

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB992

Hearing Date: Tuesday January 23, 2024
Committee On: Banking, Commerce and Insurance
Introducer: Dungan
One Liner: Change provisions of the Real Property Appraiser Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator George Dungan
Tyler Kohtz
Robert Hallstrom

Representing:

Opening Presenter
Nebraska Real Property Appraiser Board
Nebraska Bankers Association

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 992 is a bill that was introduced by Senator Dungan. It would amend a number of statutes making up the Nebraska Real Property Act ("Act") that is currently found at Neb. Rev. Stat. § 76-2201 to 76-2250.

LB 992 is an attempt to update the Act to implement the Real Property Appraiser Qualifications Criteria ("2026 Criteria") adopted by the Appraisal Foundation's Appraiser Qualifications Board, effective on January 1, 2026; the Uniform Standards of Professional Appraisal Practice ("2024 USPAP") adopted by the Appraisal Foundation's Appraisal Standards Board, effective on January 1, 2024; and the recommendations of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council ("Appraisal Subcommittee") as identified during its 2022 State Off-site Assessment ("SOA").

The bill would provide, generally, as follows:

"2022" is updated to "2024" in the definition of "Financial Institutions Reform, Recovery, and



Enforcement Act of 1989” in Neb. Rev. Stat. § 76-2207.30.

New definition “personal inspection” is added in Section 3 as a defined term found in USPAP that is also utilized in the Real Property Appraiser Act.

“2021” is updated to “2024” in the definition of “Uniform Standards of Professional Appraisal Practice” in Neb. Rev. Stat. § 76-2218.02.

“Data, information, and” is stricken before “documentation,” “analysis” is added before “opinions,” and “and to show compliance with the Uniform Standards of Professional Appraisal Practice” is stricken after “conclusions” to update the definition of “workfile” in Neb. Rev. Stat. § 76-2219.02 so as to harmonize the definition with the defined term found in USPAP.

“Real property appraisal” is added before “practice” to utilize the defined term “real property appraisal practice” in Neb. Rev. Stat. §§ 76-2221(8), 76-2228.01(7), 76-2228.02(2)(c), §76-2230(6), and 76-2232(3).

Neb. Rev. Stat. § 76-2228.01(1)(b) for a trainee real property appraiser, and § 76-2230(1)(b) for a licensed residential real property appraiser, are stricken. The Real Property Appraiser Qualifications Criteria does not require high school education, or equivalent, for the trainee real property appraiser credential or the licensed residential real property appraiser credential. This update reduces an unnecessary barrier for real property appraiser applicants for credentialing.

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

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

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

“(c)(i)” is stricken and “(b)(i)” is added to reference the correct subdivision in Neb. Rev. Stat. §§ 762228.01(1)(b)(ii) for a trainee real property appraiser, and 76-2230(1)(b)(ii) for a licensed residential real property appraiser, concerning completion of the remaining class hours not satisfied by a degree in real estate or equivalent as approved by the Appraiser Qualifications Board.

“Twelve” is stricken and “twenty-four” is added before “months,” and the phrase “Successful completion of examination shall be valid for twenty-four months” is added for the exam



requirements found in Neb. Rev. Stat. §§ 76-2228.01(3)(b) for a trainee real property appraiser to upgrade to a higher real property appraiser classification, § 76-2230(1)(e) for a licensed residential real property appraiser, 76-2230(2)(b) for a licensed residential real property appraiser to upgrade to a higher real property appraiser classification, 76-2231.01(1)(g) for a certified residential real property appraiser, 76-2231.01(2)(b) for a certified residential real property appraiser to upgrade to a certified general real property appraiser, and 76-2232(1)(g) for a certified general real property appraiser. The Real Property Appraiser Qualifications Criteria allows an applicant, whose education and experience have been approved, twenty-four months to complete examination. In addition, the Real Property Appraiser Qualifications Criteria allows the results of a successfully completed examination to be valid for twenty-four months. This update reduces an unnecessary barrier for real property appraiser applicants for credentialing.

“(1)(c)(ii)” is stricken and “(1)(b)(ii)” is added to reference the correct subdivision in Neb. Rev. Stat. § 762228.01(4)(a) concerning class hours required to upgrade from a trainee real property appraiser to a licensed residential real property appraiser.

“(1)(d)” is stricken and “(1)(c)” is added to reference the correct subdivision in Neb. Rev. Stat. § 762228.01(4)(b) concerning experience requirements required to upgrade from a trainee real property appraiser to a licensed residential real property appraiser.

“Conducting personal inspection” is added and “Personally inspecting each appraised property” is stricken before “with” to utilize the defined term “personal inspection” in Neb. Rev. Stat. § 762228.02(2)(c).

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

“(c)(i)” is stricken and “(d)(i)” is added to reference the correct subdivision in Neb. Rev. Stat. § 762230(1)(c)(ii) pertaining to experience requirements for the successful completion of a PAREA program that does not satisfy all required experience for credentialing.

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

The scope of practice for the certified residential real property appraiser is updated in Neb. Rev. Stat. § 76-2231.01(5) (page 20: lines 18-24), and the scope of real property appraisal practice for the certified general real property appraiser is updated in N.R.S. § 76-2232(3) (page 22: lines 30-31, page 23: line 12), for clarification and consistency. This update has no effect on the application of this statute.



“Real property” is added before “appraiser” to utilize the defined term “real property appraiser” in Neb. Rev. Stat. § 76-2232(3) (page 22: lines 30-31).

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

The language for the random fingerprint audit program for real property appraiser renewal applicants established in Neb. Rev. Stat. §§ 76-2233.02(2) and in 76-2233.02(3), which becomes subsection (2), along with the requirement for a real property appraiser renewal applicant to pay a criminal history record check fee for maintenance of the random fingerprint audit program found in Neb. Rev. Stat. §76-2233.02(1), is removed from the real property appraiser renewal requirements. All active real property appraisers have completed a criminal history record check; therefore, this update reduces an unnecessary barrier for real property appraiser renewal applicants. All current real property appraisers must continue to answer criminal history questions on the renewal application and certify that the statements made are true and correct. A CHRC is still required for all new real property appraiser applicants.

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

“a seven-hour” is stricken before “instructor” in Neb. Rev. Stat. § 76-2236(2) as no seven-hour instructor recertification course is available. This update incorporates the language as found in the 2026 Criteria. In addition, “if applicable” is added after “examination” in Neb. Rev. Stat. § 76-2236(2) to clarify that an exam is not a requirement for the instructor recertification course in the Real Property Appraiser Qualifications Criteria.

Neb. Rev. Stat. § 76-2236(6) is amended to clarify that qualifying education, if successfully completed as approved by the Board, shall be approved by the Board as continuing education regardless of if the qualifying education was completed to fulfill the class-hour requirement to upgrade to a higher classification or not.

Language stricken from Neb. Rev. Stat. § 76-2236(7) awarded continuing education credit to a real property appraiser that completed qualifying education, but not to fulfill the class-hour requirement to upgrade to a higher classification, if the exam was completed. The stricken language was not clear that the exam must be passed for completion of the qualifying education activity. These updates remove the language inconsistency.

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

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

“Fifty” is added before “dollars” to amend the initial and renewal credentialing fee limit upward



in Neb. Rev. Stat. § 76-2241(1)(c).

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

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

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

Julie Slama, Chairperson

