NRPAB

Nebraska Real Property Appraiser Board

# Current Board Policies

*Effective October 10, 2013*

| Policy Number | Title | Policy | Board Meeting Activity |
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| 01-01 | Travel Policy | The Nebraska Real Property Appraiser Board will follow the DAS guidelines for travel. All exceptions will be approved by the Board at a regularly scheduled meeting. | Approved August 8, 2001<br>Amended March 20, 2007 |
| 02-02 | USPAP Course Instructor Qualifications After January 1, 2003 | After January 1, 2003, in order for an appraiser to receive state credit for attending a USPAP course or seminar, it must have been taught by an AQB Certified Instructor. | Approved May 21, 2002 |
| 02-05 | Qualifying Education Instructor Requirements | Instructors who teach courses required for advancement to Registration, License, Certified Residential, and Certified General (qualifying education) will renew their instructor certification with the Board every three to five years and may be subject to audit. | Approved May 21, 2002 |
| 02-07 | Temporary Credential Renewal Requirements | A person who holds a temporary credential in Nebraska may renew the credential at least once for no additional fee. The temporary credential holder must request the renewal in writing, confirming the property is the same property for which the original credential was issued. | Approved May 21, 2002 |
| 02-08 | Temporary Credential Renewal for Court Testimony Policy | It is the policy of the Board to renew a temporary credential at least one additional time without a fee when the appraiser is required to appear in the State for Court testimony. | Approved May 21, 2002 |
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| 02-10 | School Mentor Program Curriculum Recommendations | It was recommended that all new Registered appraisers complete their first two-hundred hours under a mentor. The intent would be to establish as strong a foundation as possible. Instead of studying and developing reports on repetitive, on-complicated properties, students would be exposed to different types of properties, such as mixed-use property, a unique design problem, highest and best issues, etc., as opposed to a cookie-cutter experience. The mentor would identify six appraisal problems, mixed-use etc., where the trainee really has to grind out the solution to the problem. The thought was the student would obtain all the experience through a mentoring process. The committee recommended that reports the trainee is doing would not be part of the normal practice, These would be specific for the mentoring process. | Approved October 15, 2002 |
| 02-11 | School Mentor Program Report Use | Trainee will be paying the mentor. The mentor will not be signing the reports. Intention is these reports are not to be used in the public. The mentor is not taking responsibility for the appraisal. These are not the reports the Board would be looking at for experience credit. In a training log and somewhere in the appraisal completed in a training program there should be a statement that this report was completed in the Nebraska mentoring program. On the private side of the mentoring program, reports may be for public use; and if this is a private training program, the report must be signed by the supervisor. | Approved October 15, 2002 |
| 03-04 | Exam Hours Policy | Exam hours relative to course credit will be allowed to be included in the total number of credit hours granted for every course. | Approved November 15, 2003 |
| 06-02 | Director's Authority Regarding Credential Application | Director has authority to process Registered applications and obtain Board ratification of credentials. For Licensed, Certified Residential and Certified General applicants, Direct [sic] will verify education and experience log information, send reports to Board-approved reviewers and present all findings to Board for further action. | Approved May 24, 2006 |
| 06-04 | Original Files Policy | All original files must be maintained in a secure location within the Board Office at all times under the Director's supervision and the Staff Assistant is to have access to all files other than enforcement files when necessary. | Approved May 24, 2006 |
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| 06-05 | Newsletter Publishing Requirements | A newsletter will be published up to four times annually with the draft being presented to all members requesting additions or corrections to be made within five business days. | Approved May 24, 2006 |
| 06-09 | USPAP Update Tuition for Staff | The NRPAB shall pay tuition and all reasonable expenses of the Director and the Staff Assistant to complete the 7-hour National USPAP Update. | Approved August 24, 2006 |
| 06-10 | Public Records Policy | The Board shall comply fully with all applicable federal and state statutes and regulations which govern public records, including but not limited to Neb. Rev. Stat. §§ 84-712, 84-712.01, and 84-712.03, 84-712.09. Absent exceptional circumstances consistent with its duties as determined by the Board, the Board shall withhold from the public those records specified in N.R.S. § 84-712.05 to the fullest extent permitted by law. "Exceptional circumstances" shall normally be limited to requests from other public entities, such as the Board's counterparts in other states, which demonstrate a need for the information contained in such records and which commit to the board that they shall not further disclose the requested information except in open court, open administrative proceedings, or in enforcement proceedings. | Approved September 21, 2006 |
| 07-01 | Fixed Assets Policy | The Board will follow the DAS accounting guidelines for reporting fixed assets greater than $1,500. An in-house inventory of all fixed assets, no mater [sic] the value, will be maintained in the office. | Approved March 20, 2007 |
| 07-02 | Use of State Resources Policy | This policy is adopted verbatim to the DAS policy for the use of equipment and assets, confidentiality, conflict of interest, and the use of state vehicles. | Approved March 20, 2007 |
