

## LEGISLATIVE BILL 931

Approved by the Governor April 14, 2010

Introduced by Sullivan, 41; Utter, 33.

FOR AN ACT relating to real property; to amend sections 76-2202, 76-2206, 76-2213, 76-2213.01, 76-2216, 76-2221, 76-2223, 76-2225, 76-2228, 76-2228.01, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2240, 76-2241, 76-2249, 77-5004, and 81-885.01, Reissue Revised Statutes of Nebraska, and section 81-885, Revised Statutes Supplement, 2009; to change and eliminate provisions of the Real Property Appraiser Act and the Nebraska Real Estate License Act; to harmonize provisions; to repeal the original sections; to outright repeal sections 76-2207, 76-2209, and 76-2211, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. Section 76-2202, Reissue Revised Statutes of Nebraska, is amended to read:

76-2202 ~~The Legislature finds that changes to the Real Property Appraiser Act made by Laws 2006, LB 778, are necessary to comply with the Appraiser Qualifications Board's Real Property Appraiser Qualification Criteria, effective January 1, 2008. Further, the increased educational standards required by Laws 2006, LB 778, are due to the changes in the required core curriculum necessitated by the 2008 criteria.~~

The Legislature finds that as a result of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, 2010, Nebraska's laws providing for regulation of real property appraisers require restructuring in order to comply with Title XI of the act. Compliance with the act 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 the act.

Sec. 2. Section 76-2206, Reissue Revised Statutes of Nebraska, is amended to read:

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

Sec. 3. Section 76-2213, Reissue Revised Statutes of Nebraska, is amended to read:

76-2213 Licensed residential real property appraiser means a person who holds a valid credential as a licensed residential real property appraiser issued under the Real Property Appraiser Act. Licensed residential real property appraiser includes persons defined as licensed real property appraisers prior to the effective date of this act.

Sec. 4. Section 76-2213.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2213.01 Uniform Standards of Professional Appraisal Practice means the standards promulgated by the Appraisal Foundation, as the standards existed on January 1, ~~2008,~~ 2010.

Sec. 5. Section 76-2216, Reissue Revised Statutes of Nebraska, is amended to read:

76-2216 Real property appraiser means a person (1) who engages in real property appraisal activity, (2) who advertises or holds himself or herself out to the general public as a real property appraiser, or (3) who offers, attempts, or agrees to perform or performs real property appraisal activity, with the intention ~~or~~ upon the promise of receiving valuable consideration. Real property appraiser includes persons defined as real estate appraisers prior to July 14, 2006.

Sec. 6. Section 76-2221, Reissue Revised Statutes of Nebraska, is amended to read:

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

(1) Any real property appraiser who is a salaried employee of (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 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 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 licensed under the Nebraska Real Estate License Act who, in the ordinary course of his or her business, gives a broker's price opinion or comparative market analysis, except that such opinion or analysis shall not be referred to as an appraisal. No compensation, fee, or other consideration shall be charged for such opinion or analysis other than a real estate commission or brokerage fee charged or paid for brokerage services rendered in connection with the sale of the real estate involved unless the opinion or analysis is in writing and carries the following disclosure in bold fourteen-point type: This opinion or analysis is not an appraisal. It is intended only for the benefit of the addressee for the purpose of assisting buyers or sellers or prospective buyers or sellers in deciding the listing, offering, or sale price of the real property and not for any other purpose, including, but not limited to, lending purposes. This opinion or analysis is not governed by the Real Property Appraiser Act, but is subject to enforcement through the Nebraska Real Estate License Act, referred to in subsection (1) of section 28 of this act;

(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 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 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 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 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 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 for others shall be subject to the Real Property Appraiser Act and shall be credentialed prior to engaging in such other appraising. Any appraiser appointed to act as a referee pursuant to section 77-1502.01 and who prepares an appraisal report for the county board of equalization shall not sign such appraisal report as a credentialed 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.

