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LEGISLATURE OF NEBRASKA

ONE HUNDRED THIRD LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL

Introduced by

Read first time

Committee:

A BILL

FOR AN ACT relating to real property appraisal; to amend sections 76-2201, 76-2203, 76-2204, 76-2205.01, 76-2215, 76-2217.02, 76-2218, 76-2219, 76-2220, 76-2222, 76-2239, 76-2242, 76-2244, 76-2245, 76-2246, and 76-2247.01, Reissue Revised Statutes of Nebraska, and sections 76-2202, 76-2206, 76-2213.01, 76-2216, 76-2221, 76-2223, 76-2226, 76-2228.01, 76-2230, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2241, 76-2249, and 76-3202, Revised Statutes Cumulative Supplement, 2012; to change and eliminate provisions relating to the Real Property Appraiser Act; to define terms and eliminate certain terms; to provide and change provisions relating to penalties; to harmonize provisions; to repeal the original sections; and to outright repeal section 76-2211.01, Reissue Revised Statutes of Nebraska, and section 76-2229, Revised Statutes Cumulative Supplement, 2012.

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Be it enacted by the people of the State of Nebraska,

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

76-2201 Sections 76-2201 to 76-2250 and sections 6 to 15, 18 to 22, 24, 26, 27, 33, 38, 40, and 49 of this act shall be known and may be cited as the Real Property Appraiser Act.

Sec. 2. Section 76-2202, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2202 The Legislature finds that as a result of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as the act existed on January 1, ~~2012,~~ 2014, and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2012,~~ 2014, Nebraska's laws providing for regulation of real property appraisers require ~~restructuring~~ updating in order to comply with such acts. Compliance with the acts is necessary to ensure an adequate number of appraisers in Nebraska to conduct appraisals of real estate involved in federally related transactions as defined in such acts.

Sec. 3. Section 76-2203, Reissue Revised Statutes of Nebraska, is amended to read:

76-2203 For purposes of the Real Property Appraiser Act, the definitions found in sections 76-2204 to 76-2219 and sections 6 to 15, 18 to 22, 24, 26, and 27 of this act shall be used.

Sec. 4. Section 76-2204, Reissue Revised Statutes of Nebraska, is amended to read:

76-2204 Appraisal means ~~an analysis, opinion, or~~

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~~conclusion prepared by a real property appraiser relating to the value of specified interests in or aspects of identified real estate or identified real property. An appraisal may be classified by the nature of the assignment into either a valuation assignment or an evaluation assignment.~~ (1) the act or process of developing an opinion of value, numerically expressed as a specific amount, as a range of numbers, or as a relationship to a previous value opinion or numerical benchmark or (2) pertaining to appraising and related functions such as appraisal practice or real property appraisal activity.

Sec. 5. Section 76-2205.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2205.01 Appraisal practice means valuation ~~services~~ or evaluation assignments performed by an individual acting as ~~an~~ a real property appraiser, including, but not limited to, appraisal~~,~~ and appraisal review. ~~, or appraisal consulting.~~

Sec. 6. Appraisal review means the act or process of developing and communicating an opinion about the quality of a real property appraiser's work that was performed as part of a valuation, evaluation, or review assignment.

Sec. 7. Appraiser Qualifications Board means the Appraiser Qualifications Board of The Appraisal Foundation.

Sec. 8. Assignment means (1) an agreement between a real property appraiser or real property associate and a client to provide a valuation service or (2) the valuation service that is provided as

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a consequence of such an agreement.

Sec. 9. Automated valuation model means any computerized model used by loan originators and secondary market issuers to determine the collateral value of real estate.

Sec. 10. Client means the party or parties who engage, by employment or contract, a real property appraiser or real property associate in a specific assignment. The client may be an individual, group, or entity and may engage and communicate with the appraiser directly or through an agent.

Sec. 11. Credential holder means any person that holds a valid credential as a registered, licensed, certified residential or certified general real property appraiser and any person issued a temporary permit to engage in real property appraisal activity within this state.

Sec. 12. Education provider means: Any person; organization; proprietary school; accredited degree-awarding community college, college or university; or state or federal agency that provides appraiser qualifying or continuing training or education.

Sec. 13. Employee means any individual who is employed on a permanent basis and who devotes substantially all of his or her time to performing services on behalf of an employer and whose compensation for the services is in the form of salary, or its equivalent, paid by the employer. Employee does not include an independent contractor.

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Sec. 14. Instructor means one or more individuals approved by the board that meets or exceeds the instructor requirements specified in the Real Property Appraiser Act and rules and regulations of the board, and is responsible for ensuring that the education activity content is communicated to the activity's audience as presented to the board for approval, and that the education activity contributes to the quality of real property appraisal services provided to the public. An individual that communicates assigned materials or a portion of the education activity content under the authorization of the education provider, but is not responsible for the education activity content, is not an instructor.

Sec. 15. Person means an individual or a firm, a partnership, a limited partnership, a limited liability company, an association, a corporation, or any other group engaged in joint business activities, however organized.

Sec. 16. Section 76-2215, Reissue Revised Statutes of Nebraska, is amended to read:

76-2215 ~~Real property appraisal activity means any act or process, performed for a fee or other valuable consideration, involved in developing an appraisal or preparing an appraisal report, including but not limited to, a consulting service, an evaluation assignment, or a valuation assignment.~~

Real property appraisal activity means any act or process involved in developing an analysis, opinion, or conclusion relating

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to the value of specified interests in or aspects of identified real estate or identified real property. Real property appraisal activity includes, but is not limited to, evaluation assignments, valuation assignments, and review assignments.

Sec. 17. Section 76-2216, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2216 Real property appraiser means a person who:

(1) ~~who engages~~ Engages in real property appraisal activity; ~~,~~

(2) ~~who advertises~~ Advertises or holds himself or herself out to the general public as a real property appraiser; ~~,~~ or

(3) ~~who offers,~~ Offers, attempts, or agrees to perform or performs real property appraisal activity. Real property appraiser includes persons defined as real estate appraisers prior to July 14, 2006.

Sec. 18. (1) Real property associate means a person who holds a valid credential as a real property associate as provided in section 33 of this act, and:

(a) Who provides valuation services pursuant to subsection (3) of section 33 of this act;

(b) Who advertises or holds himself or herself out to the general public as a real property associate; or

(c) Who offers, attempts, or agrees to perform or performs valuation services pursuant to subsection (3) of section 33 of this act.

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(2) A real property associate shall not advertise or hold himself or herself out to the general public as a real property appraiser.

Sec. 19. Section 76-2206, Revised Statutes Cumulative Supplement, 2012, is amended to read:

~~76-2206 Appraisal report~~ Report means any communication, written, oral, or by electronic means, of an appraisal or appraisal review that is transmitted to the client upon completion of an assignment. ~~The testimony of a real property appraiser dealing with the appraiser's analyses, conclusions, or opinions concerning identified real estate or identified real property~~ Testimony related to an appraisal or appraisal review is deemed to be an oral ~~appraisal~~ report.

Sec. 20. Scope of work means the type and extent of research and analyses in a valuation assignment, evaluation assignment, or review assignment.