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| 12-01 | Blast Email Policy | Any electronic mail communication delivered over the Internet by the Director or NRPAB staff, originating from a list and considered to be a "blast email", meant to reach recipients, such as appraisers, local, state, and federal government employees or entities, members or employees of professional organizations, the general public, or any other entity or group shall be established on NRPAB letterhead and reviewed by each member of the Board. Each member will have 24 hours to review and respond to the Director or NRPAB staff responsible for executing the electronic mail delivery. After consideration of the responses provided by each board member, 1) the Director will execute the delivery, or at the Director's discretion, hold the electronic mail communication for discussion and vote at the next board meeting; 2) the responsible NRPAB staff will, upon approval from the Director, or the Board Chair if the Director is not available, execute the delivery. The Director, or the Board Chair if the Director is not available, may stop the electronic mail communication from being delivered, or hold the electronic mail communication for discussion and vote at the next board meeting. Any exception to this policy shall be subject to Board approval unless an emergency situation is declared by the Director or Board Chair. *Electronic mail communications delivered to more than one recipient by the NRPAB Director, staff, or board members in the everyday course of business is not considered to be a "blast email."* | Approved April 19, 2012 |
| 12-02 | Blast Email Requests | Any requests to the Director or NRPAB staff for delivery of an electronic mail communication over the Internet not considered to be NRPAB business, meant to reach recipients, such as appraisers, local, state, and federal government employees or entities, members or employees of professional organizations, the general public, or any other entity or group, made by individuals or entities not NRPAB personnel or board members, shall not be granted. Any exception to this policy shall be subject to Board approval unless an emergency situation is declared by the Director or Board Chair. | Approved April 19, 2012 |
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| 12-03 | Requests for Non-NRPAB Information to be Placed on the Website | Any requests to the Director or NRPAB staff for information to be placed on the website that is not considered to be NRPAB business, made by individuals or entities not NRPAB personnel or board members, shall not be granted. Any exception to this policy shall be subject to Board approval unless an emergency situation is declared by the Director or Board Chair. | Approved April 19, 2012 |
| 12-04 | Definition of Employee | For the purposes of the Nebraska Real Property Appraiser Act and the Nebraska Appraisal Management Company Registration Act, employee shall mean 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. | Approved May 17, 2012 |
| 12-06 | Contracts for Work and Associated Fees | All work considered to be contractual in nature, along with the fees for that work, must be pre-approved by the Board unless the Board authorizes the Director to enter into contract negotiations for such work. In the case of an emergency, the Director may negotiate and enter into a contractual agreement on the Board's behalf and inform the Board of such contract and reasons for such contract at its next regular meeting. No charges for work considered to be contractual in nature will be paid by the Board unless pre-approved by the Board or agreed upon by the Director prior to the commencement of work. This policy does not include contracts for Standard 3 compliance reviews. | Approved July 19, 2012 |
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| 12-07 | Standard 3 Compliance Review Fees | Appraisers that enter into a contract with the Board for the purpose of providing appraisal review services shall be compensated $75.00 per hour for review of reports pertaining to residential and multi-family properties, and $125.00 per hour for review of reports pertaining to commercial and agricultural properties. Compensation may be prorated on a quarter hour basis, and the maximum compensation for each property type is as follows:<br><br>1. Residential……$450.00<br>2. 2-4 Family……$600.00<br>3. Agricultural……$750.00<br>4. Commercial……$875.00<br><br>Compensation will only be paid if terms of contractual agreement are completed in full. The Board reserves the right to set the compensation rate and/or maximum amount on an individual basis for a Standard 3 review assignment that the Board feels is complex or unusual in nature. | Approved August 15, 2012<br>Amended April 18, 2013 |
| 12-08 | Board Staff Clothing Allowance | Upon hire, any full-time employee of the Board shall be granted an allowance of $100.00 for use on NRPAB promotional clothing. Current Board employees will receive this allowance upon Board approval of this policy for FY 12. After FY 12, this initial allowance is only applicable to newly hired employees, and in the fiscal year the new employee begins work. At the beginning of each fiscal year after an employee has been granted his or her initial allowance, each employee is granted an allowance of $75.00 for use on NRPAB promotional clothing. This allowance does not carry over from one fiscal year to another. | Approved August 15, 2012 |
| 12-10 | Duration for Enforcement Actions Published on the Board's Website | An enforcement action taken by the Board against a credential holder or an appraisal management company will be published on the Board's website for ten years from the execution of a consent agreement or the date of order resulting from a formal hearing. The Board reserves the right to make any exceptions to this policy. | Approved September 20, 2012 |
| 12-11 | Nonrefundable Application Fee | All application fees defined as non-refundable in Title 298 become non-refundable once the application is received by board staff. | Approved September 20, 2012 |
| 12-12 | Director's Performance Review | The Director's performance will be evaluated by the Board prior to the beginning of each fiscal year. | Approved September 20, 2012 |

