

**Nebraska Real Property Appraiser Board**  
**2015 Proposed Legislation**



The purpose of this proposed legislation is to address a multitude of issues concerning the administration and enforcement of act, along with inconsistencies found throughout the act. The primary purpose is to bring the definitions and applications in line with the Uniform Standards of Professional Appraisal Practice (USPAP), the standards recognized by the Appraisal Subcommittee through Title XI of the Financial Institutions reform, Recovery, and Enforcement Act of 1989. Over the years, the definitions and applications of USPAP have changed, but the Real Property Appraiser Act was not updated to reflect these changes. This has resulted in inconsistent definitions and terms, and difficulty establishing cohesiveness between the standards and the act. The Board would like to eliminate the as much of the inconsistent language as possible.

The following language changes are intended to address issues faced by the Board recently, or to provide clarification for appraisers, the public, and the Board:

- A definition for education provider, instructor, jurisdiction, employee, person, report, scope of work, and specialized knowledge is included in the draft, some exemptions have been added, temporary permit requirements better clarified, and renewal and continuing education requirements are better defined.
- The Board also seeks to clarify its ability to issue cease and desist orders. A previous Attorney General wrote an opinion indicating that the Board has the authority to issue cease and desist orders to non-credentialed persons, while the view of the current Attorney General is that the Board cannot issue cease and desist orders to non-credential holders. This drafted language was modeled after the Real Estate Commission's act.
- The Board would like to add an appraiser independence law to the act. Although the Residential Mortgage Licensing Act prevents appraiser influence by those in the mortgage profession, nothing is in place to protect appraisers from the influence of non-mortgage people (e.g. property owners). The drafted language would make it unlawful for anyone to attempt to influence the independent judgment of an appraiser. Many states have similar language.
- The Board would like to give credentialed appraisers the ability to keep their credential without practicing if needed, which was the basis for the inactive status. Instead of having to let a credential lapse, an appraiser would have a set period in which he or she could continue to meet continuing education requirements, but not have an active credential. This ability would prevent an appraiser from being required to reapply and meet the current requirements for credentialing if he or she was unable to practice for a short amount of time.
- The real property associate credential draft language was included to give non-appraiser valuation professionals a recognized credential evidencing appraisal knowledge through formal education.

The drafted language includes the following changes related to the Board's financials:

- Increasing the number of activities that may qualify for a per diem payment. The members of this Board put a drastic amount of work into the position. In addition to attending meetings and events, each member is directly involved in the investigations of this act and the Appraisal Management Company Registration Act. I estimate that the board chair spends approximately 10 hours a week engaged in Board business, the vice-chair 5-10 hours per week, and the remaining board members 3-5 hours per week. Board members should be compensated for time spent in service other than regular board meetings.
- A fee for inactive status was included in the draft language.

Finally, the drafted language includes the following general changes:

- Allow for preparation of an electronic directory, and for that electronic directory to be made available on the website.
- Pocket Card is changed to Credentialing Card to more accurately reflect current practice.
- Remove credential holder place of business requirements for resident appraisers only. Appraiser credentialing is moving towards one credential, not a separate resident or non-resident credential. According to the Appraisal Subcommittee, reciprocity is only a means by which a credential may be obtained, not the definition of a credential. The draft language reflects this position.
- Remove requirements for initially appointed board members. The Board has been established for quite some time and the existing language is no longer needed.
- Remove requirement that proof of credentialing and pocket card must be returned to the Board upon surrender, cancellation, suspension, or revocation, and that proof of credential shall be displayed in an appraiser's place of business.
- Clarify that the Rules and Regulations, and an appraiser directory, may be made available in an electronic or printed form.