Sec. 21. Specialized knowledge means an advanced level of expertise obtained through education and experience with respect to a specific subject matter, which includes an advanced understanding of the principles, practices, procedures, and methods applicable to the subject matter, as well as the ability to apply such expertise to a problem requiring an expertise that a real property appraiser could only obtain through equivalent education and experience.

Sec. 22. Section 76-2217.02, Reissue Revised Statutes of Nebraska, is amended to read:

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~~76-2217.02~~ Trainee real property appraiser means a person who holds a valid credential as a trainee real property appraiser issued under the Real Property Appraiser Act and who, under the direct supervision of a certified residential or certified general real property appraiser, assists the appraiser in any phase of appraisal activity but does not include nonprofessional employees such as clerical employees.

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

76-2218 (1) Two-year continuing education period means a period of twenty-four months commencing on January 1 ~~following the date of credentialing under the Real Property Appraiser Act and each succeeding twenty-four-month period.~~ and completed on December 31 of the following year.

(2) The two-year continuing education period for new credential holders credentialed prior to July 1 begins on the date of initial credentialing under the Real Property Appraiser Act, and is completed on December 31 of the following year.

(3) The two-year continuing education period for new credential holders credentialed after July 1 begins on January 1 of the next year.

Sec. 24. Section 76-2213.01, Revised Statutes Cumulative Supplement, 2012, is amended to read:

~~76-2213.01~~ Uniform Standards of Professional Appraisal Practice means the definitions, preamble, ethics rule, recordkeeping

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rule, competency rule, scope of work rule, jurisdictional exception rule, standards one through ten, statements on appraisal standards, and advisory opinions promulgated by the Appraisal Foundation and adopted by the Real Property Appraiser Board as the standards existed on January 1, ~~2012.~~ 2014.

Sec. 25. Section 76-2219, Reissue Revised Statutes of Nebraska, is amended to read:

76-2219 Valuation assignment means:

(1) ~~an~~ An appraisal that estimates the value of identified real estate or identified real property at a particular point in time; or

(2) ~~a~~ A valuation service provided as a consequence of an agreement between a real property appraiser and a client.

Sec. 26. Valuation services means all services pertaining to aspects of property value, including services performed by both real property appraisers and real property associates.

Sec. 27. Workfile means documentation necessary to support a real property appraiser's analyses, opinion, and conclusions as it applies to an assignment.

Sec. 28. Section 76-2220, Reissue Revised Statutes of Nebraska, is amended to read:

76-2220 (1) Except as provided in section 76-2221, it shall be unlawful for anyone to act as a real property appraiser or real property associate in this state without first obtaining proper credentialing as required under the Real Property Appraiser Act.

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(2) Except as provided in section 76-2221, any person who, directly or indirectly for another, offers, attempts, or agrees to perform any act described in section 76-2216 shall be deemed a real property appraiser, or any act described in section 18 of this act shall be deemed a real property associate, within the meaning of the Nebraska Real Property Appraiser Act, and such action shall constitute sufficient contact with the state for the exercise of personal jurisdiction over such person in any action arising out of such act. Committing a single act described in such sections by a person required to be credentialed under the Nebraska Real Property Appraiser Act and not so credentialed shall constitute a violation of the act for which the board may impose sanctions pursuant to this section for the protection of the public health, safety, or welfare.

(3) Notwithstanding any other provision of the law to the contrary, the board may issue a cease and desist order against any person who violates this section by performing any action described in section 76-2216 or section 18 of this act without the appropriate credential. Such order shall be final ten days after issuance unless the violator requests a hearing pursuant to section 76-2240.

Sec. 29. Section 76-2221, Revised Statutes Cumulative Supplement, 2012, is amended to read:

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

(1) Any ~~real property appraiser who is~~ person performing valuation services in his or her capacity as a salaried employee of

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(a) the federal government, (b) any agency of the state government or a political subdivision which appraises real estate, (c) any insurance company authorized to do business in this state, or (d) any bank, savings bank, savings and loan association, building and loan association, credit union, or small loan company licensed by the state or supervised or regulated by or through federal enactments covering financial institutions, except that any employee of the entities listed in subdivisions (a) through (d) of this subdivision who signs ~~an appraisal~~ a report as a credentialed real property appraiser shall be subject to the act and the Uniform Standards of Professional Appraisal Practice. Any salaried employee of the entities listed in subdivisions (a) through (d) of this subdivision who does not sign ~~an appraisal~~ a report as a credentialed real property appraiser shall include the following disclosure prominently with such report: This opinion of value may not meet the minimum standards contained in the Uniform Standards of Professional Appraisal Practice and is not governed by the Real Property Appraiser Act;

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

(3) Any person who provides assistance (a) in obtaining the data upon which an appraisal is based, (b) in the physical preparation of ~~an appraisal~~ a report, such as taking photographs, preparing charts, maps, or graphs, or typing or printing the report, or (c) that does not directly involve the exercise of judgment in

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arriving at the analyses, opinions, or conclusions concerning real estate or real property set forth in the ~~appraisal~~ report;

(4) Any owner of real estate, employee of the owner, or attorney licensed to practice law in the State of Nebraska representing the owner who renders an estimate or 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 any other person who renders such an estimate or opinion of value when that estimate or opinion requires a specialized knowledge, as determined by the board, that a real property appraiser would not have, except that a real property appraiser or a person licensed under the Nebraska Real Estate License Act is not exempt under this subdivision;

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

(6) Any owner of real estate, employee of the owner, or

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attorney licensed to practice law in the State of Nebraska representing the owner who renders an estimate or opinion of value of the real estate or any interest in the real estate when such estimate or opinion is offered in connection with a legal matter involving real property; ~~or~~

(7) Any person appointed by a county board of equalization to act as a referee pursuant to section 77-1502.01, except that any person who also practices as an independent real property appraiser or real property associate for others shall be subject to the Real Property Appraiser Act and shall be credentialed prior to engaging in such other appraising. Any real property appraiser appointed to act as a referee pursuant to section 77-1502.01 and who prepares ~~an appraisal~~ a report for the county board of equalization shall not sign such ~~appraisal~~ report as a credentialed real property appraiser and shall include the following disclosure prominently with such report: This opinion of value may not meet the minimum standards contained in the Uniform Standards of Professional Appraisal Practice and is not governed by the Real Property Appraiser Act; ~~.~~

(8) Any elected official or person appointed to replace an elected official of the state or any political subdivision who estimates the market value of defined real property while acting in his or her official capacity for the state government or any political subdivision; or

(9) Automated valuation models used to estimate

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collateral value of real estate for lending purposes.

Sec. 30. Section 76-2222, Reissue Revised Statutes of Nebraska, is amended to read:

76-2222 (1) The Real Property Appraiser Board is hereby created. The board shall consist of five members. One ~~, one~~ member who is a certified real property appraiser shall be selected from each of the three congressional districts, and two members shall be selected at large. The two members selected at large shall include one representative of financial institutions and one licensed real estate broker who also holds a credential as a licensed or certified real property appraiser. The Governor shall appoint the members of the board. The members shall be appointed so that the membership of the board selected from the congressional districts includes at least two certified general real property appraisers.