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| 12-13 | Timeliness Requirements for Appraisal Reviews | Any appraiser requested to complete a review of an appraisal or appraisal review must complete the review within 30 days of the date of the contract letter for reviews related to residential properties, and 60 days of the date of the contract letter for reviews related to any other type of property. The postmarked date will be used to determine timeliness for reports returned by mail, and the email or fax date will be used for reports returned by email or fax. | Approved December 20, 2012 |
| 12-14 | Clarification of 7-Hour USPAP and Report Writing CE Requirements | For the purpose of Neb. Rev. Stat. §§ 76-2230, 76-2231.01, 76-2232, 76-2233.02, 76-2236, and 298 NAC Chapter 4, Section 005.06G, 298 NAC Chapter 5, Section 001.06, 001.07, 001.08, the 7-Hour USPAP Update Course must be completed at least once every two years from the time the course was last completed *(e.g. USPAP Update taken July 1, 2012. Two years from this date is July 1, 2014. USPAP Update must be completed before January 1, 2015)* and the 7-Hour Report Writing and Case Studies Update Course must be completed at least once every four years from the time the course was last completed *(e.g. RW Update taken July 1, 2012. Four years from this date is July 1, 2016. RW Update must be completed before January 1, 2017)*. The initial completion date for each course is based on the date the newly credentialed Nebraska resident appraiser was approved for credentialing by the Board *(e.g. Board approved appraiser for credentialing on July 1, 2012. The USPAP Update must be completed prior to January 1, 2015 and the RW Update must be completed prior to January 1, 2017)*. A Board initiated grievance may be filed against any Nebraska resident appraiser for violation of Neb. Rev. Stat. § 76-2238 (10) that fails to complete the 7-Hour USPAP Update Course, or the 7-Hour Report Writing and Case Studies Course, in accordance with the requirements found in Neb. Rev. Stat. §§ 76-2230, 76-2231.01, 76-2232, 76-2233.02, 76-2236. | Approved December 20, 2012 |
| 13-01 | Course Eligibility for 7-Hour Report Writing Update Course | For the purpose of Neb. Rev. Stat. § 76-2236, the 7-Hour Board approved report writing update course shall be taken in a classroom and not online or by correspondence. | Approved January 17, 2013 |
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| 13-02 | Clarification of Nonresident | For the purpose of Neb. Rev. Stat. § 76-2233, nonresident means a person not living within the State of Nebraska at the time he or she makes application to the Board for a new credential as a real property appraiser, or renews a current active credential as a real property appraiser. A nonresident real property appraiser is defined by an "R" at the end of his or her credential number. | Approved April 18, 2013 |
| 13-03 | Definition of Instructor | For education activities, an instructor shall be defined as one or more individuals approved by the Board that meets or exceeds the instructor requirements specified in the Real Property Appraiser Act and Title 298 of the Rules and Regulations, 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. | Approved October 10, 2013 |
| 13-04 | Real Property Appraiser Fund Cash Balance | In accordance with Neb. Rev. Stat. § 76-2226, the real property appraiser fund shall include a sufficient cash fund balance as determined by the Board. The agency must be properly funded to administer and enforce the Real Property Appraiser Act, and ensure that proper financial protection is in place to manage any issue that may arise. For the fiscal year 2012-13, the minimum fund balance for the real property appraiser fund shall be $405,674.57. This balance includes the following:<br><br>1. An amount equal to half of the operating budget for the next fiscal year. If funds have not been appropriated for the next fiscal year, the current fiscal year may be substituted until appropriations are awarded for the next fiscal year. (FY 2012-13: $311,349.13/2 = $155,674.57). Justification for this amount includes: | Approved May 23, 2013 |

