § 76-2230 (1)(b) for a licensed residential real property appraiser, are stricken as the Real Property Appraiser Qualifications Criteria does not require high school education, or equivalent, for these classifications;

Subdivision (c)(i) becomes Subdivision (b)(i) in Neb. Rev. Stat. § 76-2228.01(1) and is updated to modify the trainee real property appraiser class hour requirements to include the valuation bias and fair housing laws education for applications received after December 31, 2025 as required in the 2026 Criteria;

Neb. Rev. Stat. § 76-2228.01(5)(b) is updated for the same purpose for a trainee real property appraiser upgrading to the certified residential real property appraiser credential, and Neb. Rev. Stat. § 76-2228.01 (6)(b) is updated for the same purpose for a trainee real property appraiser upgrading to the certified general real property appraiser credential;

"and completed the fifteen-hour National Uniform Standard of Professional Appraisal Practice Course" is stricken from Neb. Rev. Stat. § 76-2228.01(1)(b)(i)(A), N.R.S. § 76-2230(1)(b)(A), N.R.S. § 76-2231.01(1)(d)(i), and N.R.S. § 76-2232(1)(d)(i) for consistency as no other qualifying education course is specifically named in these subdivisions (all required qualifying education courses for each classification, including the fifteenhour National Uniform Standard of Professional Appraisal Practice Course, are identified in the rules and regulations of the Board along with the minimum hours required for each course);

"(c)(i)" is stricken and "(b)(i)" is added to reference the correct subdivision in Neb. Rev. Stat. § 76-2228.01(1) (b)(ii) for a trainee real property appraiser, and N.R.S. § 76-2230(1)(b)(ii) for a licensed residential real property appraiser, concerning completion of the remaining class hours not satisfied by a degree in real estate or equivalent as approved by the Appraiser Qualifications Board;

Changes to the Nebraska Real Property Appraiser Act Approved by the Nebraska State Legislature (LB992) (Continued)

"Twelve" is stricken and "twenty-four" is added before "months," and the phrase "Successful completion of examination shall be valid for twentyfour months" is added for the exam requirements found in Neb. Rev. Stat. § 76-2228.01(3)(b) for a trainee real property appraiser to upgrade to a higher real property appraiser classification, N.R.S. § 76-2230 (1)(e) for a licensed residential real property appraiser, N.R.S. § 76-2230(2)(b) for a licensed residential real property appraiser to upgrade to a higher real property appraiser classification, N.R.S. § 76-2231.01(1)(g) for a certified residential real property appraiser, N.R.S. § 76-2231.01(2)(b) for a certified residential real property appraiser to upgrade to a certified general real property appraiser, and N.R.S. § 76-2232(1)(g) for a certified general real property appraiser as the Real Property Appraiser Qualifications Criteria allows an applicant, whose education and experience have been approved, twenty-four months to complete examination, and allows the results of a successfully completed examination to be valid for twenty-four months;

"(1)(c)(ii)" is stricken and "(1)(b)(ii)" is added to reference the correct subdivision in Neb. Rev. Stat. § 76-2228.01(4)(a) concerning class hours required to upgrade from a trainee real property appraiser to a licensed residential real property appraiser;

"(1)(d)" is stricken and "(1)(c)" is added to reference the correct subdivision in Neb. Rev. Stat. § 76-2228.01 (4)(b) concerning experience requirements required to upgrade from a trainee real property appraiser to a licensed residential real property appraiser.;

"Conducting personal inspection" is added and "Personally inspecting each appraised property" is stricken before "with" to utilize the defined term "personal inspection" in Neb. Rev. Stat. § 76-2228.02 (2)(c);

Subdivision (c)(i) becomes Subdivision (b)(i) in Neb. Rev. Stat. § 76-2230(1) and is updated to modify the licensed residential real property appraiser class hour requirements to include the valuation bias and fair housing laws education for applications received after December 31, 2025 as required in the 2026 Criteria; Neb. Rev. Stat. § 76-2230(3)(b) is updated for the same purpose for a licensed residential real property appraiser upgrading to the certified residential real property appraiser credential, and Neb. Rev. Stat. § 76 -2230(4)(b) is updated for the same purpose for a licensed residential real property appraiser upgrading to the certified general real property appraiser credential;

"(d)(i)" is stricken and "(c)(i)" is added to reference the correct subdivision in Neb. Rev. Stat. § 76-2230(1) (c)(ii) pertaining to experience requirements for the successful completion of a PAREA program that does not satisfy all required experience for credentialing;