(2) The term of each member of the board shall be five years. ~~, except that of the members initially appointed one shall serve for one year, one shall serve for two years, one shall serve for three years, and one shall serve for four years as designated by the Governor.~~ Upon the expiration of his or her term, a member of the board shall continue to hold office until the appointment and qualification of his or her successor. No person shall serve as a member of the board for consecutive terms. Any vacancy shall be filled in the same manner as the original appointment. The Governor may remove a member for cause.

(3) The members of the board shall elect a chairperson

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during the first meeting of each year from among the members.

(4) ~~Four~~ Three members shall constitute a quorum. Each member shall receive a per diem of one hundred dollars per day or substantial part of a day for each scheduled meeting of the board at which the member is present and shall be reimbursed for actual and necessary expenses as provided in sections 81-1174 to 81-1177. The per diem shall not exceed three thousand dollars for any member during any fiscal year.

(5) Each member shall receive compensation of one hundred dollars per day or a substantial part of a day actually spent in traveling to and from and attending meetings and conferences of the Association of Appraiser Regulatory Officials and its committees and subcommittees or of the Appraisal Foundation and its committees and subcommittees, board committee meetings, or other business as authorized by the board and all necessary expenses incident to the performance of his or her duties under the Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act as provided in sections 81-1174 to 81-1177. This per diem shall not exceed one thousand five hundred dollars for any member during any fiscal year.

Sec. 31. Section 76-2223, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2223 (1) The Real Property Appraiser Board shall administer and enforce the Real Property Appraiser Act and may:

(a) Receive applications for credentialing under the act,

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process such applications and regulate the issuance of credentials to qualified applicants, and maintain a directory of the names and addresses of persons who receive credentials under the act;

(b) Hold meetings, public hearings, informal conferences, and administrative hearings, prepare or cause to be prepared specifications for all appraiser classifications, solicit bids and enter into contracts with one or more testing services, and administer or contract for the administration of examinations approved by the Appraiser Qualifications Board in such places and at such times as deemed appropriate;

(c) Develop the specifications for credentialing examinations, including timing, location, and security necessary to maintain the integrity of the examinations;

(d) Review the procedures and criteria of a contracted testing service to ensure that the testing meets with the approval of the Appraiser Qualifications Board;

(e) Collect all fees required or permitted by the act. The Real Property Appraiser Board shall remit all such receipts to the State Treasurer for credit to the Real Property Appraiser Fund. In addition, the board may collect and transmit to the appropriate federal authority any fees established under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2012;~~ 2014;

(f) Establish appropriate administrative procedures for disciplinary proceedings conducted pursuant to the Real Property

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Appraiser Act;

(g) Issue subpoenas to compel the attendance of witnesses and the production of books, documents, records, and other papers, administer oaths, and take testimony and require submission of and receive evidence concerning all matters within its jurisdiction. In case of disobedience of a subpoena, the Real Property Appraiser Board may make application to the district court of Lancaster County to require the attendance and testimony of witnesses and the production of documentary evidence. If any person fails to obey an order of the court, he or she may be punished by the court as for contempt thereof;

(h) Deny, censure, suspend, or revoke an application or credential if it finds that the applicant or credential holder has committed any of the acts or omissions set forth in section 76-2238 or otherwise violated the act. Any disciplinary matter may be resolved through informal disposition pursuant to section 84-913;

(i) Take appropriate disciplinary action against a credential holder if the Real Property Appraiser Board determines that a credential holder has violated any provision of the act or the Uniform Standards of Professional Appraisal Practice;

(j) Enter into consent decrees and issue cease and desist orders upon a determination that a violation of the act has occurred;

(k) Promote research and conduct studies relating to the profession of real property appraisal, sponsor real property appraisal educational activities, and incur, collect fees for, and

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pay the necessary expenses in connection with activities which shall be open to all credential holders;

(l) Establish and adopt minimum standards for appraisals as required under section 76-2237;

(m) Adopt and promulgate rules and regulations to carry out the act. The rules and regulations may include provisions establishing minimum standards for ~~schools,~~ education providers, courses, and instructors. The rules and regulations shall be adopted pursuant to the Administrative Procedure Act; and

(n) Do all other things necessary to carry out the Real Property Appraiser Act.

(2) The Real Property Appraiser Board shall also administer and enforce the Nebraska Appraisal Management Company Registration Act.

Sec. 32. Section 76-2226, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2226 There is hereby created the Real Property Appraiser Fund. The board may use the fund for the administration and enforcement of the Real Property Appraiser Act and to meet the necessary expenditures of the board. The fund shall include a sufficient cash fund balance as determined by the board. The expense of administering and enforcing the act shall not exceed the money collected by the board under the act. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any transfer to the General Fund shall not decrease the fund to the

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amount equal to or below a sufficient cash fund balance as determined by the board. Any money in the Real Property Appraiser Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 33. (1) To qualify for a credential as a real property associate, an applicant shall:

(a) Be at least nineteen years of age;

(b) Hold a high school diploma or a certificate of high school equivalency or have education acceptable to the board;

(c) Have successfully completed and passed examination for no fewer than ninety class hours in board-approved qualifying education courses as prescribed by rules and regulations of the board. Such class hours shall be in a classroom and not online or by correspondence. The qualifying education courses shall be conducted by an accredited degree-awarding community college, college, or university, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other education provider as may be approved by the Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. Each course shall include an examination pertinent to the material presented;

(d) Complete the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course as approved by the Appraiser Qualifications Board as of January 1, 2014, or the

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equivalent of the course as approved by the Real Property Appraiser Board. The fifteen-hour course shall be taught by a Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing;

(e) Hold a bachelor's degree or higher in real estate by an accredited degree-awarding college or university that has had all or part of its curriculum approved by the Appraiser Qualifications Board as required core curriculum. If the degree in real estate as approved by the Appraiser Qualifications Board does not satisfy all required qualifying education for credentialing, the remaining class hours shall be completed in board approved qualifying education pursuant to subdivision (1)(c) of this section;

(f) Certify that he or she has not surrendered an appraiser credential or any other registration, license, or certification, held for any other regulatory agency or in any other jurisdiction, in lieu of disciplinary action pending or threatened within the five-year period immediately preceding the date of application;

(g) Certify that his or her appraiser credential or any other registration, license, or certification, held for any other regulatory agency or in any other jurisdiction, has not been revoked or suspended within the five-year period immediately preceding the date of application;

(h) Not have been convicted, including a conviction based

upon a plea of guilty or nolo contendere, of:

(i) Any felony or, if so convicted, has had his or her civil rights restored;

(ii) Fraud, dishonesty, breach of trust, money laundering, misrepresentation, or deceit involving real estate, financial services, or in the making of an appraisal within the five-year period immediately preceding the date of application; or

(iii) A crime which is related to the qualifications, functions, or duties of a real property appraiser within the five-year period immediately preceding the date of application;

(i) Certify that no civil judicial actions, including dismissal with settlement, in connection with real estate, financial services, or in the making of an appraisal have been against him or her within the five-year period immediately preceding the date of application;

(j) Demonstrate character and general fitness such as to command the confidence and trust of the public;

(k) Submit two copies of legible ink-rolled fingerprint cards or equivalent electronic fingerprint submissions to the board for delivery to the Nebraska State Patrol in a form approved by both the Nebraska State Patrol and the Federal Bureau of Investigation. A fingerprint-based national criminal history record check shall be conducted through the Nebraska State Patrol and the Federal Bureau of Investigation with such record check to be carried out by the board; and

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(l) Within the twelve months following approval of the applicant's education by the board, pass a licensed residential real property appraiser examination, certified residential real property appraiser examination, or certified general real property appraiser examination, approved by the Appraiser Qualifications Board, prescribed by rules and regulations of the board, and administered by a contracted testing service.