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| | | a. The Board must be prepared to manage a sharp decline in revenues due to a loss in the number of appraisers. According to the Appraisal Institute, the average age of an appraiser is 53 years old. Many appraisers will be retiring during the next ten years, and the number of new appraisers entering the profession does not meet market demand.<br><br>b. The Board must be prepared to manage an increase related to the costs associated with investigations. Due to increased federal requirements, along with the implementation of the Appraisal Subcommittee's Complaint Hotline, costs associated with investigations are anticipated to increase. This includes both investigation costs and training costs.<br><br>c. The Board must be prepared to purchase equipment and supplies as needed to administer and enforce the Act. Technology and methodology improvements may require upgraded equipment and/or supplies.<br><br>d. The Board must be prepared for unexpected cost increases associated with employee benefits. Healthcare reform leaves many unanswered questions in the foreseeable future.<br><br>e. Due to the Board's revenue structure, the majority of revenues are received during a two to four month period (November to February). The Board must have adequate funds to administer and enforce the Act during low revenue months. | |

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| | | 2. An amount specified for potential litigation. Legal expenses for the most recent matter reached nearly $80,000.00. The Board must be prepared to manage any costs of litigation that may arise. Legal expenses could potentially exceed $100,000.00, and as such, the real property appraiser fund balance shall include this amount for potential legal expenses.<br><br>3. An amount specified for additional staffing. Increased federal requirements, along with the implementation of the Appraisal Subcommittee's Complaint Hotline, may put a strain on the Board's current staffing. Salary, benefits, and operation costs for an additional employee would be around $50,000.00 approximately.<br><br>4. An amount specified for technology projects. Statute and rule changes, along with operation changes, require that the Board's database and website are upgraded regularly. Many projects, including complete overhauls are very expensive. The current database project is more than $60,000.00, and the online credentialing project has been estimated at $30,000.00. The Board must be prepared to address costs associated with technology upgrades needed to administer and enforce the Act in an effective and efficient manner. The real property fund balance shall include $100,000.00 for technology projects. | |
| 13-05 | AMC Fund Cash Balance | In accordance with Neb. Rev. Stat. § 76-3219, the appraisal management company fund shall be used to implement, administer, and enforce the AMC Registration Act. The agency must be properly funded to administer and enforce the act, and ensure that proper financial protection is in place to manage any issue that may arise. For the fiscal year 2012-13, the minimum fund balance for the AMC fund shall be $219,035.00. This balance includes the following:<br><br>1. An amount equal to half of the operating budget for the next fiscal year. If funds have not been appropriated for the next fiscal year, the current fiscal year may be substituted until appropriations are awarded for the next fiscal year. (FY 2012-13: $38,070.00/2 = $19,035.00). Justification for this amount includes: | Approved May 23, 2013 |

a. The Board must be prepared to manage a sharp decline in revenues due to a loss in the number of appraisal management companies and applications for registration as appraisal management companies. The AMC Registration Act became effective on January 1, 2012. There has been an influx of organizations making application for registration in Nebraska, but the Board anticipates that the number of applications will decline once the market is established in the state.

b. The Board must be prepared to manage an increase related to the costs associated with investigations. Due to increased federal requirements, the implementation of the Appraisal Subcommittee's Complaint Hotline, and the newness of the AMC Registration Act, costs associated with investigations are anticipated to increase. This includes both investigation costs and training costs.

c. The Board must be prepared to purchase equipment and supplies as needed to administer and enforce the Act. Technology and methodology improvements may require upgraded equipment and/or supplies.

d. The Board must be prepared for unexpected cost increases associated with employee benefits. Healthcare reform leaves many unanswered questions in the foreseeable future.

2. An amount specified for potential litigation. Legal expenses for the most recent matter under the Real Property Appraiser Act reached nearly $80,000.00. The Board must be prepared to manage any costs of litigation that may arise. Legal expenses could potentially exceed $100,000.00, and as such, the AMC fund balance shall include this amount for potential legal expenses.