Sec. 7. Section 76-2223, Reissue Revised Statutes of Nebraska, is amended to read:

76-2223 The ~~board~~ Real Property Appraiser Board shall administer and enforce the Real Property Appraiser Act and may:

(1) Receive applications for credentialing under the act, 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;

(2) 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 ~~educational testing services, or organizations for the preparation of a bank of questions and answers for examinations,~~ 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;

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

(4) ~~Review from time to time the procedure for selecting individual questions from the bank of questions for use in connection with each scheduled examination and review from time to time the questions in the bank of questions and the related answers to ascertain that they meet the specifications established by the board,~~ the procedures and criteria of a contracted testing service to ensure that the testing meets with the approval of the Appraiser Qualifications Board;

(5) Collect all fees required or permitted by the act. The ~~board~~ 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, ~~2008,~~ 2010;

(6) Establish appropriate administrative procedures for disciplinary proceedings conducted pursuant to the Real Property Appraiser Act;

(7) 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 ~~board~~ 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;

(8) 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;

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

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

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

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

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

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

Sec. 8. Section 76-2225, Reissue Revised Statutes of Nebraska, is amended to read:

76-2225 The members of the board and the board's employees or persons under contract with the board shall be immune from any civil action or criminal prosecution for initiating or assisting in any lawful investigation of the actions of or any disciplinary proceeding concerning a credential holder pursuant to the Real Property Appraiser Act if such action is taken without malicious intent and in the reasonable belief that it was taken pursuant to the powers vested in the members of the board or such employees or persons.

Sec. 9. Section 76-2228, Reissue Revised Statutes of Nebraska, is amended to read:

76-2228 ~~On and after January 1, 2008, there~~ There shall be five

classes of credentials issued to real property appraisers as follows:

(1) Trainee real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2228.01;

(2) Registered real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2229.01;

(3) Licensed residential real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2230;

(4) Certified residential real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2231.01; and

(5) Certified general real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2232.

Sec. 10. Section 76-2228.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2228.01 (1) ~~On and after January 1, 2008, to~~ 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-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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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, ~~or junior 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 ~~board~~ 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 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 seventy-five additional hours of designated core curriculum education and (ii) 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 one hundred twenty-five additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2231.01, and (iii) 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 two hundred twenty-five additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232, and (iii) meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2232.

~~(2)~~ (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, ~~or its equivalent,~~ as the course existed on January 1, 2010, 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 university, college, or community college, ~~or junior 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 board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

~~(3)~~ (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. 11. Section 76-2229, Reissue Revised Statutes of Nebraska, is amended to read:

76-2229 (1) 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 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 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 group or in such manner that it might be interpreted as referring to a corporation, partnership, limited liability company, firm, or group or to anyone other than the credential holder. This requirement shall not be construed to prevent a credential holder from signing an appraisal report on behalf of a corporation, partnership, limited liability company, firm, or group if it is clear that only the individual holds the credential and that the corporation, partnership, limited liability company, firm, or group does not.

Sec. 12. Section 76-2229.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2229.01 (1) ~~On and after January 1, 2008, to~~ To qualify for a credential as a registered 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 ninety class hours in board-approved courses of study which relate to appraisal and which include

the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, or the equivalent of the course as approved by the Real Property Appraiser Board. The courses of study shall be conducted by an accredited, degree-awarding university, college, or community college, ~~or junior college,~~ an appraisal society, institute, or association, or such other educational provider as may be approved by the ~~board~~ Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. Each course of study shall include an examination pertinent to the material presented;

(d) Pass Within the twelve months following approval of the applicant by the Real Property Appraiser Board, pass an examination approved by the Appraiser Qualifications Board as of January 1, 2010, and administered by the board a contracted testing service which demonstrates that the applicant 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 basic 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

(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 registered 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 sixty additional hours of designated core curriculum education and (ii) 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 one hundred ten additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2231.01, and (iii) 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 two hundred twenty-five additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232, and (iii) meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2232.

~~(3)~~ (3) The application for registration shall include the applicant's social security number and such other information as the board Real Property Appraiser Board may require.

~~(4)~~ ~~On and after January 1, 2008, the~~ (4) The scope of practice of a registered real property appraiser shall be limited to the appraisal of noncomplex property having one, two, three, or four residential units having a transaction value of less than two hundred fifty thousand dollars.

~~(5)~~ ~~On and after January 1, 2008, an~~ (5) An applicant shall receive no more than three successive annual renewals for credentialing as a registered real property appraiser. Notwithstanding any other provision of section 76-2228 to the contrary, the board shall not approve any initial application for credentialing as a registered real property appraiser on and after January 1, 2012.