(2) Except for the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, all class hours shall be completed within the five-year period immediately preceding submission of the application.

(3) The scope of practice of a real property associate shall be limited to valuation services not requiring a credential as a trainee real property appraiser, registered real property appraiser, licensed residential real property appraiser, certified residential real property appraiser, or certified general real property appraiser under the Real Property Appraiser Act.

Sec. 34. Section 76-2228.01, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2228.01 (1) To qualify for a credential as a trainee real property appraiser, an applicant shall:

(a) Be at least nineteen years of age;

(b) Hold a high school diploma or a certificate of high school equivalency or have education acceptable to the board;

(c) Have successfully completed no fewer than seventy-

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five class hours in board-approved courses of study which relate to appraisal and which include completion of the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course as approved by the Appraiser Qualifications Board as of January 1, ~~2012,~~ 2014, or the equivalent of the course as approved by the Real Property Appraiser Board. The fifteen-hour course shall be taught by a Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. The courses of study shall be conducted by an accredited, degree-awarding university, college, or community college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. Each course shall include an examination pertinent to the material presented. The applicant shall have completed the class hours within the five-year period immediately preceding submission of the application and shall have completed the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course within the two-year period immediately preceding submission of the application;

(d) Be subject to direct supervision by a supervising appraiser or appraisers who are certified residential real property appraisers or certified general real property appraisers in good standing. The supervising appraiser shall be responsible for the

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training and direct supervision of the trainee by accepting responsibility for the ~~appraisal~~ report by signing and certifying the report is in compliance with the Uniform Standards of Professional Appraisal Practice, reviewing the trainee ~~appraisal~~ reports, and personally inspecting each appraised property with the trainee as is consistent with his or her scope of practice until the supervising appraiser determines the trainee is competent in accordance with the competency rule of the Uniform Standards of Professional Appraisal Practice. The trainee shall maintain an appraisal log for each supervising appraiser in accordance with standards set by rule and regulation of the board; and

(e) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.

(2) To qualify for an upgraded credential, a trainee real property appraiser shall satisfy at least one of the appropriate requirements as follows:

(a) For a credential as a licensed residential real property appraiser, he or she shall:

(i) ~~complete~~ Complete seventy-five additional hours of designated core curriculum education; and

(ii) ~~meet~~ Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2230;

(b) For a credential as a certified residential real property appraiser, he or she shall:

(i) ~~complete~~ Complete one hundred twenty-five additional

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hours of designated core curriculum education; ~~,~~

(ii) ~~meet~~ Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2231.01; ~~,~~ and

(iii) ~~meet~~ Meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2231.01; or

(c) For a credential as a certified general real property appraiser, he or she shall:

(i) ~~complete~~ Complete two hundred twenty-five additional hours of designated core curriculum education; ~~,~~

(ii) ~~meet~~ Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232; ~~,~~ and

(iii) ~~meet~~ Meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2232.

(3) If a trainee real property appraiser remains in the classification in excess of two years, the trainee shall be required in the third and successive years to successfully complete no fewer than fourteen hours of instruction in courses or seminars for each year of the period preceding the renewal and shall have completed the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course, as the course existed on January 1, ~~2012,~~ 2014, or the equivalent of the course as approved by the Real Property Appraiser Board, at a minimum of every two years. The courses of study shall be conducted by an accredited, degree-awarding

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university, college, or community college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other ~~educational~~ education provider as may be approved by the board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

(4) The application for a credential as a trainee real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 35. Section 76-2230, Revised Statutes Cumulative Supplement, 2012, is amended to read:

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

(a) Be at least nineteen years of age;

(b) Hold a high school diploma or a certificate of high school equivalency or have education acceptable to the board;

(c) Have successfully completed no fewer than one hundred fifty class hours, which may include the class hours set forth in section 76-2229.01, in board-approved courses of study which relate to appraisal and which include completion of the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course as approved by the Appraiser Qualifications Board as of January 1, ~~2012,~~ 2014, or the equivalent of the course as approved by the Real Property Appraiser Board. The fifteen-hour course shall be taught by a Uniform Standards of Professional Appraisal Practice Instructor who

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is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. The courses of study shall be conducted by an accredited, degree-awarding university, college, or community college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other ~~educational~~ education provider as may be approved by the Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. Each course shall include a closed-book examination pertinent to the material presented;

(d) Have no fewer than two thousand hours of experience in any combination of the following: Fee and staff appraisal; ad valorem tax appraisal; condemnation appraisal; technical review appraisal; appraisal analysis; real estate consulting; highest-and-best-use analysis; and feasibility analysis or study. The required experience shall not be limited to the listed items but shall be acceptable to the board and subject to review and determination as to conformity with the Uniform Standards of Professional Appraisal Practice. The experience shall have occurred during a period of no fewer than twelve months. If requested, evidence acceptable to the board concerning the experience shall be presented by the applicant in the form of written reports or file memoranda;

(e) Within the twelve months following approval of the applicant by the board, pass an examination approved by the Appraiser Qualifications Board as of January 1, ~~2012,~~ 2014, and administered by a contracted testing service which demonstrates that the applicant

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has:

(i) Knowledge of technical terms commonly used in or related to appraisal and the writing of ~~appraisal~~ reports;

(ii) Knowledge of depreciation theories, cost estimating, methods of capitalization, market data analysis, appraisal mathematics, and economic concepts applicable to real estate;

(iii) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and processing of data involved in the valuation of real property;

(iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;

(v) An understanding of basic real estate law;

(vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;

(vii) An understanding of the Uniform Standards of Professional Appraisal Practice;

(viii) An understanding of the recognized methods and techniques necessary for the development and communication of a credible appraisal; and

(ix) Knowledge of such other principles and procedures as may be appropriate to produce a credible appraisal; and

(f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.

(2) To qualify for an upgraded credential, a licensed

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residential real property appraiser shall satisfy at least one of the appropriate requirements as follows:

(a) For a credential as a certified residential real property appraiser, he or she shall:

(i) ~~complete~~ Complete fifty additional hours of designated core curriculum education; ~~,~~

(ii) ~~meet~~ Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2231.01; ~~,~~ and

(iii) ~~meet~~ Meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2231.01; or

(b) For a credential as a certified general real property appraiser, he or she shall:

(i) ~~complete~~ Complete one hundred fifty additional hours of designated core curriculum education; ~~,~~

(ii) ~~meet~~ Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232; ~~,~~ and

(iii) ~~meet~~ Meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2232.

(3) The scope of practice for a licensed residential real property appraiser shall be limited to the appraisal of noncomplex property having one, two, three, or four residential units with a transaction value of less than one million dollars and complex property having one, two, three, or four residential units with a

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transaction value of less than two hundred fifty thousand dollars.