"Or market value if no transaction takes place" is added after "transaction value" to clarify the scope of real property appraisal practice for the licensed residential real property appraiser in Neb. Rev. Stat. § 76-2230(6) to better align with the scope of real property appraisal practice found in the Real Property Appraiser Qualifications Criteria;

The scope of real property appraisal practice is updated for the certified residential real property appraiser in Neb. Rev. Stat. § 76-2231.01(5), and for the certified general real property appraiser in N.R.S. § 76-2232(3), for clarification and consistency;

"Real property" is added before "appraiser" to utilize the defined term "real property appraiser" in Neb. Rev. Stat. § 76-2232(3);

"National" is stricken and "Appraiser" is added before "Registry" in Neb. Rev. Stat. § 76-2233(5), and N.R.S. § 76-2233.01(3), to incorporate the Appraisal Subcommittee's terminology as recommended by the Appraisal Subcommittee during its 2022 SOA;



Changes to the Nebraska Real Property Appraiser Act Approved by the Nebraska State Legislature (LB992) (Continued)

The random fingerprint audit program for real property appraiser renewal applicants established in Neb. Rev. Stat. §76-2233.02(2), and in N.R.S. § 76-2233.02(3), which becomes subsection (2), along with the requirement for a real property appraiser renewal applicant to pay a criminal history record check fee for maintenance of the random fingerprint audit program found in N.R.S. §76-2233.02(1), is removed from the real property appraiser renewal requirements (all current real property appraisers must continue to answer criminal history questions on the renewal application and certify that the statements made are true and correct);

"Continuing Education" is added, and "Update" is stricken before "Course" to rename the "National Uniform Standards of Professional Appraisal Practice Update Course" to "National Uniform Standards of Professional Appraisal Practice Continuing Education Course" in Neb. Rev. Stat. § 76-2236(2) as required in the 2026 Criteria;

"a seven-hour" is stricken before "instructor" in Neb. Rev. Stat. § 76-2236(2) to incorporate the language as found in the 2026 Criteria;

"if applicable" is added after "examination" in Neb. Rev. Stat. § 76-2236(2) to clarify that an exam is not a requirement for the instructor recertification course in the Real Property Appraiser Qualifications Criteria;

Neb. Rev. Stat. § 76-2223(7) is amended to include the valuation bias and fair housing laws course in the continuing education requirements for real property appraisers, beginning on January 1, 2026, as required in the 2026 Criteria;



Neb. Rev. Stat. § 76-2236(6) is amended to clarify that qualifying education, if successfully completed as approved by the Board, shall be approved by the Board as continuing education regardless of whether the qualifying education was completed to fulfill the class-hour requirement to upgrade to a higher classification or not (Language stricken from N.R.S. § 76-2236(7) awarded continuing education credit to a real property appraiser that completed qualifying education, but not to fulfill the class-hour requirement to upgrade to a higher classification, but not to fulfill the class-hour requirement to upgrade to a higher classification, if the exam was completed, but the stricken language was not clear that the exam must be passed for completion of the qualifying education activity);

"One" is stricken and "two" is added before "hundred" and "fifty" is stricken before "dollars" to amend the credential application fee limit upward in Neb. Rev. Stat. § 76-2241(1)(a);

Fifty" is added before "dollars" to amend the initial and renewal credentialing fee limit upward in Neb. Rev. Stat. § 76-2241(1)(c);

"Fifty" is added before "dollars" to amend the temporary credential application fee limit upward in Neb. Rev. Stat. § 76-2241(1)(e);

Fifty" is stricken and "one hundred" is added before "dollars" to amend the temporary credentialing fee limit upward in Neb. Rev. Stat. § 76-2241(1)(f);

"and effective and expiration dates" is added after "business" to update the directory information in Neb. Rev. Stat. § 76-2249(1) to include a real property appraiser's credential effective and expiration dates on the website listing;

More details regarding the specifics of these changes can be provided upon request. If you have questions regarding LB992 or the changes to the Nebraska Real Property Appraiser Act, please contact me by email at tyler.kohtz@nebraska.gov, or by phone at 402-471-9015.