Sec. 13. Section 76-2230, Reissue Revised Statutes of Nebraska, is amended to read:

76-2230 (1) ~~On and after January 1, 2008, to~~ 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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, ~~or junior 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 ~~board~~ 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 ~~twenty-four~~ twelve months following approval of the applicant by the board, pass a ~~closed-book~~ an examination approved by the Appraiser Qualifications Board as of January 1, 2010, and administered by the board a contracted testing service which demonstrates that the applicant 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 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 fifty additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2231.01, and (iii) 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 one hundred fifty additional hours of designated core curriculum education, (ii) meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232, and (iii) meet the postsecondary educational requirements pursuant to subdivision (1)(b)(i) or (ii) of section 76-2232.

~~(2) On and after January 1, 2008, the~~ (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 transaction value of less than two hundred fifty thousand dollars.

~~(3)~~ (4) If an applicant is applying for renewal of a credential as a licensed residential real property appraiser, ~~on and after January 1, 2008,~~ 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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, ~~or junior 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 ~~board.~~ Real Property Appraiser Board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

~~(4)~~ (5) The application for the credential as a licensed residential real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 14. Section 76-2231.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2231.01 (1) ~~On and after January 1, 2008, to~~ To qualify for a credential as a certified residential real property appraiser, an applicant shall:

(a) Be at least nineteen years of age;

(b) (i) Hold an associate degree, or higher, from an accredited, degree-awarding university, college, or community college; ~~or junior college;~~ or

(ii) Have successfully completed, as verified by the board, twenty-one semester hours of coursework or its equivalent from an accredited, degree-awarding university, college, or community college, ~~or junior college~~ that shall have included English composition; principles of macroeconomics or microeconomics; finance; algebra, geometry, or higher mathematics; statistics; introduction to computers, including word processing and spread sheets; and business or real estate law;

(c) Have successfully completed no fewer than two hundred class hours, which may include the class hours set forth in sections 76-2229.01 and 76-2230, 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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, ~~or junior 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 ~~board~~ Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. ~~Credit toward the class hour requirement may be awarded to teachers of appraisal courses.~~ Each course shall include a closed-book examination pertinent to the material presented;

(d) Have no fewer than two thousand five hundred 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 twenty-four 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 ~~twenty-four~~ twelve months following approval of the applicant by the board, pass a ~~closed-book~~ an examination approved by the Appraiser Qualifications Board as of January 1, 2010, and administered by the board a contracted testing service which demonstrates that the applicant 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 as a certified general real property appraiser, a certified residential real property appraiser shall satisfy the following requirements:

(a) Complete one hundred additional hours of designated core curriculum education;

(b) Meet the experience requirements pursuant to subdivision (1)(d) of section 76-2232; and

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

~~(2) On and after January 1, 2008, the~~ (3) The scope of practice of a certified residential real property appraiser shall be limited to the appraisal of property having one, two, three, or four residential units without regard to transaction value or complexity.

~~(3) (4) If an applicant is applying for renewal of a credential as a certified residential real property appraiser, on and after January 1, 2008,~~ 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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 if 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, ~~or junior 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 ~~board.~~ Real Property Appraiser Board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

~~(4) (5) The~~ application for a credential as a certified residential real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 15. Section 76-2232, Reissue Revised Statutes of Nebraska, is amended to read:

76-2232 (1) ~~On and after January 1, 2008, to~~ To qualify for a credential as a certified general real property appraiser, an applicant shall:

(a) Be at least nineteen years of age;

(b) (i) Hold a bachelor's degree, or higher, from an accredited, degree-awarding university or college; or

(ii) Have successfully completed, as verified by the board, thirty semester hours of coursework or its equivalent from an accredited, degree-awarding university or college that shall have included English

composition; macroeconomics; microeconomics; finance; algebra, geometry, or higher mathematics; statistics; introduction to computers, including word processing and spread sheets; business or real estate law; and two elective courses in accounting, geography, agricultural economics, business management, or real estate;

(c) Have successfully completed no fewer than three hundred class hours, which may include the class hours set forth in sections 76-2229.01, 76-2230, and 76-2231.01, 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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, ~~or junior 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 ~~board~~ Real Property Appraiser Board and shall be, at a minimum, fifteen class hours in length. ~~Credit toward the class hour requirement may be awarded to teachers of appraisal courses.~~ Each course shall include a closed-book examination pertinent to the material presented;