(4) If an applicant is applying for renewal of a credential as a licensed residential real property appraiser, the applicant shall have successfully completed no fewer than fourteen hours of instruction in courses or seminars for each year of the two-year continuing education period during which the application is submitted and shall have completed the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course as approved by the Appraiser Qualifications Board as of January 1, ~~2012,~~ 2014, or the equivalent of the course as approved by the Real Property Appraiser Board, at a minimum of every two years. The seven-hour course shall be taught by a Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. Credit toward a classroom hour requirement may be granted only when the length of the educational offering is at least two hours. The courses of study shall be conducted by an accredited, degree-awarding university, college, or community college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the Real Property Appraiser Board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

(5) The application for the credential as a licensed residential real property appraiser shall include the applicant's

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social security number and such other information as the board may require.

Sec. 36. Section 76-2233.01, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2233.01 (1) A nonresident currently credentialed to appraise real estate and real property under the laws of another jurisdiction may obtain a temporary credential as a licensed residential real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser to ~~perform a contract relating to the appraisal of real estate or real property~~ engage in real property appraisal activity in this state.

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

~~(1)~~ (a) Submit an application on a form approved by the board;

(b) Submit a letter of engagement or a contract indicating the location of the appraisal assignment and completion date;

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

~~(3)~~ (d) Submit ~~evidence that he or she is credentialed as~~

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~~a licensed or certified appraiser of real estate and real property and is currently in good standing in the jurisdiction of residency, along with~~ his or her social security number and such other information as the board may require;

~~(4)~~ (e) Certify that disciplinary proceedings are not pending against the applicant ~~in the applicant's state of domicile or~~ in any ~~other~~ jurisdiction, or state the nature of any pending disciplinary proceedings; and

~~(5)~~ (f) Pay an application fee in an amount established by the board.

(2) Application for a temporary permit is valid for one year from the date application is made to the board or upon the expiration of the assignment specified in the letter of engagement, whichever occurs first.

(3) A temporary credential issued under this section shall be expressly limited to a grant of authority to ~~perform the appraisal work~~ engage in real property appraisal activity required ~~by the contract for appraisal services~~ for an appraisal assignment in this state. Each temporary credential shall expire upon the completion of the appraisal ~~work required by the contract for appraisal services~~ assignment or upon the expiration of a period of six months from the date of issuance, whichever occurs first. A temporary credential may be renewed for one additional six-month period.

(4) Any person issued a temporary credential to engage in

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real property appraisal activity in this state shall comply with all of the provisions of the Real Property Appraiser Act relating to the appropriate classification of credentialing. The board may, upon its own motion, and shall, upon the written complaint of any aggrieved person, cause an investigation to be made with respect to an alleged violation of the act by a person who is engaged in, or who has engaged in, real property appraisal activity as a temporary credential holder, and that person shall be deemed a real property appraiser within the meaning of the act.

Sec. 37. Section 76-2233.02, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2233.02 A credential issued under the Real Property Appraiser Act other than a temporary credential shall remain in effect until December 31 of the designated year unless surrendered, revoked, suspended, or canceled prior to such date. To renew a valid credential, the credential holder shall file an application on a form approved by the board and pay the prescribed renewal fee to the board not later than November 30 of the designated year. A credential may be renewed for one year or two years. In every second year of ~~renewal,~~ the two-year continuing education period, as specified in section 76-2236, evidence of completion of continuing education requirements shall accompany renewal application or be on file with the board prior to renewal.

If a credential holder fails to apply and meet the requirements for renewal by November 30 of the designated year, such

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credential holder may obtain a renewal of such credential by satisfying all of the requirements for renewal and paying a late ~~renewal~~ processing fee if such late renewal takes place prior to July 1 of the following year. If a credential holder that first obtained his or her credential at the current level after November 1 fails to apply and meet the requirements for renewal by December 31 of the designated year, such credential holder may obtain a renewal of such credential by satisfying all the requirements for renewal and paying a late processing fee if such late renewal takes place prior to July 1 of the following year. The board may refuse to renew any credential if the credential holder has continued to perform real property appraisal activities or other related activities in this state following the expiration of his or her credential. If a credential is not renewed prior to July 1, a credential holder must reapply for credentialing and meet the current requirements in place at the time of application, except for the provisions as provided in section 38 of this act.

Sec. 38. (1) A credential holder may request that his or her credential be placed on inactive status for a period not to exceed two years. Such requests shall be submitted to the board on an application form prescribed by the board. The payment of the appropriate fee fixed by the board pursuant to section 76-2241 shall accompany all applications for requests of inactive status.

(2) A credential holder placed on inactive status shall not:

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(a) Assume or use any title designation or abbreviation likely to create the impression that such person holds an active credential issued by the board; or

(b) Engage in appraisal practice or real property appraisal activity, or act as a credentialed real property appraiser or real property associate.

(3) A credential holder placed on inactive status may make a request to the board that such credential be reinstated to active status on an application form prescribed by the board. An application fee fixed by the board pursuant to section 76-2241 shall accompany all applications for reinstatement of a credential.

(4) A credential holder's application for reinstatement must include evidence that he or she has met the continuing education requirements as specified in section 76-2236 while on inactive status.

(5) If a credential holder's credential expires during the inactive period, an application for renewal of credential must accompany the application for reinstatement. All requirements for renewal specified in section 76-2233.02 must be met, except for the requirement to pay a late processing fee for applications received after November 30 of designated year.

(6) If a credential holder fails to reinstate his or her credential to active status prior to the completion of the two-year period, his or her credential will return to status as if credential was not placed in an inactive status. If a credential holder's

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credential is expired at the completion of the two-year period, the credential holder must reapply for credentialing and meet the current requirements in place at the time of application.

(7) A trainee real property appraiser credential may not be placed on inactive status.

(8) A registered real property appraiser credential may not be placed on inactive status.

Sec. 39. Section 76-2236, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2236 (1) Every credential holder, except for one who first obtained his or her credential at the current level after July 1, shall furnish evidence to the board that he or she has satisfactorily completed no fewer than twenty-eight hours of approved continuing education activities in each two-year continuing education period. No continuing education is required for any credential holder who first obtained his or her credential at the current level after July 1. Hours of satisfactorily completed approved continuing education activities cannot be carried over from one two-year continuing education period to another. Evidence of successful completion of such continuing education activities for the two-year continuing education period, including passing examination if applicable, may be submitted to the board as each activity is completed. No continuing education activity shall be less than two hours in duration. A person who holds a temporary credential does not have to meet any continuing education requirements in the Real

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Property Appraiser Act.

(2) As prescribed by rules and regulations of the board, the board shall approve continuing education activities and instructors which it determines would protect the public by improving the knowledge, skills, and competency of credential holders. As prescribed by ~~rule or regulation~~ rules and regulations of the board and at least once every two years, the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course as approved by the Appraiser Qualifications Board as of January 1, ~~2012,~~ 2014, or the equivalent of the course as approved by the Real Property Appraiser Board, shall be included in the continuing education requirement of each credential holder. The seven-hour Uniform Standards of Professional Appraisal Practice Update Course, or an equivalent of the course as approved by the board shall:

(a) Be taken in a classroom and not online or by correspondence;

(b) Be approved by the board as a continuing education activity for the duration the course is approved by the Appraiser Qualifications Board as of January 1, 2014; and

(c) Be taught by an instructor certified by the Appraiser Qualifications Board to teach the Uniform Standards of Professional Appraisal Practice and who is a state-certified appraiser in good standing.