Nebraska State Capitol at night

Changes to the Nebraska Appraisal Management Company Registration Act Approved by the Nebraska State Legislature (LB989) By Tyler Kohtz, Director

LB989 was introduced by Senator Dungan on January 5, 2024 to update the Nebraska Appraisal Management Company Registration Act ("Act") to implement the recommendations of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council as identified during its 2022 State Off-site Assessment. These changes are required for the Board's continued compliance with Title XI of the FIRREA and Appraisal Subcommittee Policy Statements. LB989 was passed by the Nebraska Legislature on March 7, 2024 and signed by Governor Pillen on March 11, 2024. LB989 includes the following changes:

In Neb. Rev. Stat. § 76-3202(2), "National" is stricken and "Appraiser" is added before "Registry" to harmonize the Appraisal Management Company Registration Act with the language found in the Real Property Appraiser Act;

The definition of AMC final rule is stricken in Neb. Rev. Stat. § 76-3202(3) and the definition AMC rule is added at N.R.S. § 76-3202(4) concerning the rules adopted by the federal agencies as required in section 1124 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 as such rules existed on January 1, 2024 to incorporate the Appraisal Subcommittee's terminology as recommended during its 2022 SOA;

In Neb. Rev. Stat. § 76-3202(3), "National" is stricken and "AMC" is added before "Registry" in the renamed definition AMC Registry to incorporate the Appraisal Subcommittee's terminology as recommended during its 2022 SOA;

"Who each hold a credential" is stricken from Neb. Rev. Stat. § 76-3202(2)(6)(c)(i), and "who each hold a credential or equivalent" is stricken from Neb. Rev. Stat. § 76-3202(2)(6)(c)(ii), for clarification as AMC appraiser is a defined term;

"One" is stricken and "two is added before "thousand" and "five hundred" is stricken before "dollars" to amend the AMC registration renewal fee limit upward in Neb. Rev. Stat. § 76-3206(1)(c);

"AMC" is added before "appraiser" in Neb. Rev. Stat. § 76 -3220 to utilize the defined term AMC appraiser;

The definition "real property appraiser" is added at Neb. Rev. Stat. § 76-3202(27) to harmonize the Appraisal Management Company Registration Act with the defined term found in the Real Property Appraiser Act (Real property appraiser is currently referenced in the Appraisal Management Company Registration Act and is different from AMC appraiser); Subdivisions (b) and (c) are added to Neb. Rev. Stat. § 76-3207(2) to remove the Criminal History Record Check ("CHRC") requirement for any owner of more than ten percent of an AMC, at the time application for renewal of an appraisal management company's registration is made, if such owner has previously completed a CHRC for the purpose of AMC ownership, and to provide authorization for a CHRC for any new owner of more than ten percent of an AMC as identified by the Board (a CHRC is still required for any new owner of more than ten percent of an AMC at the time of application for initial registration);

"Final" is stricken from Neb. Rev. Stat. § 76-3203(5), N.R.S. § 76-3203.02(1),(2), and N.R.S. § 76-3206(2) to utilize the new defined term AMC rule to incorporate the Appraisal Subcommittee's terminology as recommended during its 2022 SOA;

"National" is stricken from Neb. Rev. Stat. § 76-3203.02 (2) and N.R.S. § 76-3206(2) to utilize the new defined term AMC Registry.;

Civil and criminal immunity is added for board members, board employees, and contractors to harmonize the Appraisal Management Company Registration Act with the Real Property Appraiser Act as found under Neb. Rev. Stat. § 76-2225;

Neb. Rev. Stat. § 76-3209 and N.R.S. § 76-3211 are outright repealed as the language is duplicate language found under the Appraisal panel requirements at Neb. Rev. Stat. § 76-3203.01;

"Real property appraiser" is added before "credential" in Neb. Rev. Stat. § 76-3207(1)(a) and N.R.S. § 76-3207(4) to harmonize the Appraisal Management Company Registration Act with the definition Real property appraiser found in the Real Property Appraiser Act;

"2019" is updated to "2024" in the definition of "Federally regulated appraisal management company in Neb. Rev. Stat. § 76-3202(18)(a);

More details regarding the specifics of these changes can be provided upon request. If you have questions regarding LB989 or the changes to the Nebraska Appraisal Management Company Registration Act, please contact me by email at <u>tyler.kohtz@nebraska.gov</u>, or by phone at 402-471-9015.



NRPAB Quick Hits

- Each legislative session, the Board follows legislative bills introduced by the Nebraska State Legislature that may have an impact on the real property appraiser profession or agency operations. 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 "2024 Nebraska Legislation 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 <u>tyler.kohtz@nebraska.gov</u>.
- The Nebraska Real Property Appraiser Board retired no guidance documents, 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://</u> <u>appraiser.ne.gov/guidance_documents.html</u>.
- Compliance Update
 - Between the months of January and March, one grievance was filed against one Nebraska credentialed real property appraiser. During this time, no disciplinary actions were taken by the Board against any appraisers, one grievance was withdrawn by the complainant, one grievance was dismissed without prejudice, and one cease and desist order was issued against a person who engaged in real property appraisal practice in Nebraska without first obtaining a credential issued by the Board.
 - 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.