(d) Have no fewer than three 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 thirty 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 ~~twenty-four~~ twelve months following approval of the applicant by the board, pass a ~~closed-book~~ an examination approved by the Appraiser Qualifications Board as of January 1, 2010, and administered by the board a contracted testing service which demonstrates that the applicant 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) If an applicant is applying for renewal of a credential as a certified general real property appraiser, ~~on and after January 1, 2008,~~ 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, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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 if 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, ~~or junior 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 ~~board.~~ Real Property Appraiser Board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

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

Sec. 16. Section 76-2233, Reissue Revised Statutes of Nebraska, is amended to read:

76-2233 (1) A nonresident of this state may obtain a credential as a licensed residential real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser by (a) complying with all of the provisions of the Real Property Appraiser Act relating to the appropriate classification of credentialing, (b) submitting an application on a form approved by the board, and (c) submitting 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.

(2) If, in the determination of the board, another state or territory or the District of Columbia has substantially equivalent requirements to the requirements of this state, an applicant who is a resident of that state, territory, or district and is currently credentialed to appraise real estate and real property under the laws of that state, territory, or district may through reciprocity become credentialed under the act. To qualify for reciprocal credentialing, the applicant shall:

(a) Submit evidence that he or she is currently a resident of the state, territory, or District of Columbia in which he or she is credentialed to appraise real estate and real property and that such credential is in good standing, along with his or her social security number and such other information as the board may require;

(b) Certify that disciplinary proceedings are not pending against him or her or state the nature of any pending disciplinary proceedings;

(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 as a real property appraiser in this state;

(d) Pay fees as established in section 76-2241; and

(e) Comply with such other terms and conditions as may be determined by the board.

Sec. 17. Section 76-2233.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2233.01 A nonresident 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 in this state. To qualify for the issuance of a temporary credential, an applicant shall:

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

(2) 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) Submit evidence that he or she is credentialed as 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) 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) Pay an application fee in an amount established by the board.

A temporary credential issued under this section shall be expressly limited to a grant of authority to perform the appraisal work required by the contract for appraisal services in this state. Each temporary credential shall expire upon the completion of the appraisal work required by the contract

for appraisal services 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.

Sec. 18. Section 76-2233.02, Reissue Revised Statutes of Nebraska, 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 ~~following the date of credentialing 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 each the designated year. In every second year of renewal, 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 credential holder may obtain a renewal of such credential by satisfying all of the requirements for renewal and paying a late renewal 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.

Sec. 19. Section 76-2236, Reissue Revised Statutes of Nebraska, is amended to read:

76-2236 Every credential holder 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. Hours of satisfactorily completed approved continuing education activities cannot be carried over from one two-year continuing education period to another. ~~The board may extend or waive the continuing education requirements by rule or regulation.~~ As prescribed by rule or regulation of the board and at least once every two years, the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course, ~~or its equivalent~~ as approved by the Appraiser Qualifications Board as of January 1, 2010, 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. As prescribed by rule or regulation of the Real Property Appraiser Board and at least once every four years, a seven-hour report writing update course shall be included in the continuing education requirement of each credential holder. ~~The board~~ 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.

Sec. 20. Section 76-2237, Reissue Revised Statutes of Nebraska, is amended to read:

76-2237 Each credential holder shall comply with the 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 ~~mailed to the business address of~~ transmitted electronically to each credential holder and shall be made available on the board's web site.

Sec. 21. Section 76-2238, Reissue Revised Statutes of Nebraska, 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 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 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;

(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 report, or communicating an appraisal;

(14) Negligence or incompetence in developing an appraisal, preparing an appraisal 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 appraiser, 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) Failure to comply with terms of a consent agreement or settlement agreement;

(19) 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) 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;

~~(20)~~ (21) Presentation to the board of any check which is returned to the State Treasurer unpaid, whether payment of fee is for an initial or renewal credential or for examination; and

~~(21)~~ (22) Failure to pass the examination.