(3) As prescribed by ~~rule or regulation~~ rules and regulations of the ~~Real Property Appraiser Board~~ board and at least

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once every four years, but not more than every two years, a seven-hour report writing update course, as approved by the board, shall be included in the continuing education requirement of each credential holder. ~~The Real Property Appraiser Board shall approve continuing education activities which it determines would protect the public by improving the competency of credential holders. Evidence of completion of such continuing education activities for the two-year continuing education period may be submitted to the board as each activity is completed. A person who holds a temporary or reciprocal credential shall not have to meet any continuing education requirements in this state.~~ The seven-hour report writing update course shall be taken in a classroom and not online or by correspondence.

(4) A continuing education activity conducted in another jurisdiction in which the activity is approved to meet the continuing education requirements for renewal of a credential in such other jurisdiction, shall be accepted by the board if that jurisdiction has adopted and enforces standards for such continuing education activity that meet or exceed the standards established by the Real Property Appraiser Act and the rules and regulations of the board.

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

Sec. 40. (1) No person other than a real property

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associate shall assume or use the title real property associate or any title, designation, or abbreviation likely to create the impression of credentialing as a real property associate by this state. No person other than a registered real property appraiser shall assume or use the title registered real property appraiser or any title, designation, or abbreviation likely to create the impression of credentialing as a registered real property appraiser by this state. No person other than a licensed residential real property appraiser shall assume or use the title licensed residential real property appraiser or any title, designation, or abbreviation likely to create the impression of credentialing as a licensed residential real property appraiser by this state. No person other than a certified residential real property appraiser shall assume or use the title certified residential real property appraiser or any title, designation, or abbreviation likely to create the impression of credentialing as a certified residential real property appraiser by this state. No person other than a certified general real property appraiser shall assume or use the title certified general real property appraiser or any title, designation, or abbreviation likely to create the impression of credentialing as a certified general real property appraiser by this state. No person other than a trainee real property appraiser shall assume or use the title trainee real property appraiser or any title, designation, or abbreviation likely to create the impression of credentialing as a trainee real property appraiser by this state. A real property appraiser shall state

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whether he or she is a registered real property appraiser, licensed residential real property appraiser, certified residential real property appraiser, certified general real property appraiser, or trainee real property appraiser whenever he or she identifies himself or herself as a real property appraiser, including on all reports which are signed individually or as cosigner.

(2) The terms real property associate, registered real property appraiser, licensed residential real property appraiser, certified residential real property appraiser, certified general real property appraiser, and trainee real property appraiser may only be used to refer to a person who is credentialed as such under the Real Property Appraiser Act and may not be used following or immediately in connection with the name or signature of a corporation, partnership, limited liability company, firm, or other group or in such manner that it might be interpreted as referring to a corporation, partnership, limited liability company, firm, or other group or to anyone other than the credential holder. This subsection shall not be construed to prevent a credential holder from signing a report on behalf of a corporation, partnership, limited liability company, firm, or other group if it is clear that only the individual holds the credential and that the corporation, partnership, limited liability company, firm, or other group does not.

Sec. 41. Section 76-2237, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2237 Each credential holder shall comply with the

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Uniform Standards of Professional Appraisal Practice. The board shall adopt and promulgate rules and regulations which conform to the Uniform Standards of Professional Appraisal Practice. The board shall review such rules and regulations annually. A copy of each such rule or regulation ~~shall be transmitted electronically to each credential holder and~~ shall be made available on the board's web site.

Sec. 42. Section 76-2238, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2238 The following acts and omissions shall be considered grounds for disciplinary action or denial of an application by the board:

(1) Failing to meet the minimum qualifications for credentialing established by or pursuant to the Real Property Appraiser Act;

(2) Procuring or attempting to procure a credential under the act by knowingly making a false statement, submitting false information, or making a material misrepresentation in an application filed with the board or procuring or attempting to procure a credential through fraud or misrepresentation;

(3) Paying money or other valuable consideration other than the fees provided for by the act to any member or employee of the board to procure a credential;

(4) An act or omission involving real estate or appraisal practice which constitutes dishonesty, fraud, or misrepresentation with or without the intent to substantially benefit the credential

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holder or another person or with the intent to substantially injure another person;

(5) Entry of a final civil or criminal judgment against a credential holder on grounds of fraud, misrepresentation, or deceit involving real estate or in the making of an appraisal;

(6) Conviction, including a conviction based upon a plea of guilty or nolo contendere, of a crime which is related to the qualifications, functions, or duties of a real property appraiser;

(7) ~~Engaging in the business of real property appraising~~ Providing services as a credentialed real property appraiser or a credentialed real property associate under an assumed or fictitious name;

(8) Paying a finder's fee or a referral fee to any person in connection with the appraisal of real estate or real property, except that an intracompany payment for business development shall not be considered to be unethical or a violation of this subdivision;

(9) Making a false or misleading statement in that portion of a written ~~appraisal~~ report that deals with professional qualifications or in any testimony concerning professional qualifications;

(10) Any violation of the act or any rule or regulation adopted and promulgated pursuant to the act;

(11) Violation of the confidential nature of any information to which a credential holder gained access through employment for evaluation assignments or valuation assignments;

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(12) Acceptance of a fee for performing a real property appraisal valuation assignment or evaluation assignment when the fee is or was contingent upon (a) the real property appraiser reporting a predetermined analysis, opinion, or conclusion, (b) the analysis, opinion, conclusion, or valuation reached, or (c) the consequences resulting from the appraisal;

(13) Failure or refusal to exercise reasonable diligence in developing an appraisal, preparing ~~an appraisal~~ a report, or communicating an appraisal;

(14) Negligence or incompetence in developing an appraisal, preparing ~~an appraisal~~ a report, or communicating an appraisal, including failure to follow the standards and ethical rules adopted by the board;

(15) Failure to maintain, or to make available for inspection and copying, records required by the board;

(16) Demonstrating negligence, incompetence, or unworthiness to act as ~~an~~ a real property appraiser or real property associate, whether of the same or of a different character as otherwise specified in this section;

(17) Suspension or revocation of an appraisal credential or a license in another regulated occupation, trade, or profession in this or any other jurisdiction;

(18) Failing to renew or surrendering an appraisal credential, or any other registration, license, or certification held by any other regulatory agency or in any other jurisdiction in lieu

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of disciplinary action pending or threatened;

(19) Failing to report disciplinary action taken against an appraisal credential, or any other registration, license, or certification held for any other regulatory agency or in any other jurisdiction within sixty days of receiving notice of such disciplinary action;

~~(18)~~ (20) Failure to comply with terms of a consent agreement or settlement agreement;

~~(19)~~ (21) Failure to submit or produce books, records, documents, work files, ~~appraisal~~ reports, or other materials requested by the board concerning any matter under investigation;

~~(20)~~ (22) Failure of an educational provider to produce records, documents, reports, or other materials, including, but not limited to, required student attendance reports, to the board;

(23) Knowingly offering or attempting to offer a qualifying or continuing education course or activity as being approved by the board to an appraiser credentialed under the Real Property Appraiser Act, or an applicant, without first obtaining approval of the activity from the board, except for courses required by an accredited degree-awarding college or university for a completion of a degree in real estate, if the college or university had its curriculum approved by the Appraiser Qualifications Board as qualifying education;

~~(21)~~ (24) Presentation to the board of any check which is returned to the State Treasurer unpaid, whether payment of fee is for

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an initial or renewal credential or for examination; and

~~(22)~~ (25) Failure to pass the examination.