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| | | 3. An amount specified for additional staffing. Increased federal requirements, along with the implementation of the Appraisal Subcommittee's Complaint Hotline, may put a strain on the Board's current staffing. Salary, benefits, and operation costs for an additional employee would be around $50,000.00 approximately.<br><br>4. An amount specified for technology projects. Statute and rule changes, along with operation changes, require that the Board's database and website are upgraded regularly. Many projects, including complete overhauls are very expensive. The current database project is more than $60,000.00. The Board must be prepared to address costs associated with technology upgrades needed to administer and enforce the Act in an effective and efficient manner. The AMC fund balance shall include $50,000.00 for technology projects. | |
| 13-06 | Definition of Specialized Knowledge | For the purpose of Neb. Rev. Stat. § 76-2221 (4), specialized knowledge shall mean 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. The Board reserves the right to evaluate the level of expertise, along with a real property appraiser's ability to obtain such expertise, required for any subject matter. | Approved June 20, 2013 |
| 13-08 | Definition of True Copy of Appraisal Report and Workfile | Any appraisal report and/or workfile submitted to the Board, which is requested by the Board to be a true copy, shall be an exact duplicate of the report submitted to the client, as well as the workfile associated with such report, including the quality and clarity of the print, charts, graphs, examples, and photos; and including organization and presentation of materials. | Approved July 18, 2013<br>Amended August 22, 2013 |
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| 13-09 | Employee Reimbursement of Training and Education Tuition | Any request for training or education made by an employee of the Board shall be submitted to the Director in writing. If approved by the Board, the training or education shall be at the Board's expense unless specified otherwise. Any tuition for training or education attended at the employee's request, and at the Board's expense, may be reimbursed to the Board if employee voluntarily leaves his or her position within one year of attending the training activity, or does not satisfactorily complete any portion of the training activity. Any exception to this policy shall be agreed to by both parties and documented in the appropriate board meeting minutes.<br><br>In addition, the Board may request that an employee of the Board attend training or education applicable to his or her responsibilities. Any tuition for training or education attended at the Board's request shall be at the Board's expense unless specified otherwise. Such tuition may be reimbursed to the Board if employee does not satisfactorily complete any portion of the training activity. Any exception to this policy shall be agreed to by both parties and documented in the appropriate board meeting minutes. | Approved July 18, 2013 |
| 13-10 | Enforcement of Two Year Credentialing Requirement for Reciprocal Applicants | 298 NAC Chapter 8, Section 002 says, "a nonresident credential will be issued to an individual who maintains a credential or is otherwise authorized to appraise real estate and real property under the laws in his/her resident state, territory, or district for a minimum of two years upon completion of the following……" Due to segregation of authority, the language requiring that a nonresident be credentialed in his/her resident state, territory, or district for a minimum of two years, may be unconstitutional. Enforcement of the two year credentialing requirement shall be suspended until the Board has the opportunity to revise this section. | Approved July 18, 2013 |
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| 13-11 | AQB Approval Requirements for Elective Qualifying Education Courses | All Qualified Education core curriculum courses identified by the Appraisal Foundation Appraisal Qualifications Board (AQB) in Guide Note 1 (GN-1) of The Real Property Appraiser Qualifications Criteria shall have approval from the AQB Course Approval Program prior to consideration of approval by the NRPAB. Any Qualified Education courses not identified as core curriculum by the Appraisal Foundation Appraisal Qualifications Board (AQB) in Guide Note 1 (GN-1) of The Real Property Appraiser Qualifications Criteria shall not need AQB approval prior to consideration of approval by the NRPAB. | Approved August 22, 2013 |
| 13-12 | Real Property Appraiser Credentialing Requirements for Appraisal Experience | Appraisal experience obtained for credentialing as a Licensed Residential, Certified Residential, or Certified General Real Property Appraiser must be acquired as a credentialed Real Property Appraiser as of January 1, 2014. Credentialing as a Real Property Appraiser is not required for any experience obtained prior to January 1, 2014. | Approved August 22, 2013<br>Amended October 10, 2013 |
| 13-13 | Trainee Real Property Appraiser/ Supervisor Approval Guidelines | If a trainee real property appraiser is requesting approval for any additional supervisory appraisers, and holds an active credential considered to be in good standing by the Board, the Trainee Real Property Appraiser is not required to submit any additional applications for approval as a trainee real property appraiser or pay the associated fee. However, each supervisory appraiser requested by the trainee real property appraiser must submit an application to the Board for approval as a supervisory appraiser for that trainee real property appraiser. The supervisory appraiser application must be submitted to the Board's office, along with a trainee real property appraiser supervisory appraiser change form as approved by the Board. | |