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What's new at The Appraisal Foundation? appraisalfoundation.org

What's new at the Appraisal Subcommittee? <u>asc.gov</u>

What's new at the AARO? <u>aaro.net</u>

NRPAB Quick Hits (Continued)

LB1417 was introduced in the Nebraska State Legislature during the 2024 session. As originally introduced, effective July 1, 2025, the Board of Abstracters and Appraisers would be created, which would assume all duties of the Real Property Appraiser Board. On this same date, the Real Property Appraiser Board as it currently exists would be terminated. On April 4, 2024, LB1417 was voted out of the Government, Military, and Veterans Affairs Committee and placed on General File with AM3346, which removes all references to the Nebraska Real Property Appraiser Board from LB1417.

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 2024.

- Trainee Real Property Appraisers Trina Jeffryes, Columbus NE – T2024001 Sara Mahalek, Alma NE – T2024002 Connor Eurek, Arlington NE – T2024003
- Certified Residential Real Property Appraisers Alisha Stolze, Pierce NE – CR2024001 John Michael Harwood, Fairhope AL – CR2024002R
- Certified General Real Property Appraisers Sarah Hauxwell, Omaha NE – CG2024001R Brent Griffiths, Omaha NE – CG2024002R Charles Haase, Omaha NE – CG2024003R Mason Buckendahl, Lincoln NE – CG2024004 Megan Epperson, Omaha NE – CG2024005 Megan Kathol, Omaha NE – CG2024006
- Appraisal Management Companies Market Valuation Services— NE2023004

Have questions? We have answers!

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

Questions related to AMC Login: nrpab.amclogin@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: <u>nrpab.compliance@nebraska.gov</u>

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



Board Members

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

Vice-Chairperson of the Board Cody Gerdes, Lincoln Certified General Appraiser 1st District Representative Term Expires: January 1, 2026

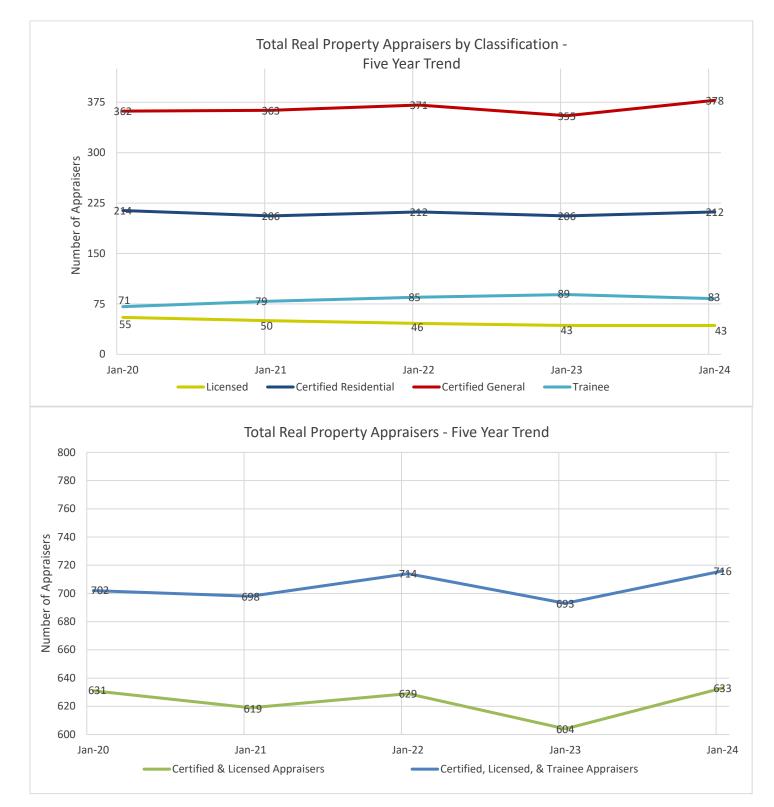
Board Member Kevin P. Hermsen, Gretna Certified General Appraiser 2nd District Representative Term Expires: January 1, 2027