Sec. 43. Section 76-2239, Reissue Revised Statutes of Nebraska, is amended to read:

76-2239 (1) The board may, upon its own motion, and shall, upon the written complaint of any aggrieved person, cause an investigation to be made with respect to an alleged violation of the Real Property Appraiser Act. ~~by any credential holder or applicant for credentialing under the act.~~ The board may revoke or suspend the credential or otherwise discipline a credential holder, revoke or suspend a qualifying or continuing education course or activity, ~~or~~ deny any application, or issue a cease and desist order for any ~~of the acts or omissions set forth in section 76-2238. Violation of the act or the rules and regulations during a period of probation shall cause immediate execution of a suspension penalty.~~ violation of the Real Property Appraiser Act. Any disciplinary action taken against a credentialed real property appraiser, including any action that interrupts a credentialed real property appraiser's ability to practice, shall be reported to federal authorities as required by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, 2014. Upon receipt of information indicating that a ~~credential holder~~ person may have violated any provision of the act, the board shall make an investigation of the facts to determine whether or not there is evidence of a violation. If technical assistance is required, the

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board may contract with or use qualified individuals or companies.

(2)(a) If an investigation indicates that a ~~credential holder~~ person may have violated a provision of the act, the board may offer the ~~credential holder~~ person an opportunity to voluntarily and informally discuss the alleged violation before the board; ~~. The board may enter into consent agreements or negotiate settlements.~~

(b) If an investigation indicates that a person not holding a credential under the act has violated a provision of the act, the board may issue a cease and desist order or refer the investigation to the appropriate county attorney for the consideration of formal charges. The board may enter into consent agreements or negotiate settlements with credential holders, applicants, and education providers; or

(c) If an investigation indicates that a credential holder has violated a provision of the act, a formal complaint shall be prepared by the board and served upon the credential holder. The complaint shall require the credential holder to file an answer within thirty days of the date of service. In responding to a complaint, the credential holder may admit the allegations of the complaint, deny the allegations of the complaint, or plead otherwise. Failure to make a timely response shall be deemed an admission of the allegations of the complaint. Upon receipt of an answer to the complaint, the director or chairperson of the board shall set a date, time, and place for an administrative hearing on the complaint. The date of the hearing shall not be less than thirty nor more than one

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hundred twenty days from the date that the answer is filed unless such date is extended for good cause.

Sec. 44. Section 76-2241, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2241 (1) The board shall charge and collect appropriate fees for its services under the Real Property Appraiser Act as follows:

~~(1)~~ (a) An application fee of one hundred fifty dollars;

~~(2)~~ (b) An examination fee of no more than three hundred dollars. The board may direct applicants to pay the fee directly to a third party who has contracted to administer the examination;

~~(3)~~ (c) An initial and renewal credentialing fee, other than temporary credentialing, of no more than three hundred dollars;

~~(4)~~ (d) A late renewal processing fee of twenty-five dollars for each month or portion of a month the fee is late;

~~(5)~~ (e) A temporary and inactive credential application fee for a ~~licensed residential real property appraiser,~~ licensed residential real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser of no more than one hundred dollars; ~~and~~

~~(6)~~ (f) A ~~pocket card~~ temporary credentialing fee of no more than fifty dollars for a licensed residential real property appraiser, certified residential real property appraiser, or certified general real property appraiser holding a temporary credential under the act; and ~~.~~

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(g) An inactive credential fee of no more than three hundred dollars.

(2) All fees for credentialing through reciprocity shall be the same as those paid by others pursuant to this section.

(3) In addition to the fees set forth in this section, the board may collect and transmit to the appropriate federal authority any fees established under the provisions of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2012.~~ 2014. The board may establish such fees as it deems appropriate for special examinations and other services provided by the board. All fees and other revenue collected pursuant to the Real Property Appraiser Act shall be remitted by the board to the State Treasurer for credit to the Real Property Appraiser Fund.

Sec. 45. Section 76-2242, Reissue Revised Statutes of Nebraska, is amended to read:

76-2242 (1) The board shall provide to each credential holder proof that such person has been credentialed under the Real Property Appraiser Act for the classification requirements set forth in the act. Upon payment of a fee in an amount specified in its rules and regulations, the board may issue duplicate proof that such person has been credentialed under the act. The board shall also issue a ~~pocket~~ credentialing card in such size and form as it may approve.

(2) Each credential issued under the act shall designate the principal place of business of the credential holder.

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~~(3) Proof of credentialing and pocket cards issued by the board shall remain the property of the state, and upon surrender, cancellation, suspension, or revocation, any person holding the documents shall immediately return such documents to the board.~~

Sec. 46. Section 76-2244, Reissue Revised Statutes of Nebraska, is amended to read:

76-2244 Each ~~resident~~ credential holder shall designate and maintain a principal place of business and shall conspicuously display his or her proof of credentialing in such place of business. Upon any change of his or her principal place of business, a ~~resident or nonresident~~ credential holder shall promptly give notice thereof in writing to the board and the board shall issue a new proof of credentialing for the unexpired term. ~~A nonresident shall not be required to maintain a place of business in this state if he or she maintains an active place of business in his or her place of domicile.~~

Sec. 47. Section 76-2245, Reissue Revised Statutes of Nebraska, is amended to read:

76-2245 No person engaged in real property appraisal activities in this state or acting in the capacity of a real property appraiser <u>or real property associate</u> in this state may bring or maintain any action in any court of this state to collect compensation for the performance of ~~real property appraisal activities~~ <u>valuation services</u> for which credentialing is required by the Real Property Appraiser Act without alleging and proving that he

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or she was duly credentialed under the act in this state at all times during the performance of such activities.

Sec. 48. Section 76-2246, Reissue Revised Statutes of Nebraska, is amended to read:

76-2246 Any person required to be credentialed by the Real Property Appraiser Act who engages in real property appraisal activity or who advertises or holds himself or herself out to the general public as a real property appraiser <u>or real property associate</u> in this state without obtaining proper credentialing under the act shall be guilty of a Class III misdemeanor and shall be ineligible to apply for credentialing under the act for a period of one year from the date of his or her conviction of such offense. The board may, in its discretion, credential such person within such one-year period upon application and after an administrative hearing.

Sec. 49. <u>(1) No person shall improperly influence or attempt to improperly influence, through coercion, extortion, or bribery, the independent judgment of the real property appraiser or real property associate or the development, reporting, result, or review of a real property appraisal.</u>

<u>(2) Requesting that the real property appraiser or real property associate consider the following is not prohibited:</u>

<u>(a) Examine additional, appropriate property information;</u>

<u>(b) Provide further detail, substantiation, or explanation for the appraiser's or associate's value conclusion; or</u>

<u>(c) Correct errors in the report.</u>

(3) Any person who violates subsection (1) of this section is guilty of a Class III misdemeanor.

Sec. 50. Section 76-2247.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2247.01 (1) A person may retain or employ a real property appraiser or real property associate credentialed under the Real Property Appraiser Act to provide ~~appraisal~~ valuation services. ~~, including, but not limited to, valuation assignments and consulting services.~~ In each case, the valuation services, including any appraisal, appraisal review, and ~~the appraisal~~ report shall comply with the Real Property Appraiser Act and the Uniform Standards of Professional Appraisal Practice.

(2) In a valuation assignment, the real property appraiser shall remain an impartial, disinterested third party. When providing ~~a consulting service,~~ an evaluation assignment, the real property appraiser may ~~complete the evaluation assignment in a manner that responds~~ respond to a client's stated objective but shall also remain an impartial, disinterested third party. ~~Compensation of a real property appraiser for either a valuation assignment or consulting service shall not be contingent upon the real property appraiser reporting a predetermined analysis, opinion, or conclusion reached or upon the results achieved.~~

Sec. 51. Section 76-2249, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-2249 (1) The board may prepare ~~a printed~~ an electronic

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directory showing the name and place of business of credential holders under the Real Property Appraiser Act which shall be published on the web site. Printed copies ~~. Copies~~ of the directory shall be made available to the public at such reasonable price per copy as may be fixed by the board. The directory ~~and~~ shall be provided to federal authorities as required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2012.~~ 2014.

(2) The board shall provide without charge to any credential holder under the act a set of rules and regulations adopted and promulgated by the board and any other information which the board deems important in the area of real property appraisal in the State of Nebraska. The information may be made available electronically or printed in a booklet, a pamphlet, or any other form the board determines appropriate. The board may update such material as often as it deems necessary. The board may provide such material to any other person upon request and may charge a fee for the material. The fee shall be reasonable and shall not exceed any reasonable or necessary costs of producing the material for distribution.

Sec. 52. Section 76-3202, Revised Statutes Cumulative Supplement, 2012, is amended to read:

76-3202 For purposes of the Nebraska Appraisal Management Company Registration Act:

(1) Appraisal has the same meaning as in section 76-2204;

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(2) Appraisal Foundation has the same meaning as in section 76-2205;

(3) Appraisal management company means, in connection with valuing real property collateralizing mortgage loans, mortgages, or trust deeds incorporated into a securitization, any external third party that oversees a network or panel of more than fifteen certified or licensed appraisers in this state or twenty-five or more certified or licensed appraisers nationally within a given year and that is 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:

(a) To recruit, select, and retain appraisers;

(b) To contract with certified or licensed appraisers to perform real property appraisal activity;

(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 appraisal services provided, and reimbursing appraisers for appraisal services performed; or

(d) To review and verify the work of appraisers;

(4) Appraisal practice has the same meaning as in section 76-2205.01;

~~(5) Appraisal report has the same meaning as in section 76-2206;~~

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~~(6)~~ (5) Appraisal review means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of a real property appraisal activity, except that a quality control examination of ~~an appraisal~~ a report shall not be an appraisal review;

~~(7)~~ (6) Appraisal services means residential valuation assignments performed by an individual acting as an appraiser, including, but not limited to, appraisal~~,~~ or appraisal review; ~~, or consulting services;~~

~~(8)~~ (7) Appraiser means an individual who holds a license or certification as an appraiser and is expected to perform valuation assignments competently and in a manner that is independent, impartial, and objective;

~~(9)~~ (8) Appraiser panel means a group of licensed or certified independent appraisers that have been selected to perform appraisal services for a third party;

~~(10)~~ (9) Board means the Real Property Appraiser Board;

~~(11) Consulting service has the same meaning as in section 76-2211.01;~~

~~(12)~~ (10) Controlling person means:

(a) An officer or director of, or owner of greater than a ten percent interest in, a corporation, partnership, or other business entity seeking to act or acting as an appraisal management company in this state;

(b) An individual employed, appointed, or authorized by

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an appraisal management company that has the authority to enter into a contractual relationship with other persons for the performance of services requiring registration as an appraisal management company and that has the authority to enter into agreements with appraisers for the performance of appraisals; or

(c) An individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company;

~~(13)~~ (11) Federal financial institution regulatory agency 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, the National Credit Union Administration, or the successor of any of such agencies;

~~(14)~~ (12) Federally related transaction means any real estate-related financial transaction which:

(a) A federal financial institution regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and

(b) Requires the services of an appraiser;

~~(15)~~ (13) Owned and controlled means direct or indirect ownership or control of more than twenty-five percent of the voting shares of an appraisal management company;

~~(16)~~ (14) Person means an individual, firm, partnership, limited partnership, limited liability company, association,

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corporation, or other group engaged in joint business activities, however organized;

~~(17)~~ (15) Quality control examination means an examination of ~~an appraisal~~ a report for compliance and completeness, including grammatical, typographical, or other similar errors;

~~(18)~~ (16) Real estate has the same meaning as in section 76-2214;

~~(19)~~ (17) Real estate-related financial transaction means any transaction involving:

(a) The sale, lease, purchase, investment in, or exchange of real property, including interests in real property or the financing thereof;

(b) The refinancing of real property or interests in real property; or

(c) The use of real property or interests in real property as security for a loan or investment, including mortgage-backed securities;

~~(20)~~ (18) Real property has the same meaning as in section 76-2217;

~~(21)~~ (19) Real property appraisal activity has the same meaning as in section 76-2215;

~~(22)~~ (20) Relocation management company means a business entity in which the preponderance of its business services include relocation of employees as an agent or contracted service provider to the employer for the purposes of determining an anticipated sales

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price for the residence of an employee being relocated by the employer;

(21) Report has the same meaning as in section 19 of this act;

~~(23)~~ (22) Uniform Standards of Professional Appraisal Practice has the same meaning as in section ~~76-2213.01;~~ 24 of this act; and

~~(24)~~ (23) Valuation assignment has the same meaning as in section 76-2219.

Sec. 53. Original sections 76-2201, 76-2203, 76-2204, 76-2205.01, 76-2215, 76-2217.02, 76-2218, 76-2219, 76-2220, 76-2222, 76-2239, 76-2242, 76-2244, 76-2245, 76-2246, and 76-2247.01, Reissue Revised Statutes of Nebraska, and sections 76-2202, 76-2206, 76-2213.01, 76-2216, 76-2221, 76-2223, 76-2226, 76-2228.01, 76-2230, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2241, 76-2249, and 76-3202, Revised Statutes Cumulative Supplement, 2012, are repealed.

Sec. 54. The following sections are outright repealed: Section 76-2211.01, Reissue Revised Statutes of Nebraska, and section 76-2229, Revised Statutes Cumulative Supplement, 2012.