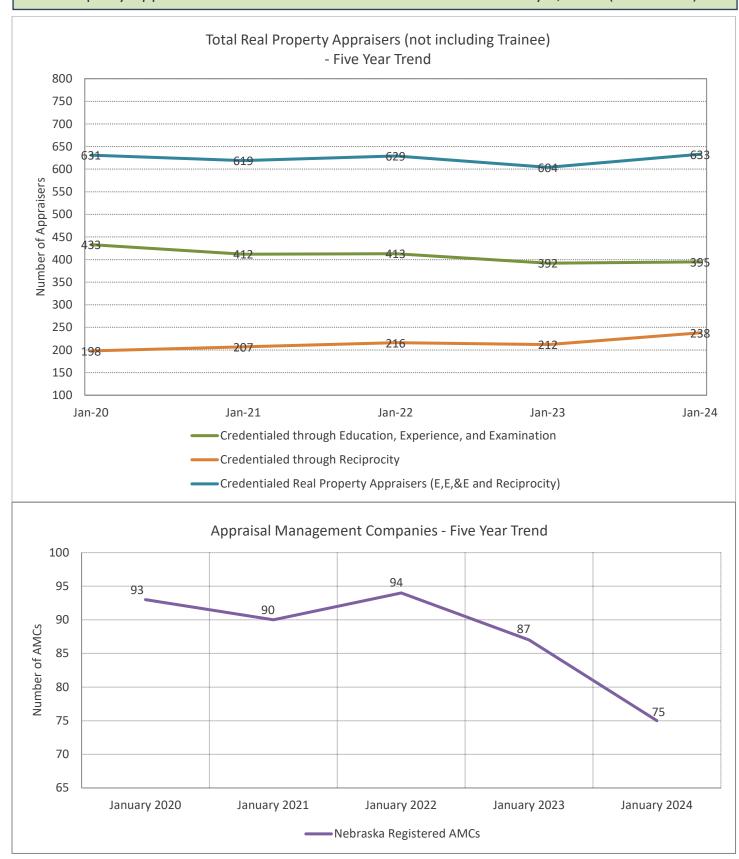
Board Member Rodney Johnson, Norfolk Certified General Appraiser Licensed Real Estate Broker Rep Term Expires: January 1, 2028

Board Member Derek Minshull, North Platte Financial Institutions Rep Term Expires: January 1, 2029

Real Property Appraiser and AMC Numbers and Trends as of January 1, 2024

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 January 1, 2024. There are currently 633 licensed residential, certified residential, and certified general real property appraisers in Nebraska, and 83 credentialed trainee real property appraisers. In addition, there are currently 75 appraisal management companies registered in Nebraska.





Real Property Appraiser and AMC Numbers and Trends as of January 1, 2024 (Continued)

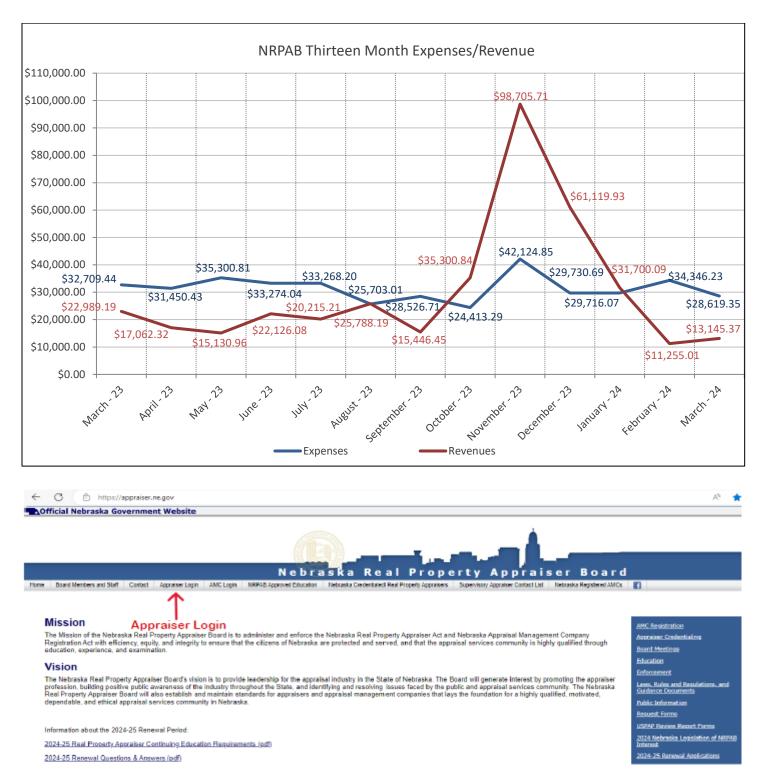
Real Property Appraiser Renewal Counts and Percentages as of April 2024

The charts below outline the real property appraiser renewal counts and percentages as of April 2024. There were 491 trainee, licensed residential, certified residential, and certified general real property appraiser renewals due, and 446 credentials were renewed.



NRPAB Financial Snapshot as of March 31, 2024

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$276,448.40 in expenditures and \$312,676.80 in revenues were recorded as of March 31, 2024. Actual expenses registered at 60.86 percent of the budgeted expenditures for the fiscal year; 75.34 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.