Sec. 22. Section 76-2240, Reissue Revised Statutes of Nebraska, is amended to read:

76-2240 (1) The administrative hearing on the allegations in the complaint filed pursuant to section 76-2239 shall be heard by ~~the board~~ a hearing officer at the time and place prescribed by the board and in accordance with the Administrative Procedure Act. If, at the conclusion of the hearing, ~~the board~~ hearing officer determines that the credential holder is guilty of the violation, ~~it~~ the board shall take such disciplinary action as ~~it~~ the board deems appropriate. Disciplinary actions which may be taken shall include, but not be limited to, revocation, suspension, probation, admonishment, letter of reprimand, and formal censure, with ~~or~~ without publication, of the credential holder and may or may not include an education requirement. Costs incurred for an administrative hearing, including fees of counsel, the hearing officer, court reporters, investigators, and witnesses, shall be taxed as costs in such action as the board may direct.

(2) The decision and order of the board shall be final. Any decision or order of the board may be appealed. The appeal shall be on questions of law only and otherwise shall be in accordance with the Administrative Procedure Act.

Sec. 23. Section 76-2241, Reissue Revised Statutes of Nebraska, is

amended to read:

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

- (1) An application fee of one hundred fifty dollars;
- (2) 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) An initial and renewal credentialing fee, other than temporary credentialing, of no more than three hundred dollars;
- (4) A late renewal fee of twenty-five dollars for each month or portion of a month the fee is late;
- (5) A temporary credential application fee for a 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) A pocket card 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.

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

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, ~~2008~~, 2010. 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. 24. Section 76-2249, Reissue Revised Statutes of Nebraska, is amended to read:

76-2249 (1) The board may prepare a printed directory showing the name and place of business of credential holders under the Real Property Appraiser Act. Copies of the directory shall be made available to the public at such reasonable price per copy as may be fixed by the board 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, ~~2008~~, 2010.

(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 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. 25. Section 77-5004, Reissue Revised Statutes of Nebraska, is amended to read:

77-5004 (1) Each commissioner shall be a qualified voter and resident of the state and, for each commissioner representing a congressional district, a domiciliary of the district he or she represents.

(2) Each commissioner shall devote his or her full time and efforts to the discharge of his or her duties and shall not hold any other office under the laws of this state, any city or county in this state, or the United States Government while serving on the commission. Each commissioner shall possess:

- (a) Appropriate knowledge of terms commonly used in or related to real property appraisal and of the writing of appraisal reports;
- (b) Adequate knowledge of depreciation theories, cost estimating, methods of capitalization, and real property appraisal mathematics;
- (c) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and evaluating of data involved in the valuation of real property, including complex industrial properties and mass appraisal techniques;
- (d) Knowledge of the law relating to taxation, civil and administrative procedure, due process, and evidence in Nebraska;
- (e) At least thirty hours of successfully completed class hours in courses of study, approved by the Real Property Appraiser Board, which relate to appraisal and which include the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course. If a commissioner has not received

such training prior to his or her appointment, such training shall be completed within one year after appointment; and

(f) Such other qualifications and skills as reasonably may be requisite for the effective and reliable performance of the commission's duties.

(3) One commissioner shall possess any certification or training required to become a licensed residential real property appraiser as set forth in section 76-2230.

(4) Prior to January 1, 2002, the chairperson, and on and after January 1, 2002, at least two commissioners, shall have been engaged in the practice of law in the State of Nebraska for at least five years, which may include prior service as a judge, and shall be currently admitted to practice before the Nebraska Supreme Court.

(5) No commissioner or employee of the commission shall hold any position of profit or engage in any occupation or business interfering with or inconsistent with his or her duties as a commissioner or employee. A person is not eligible for appointment and may not hold the office of commissioner or be appointed by the commission to or hold any office or position under the commission if he or she holds any official office or position.

(6) (a) Each commissioner who meets the requirements of subsection (4) of this section on or after January 1, 2002, shall annually attend a seminar or class of at least two days' duration that is:

(i) Sponsored by a recognized assessment or appraisal organization, in each of these areas: Utility and railroad appraisal; appraisal of complex industrial properties; appraisal of other hard to assess properties; and mass appraisal, residential or agricultural appraisal, or assessment administration; or

(ii) Pertaining to management, law, civil or administrative procedure, or other knowledge or skill necessary for performing the duties of the office.

(b) Each commissioner who does not meet the requirements of subsection (4) of this section on or after January 1, 2002, shall within two years after his or her appointment attend at least thirty hours of instruction that constitutes training for judges or administrative law judges.

(7) The commissioners shall be considered employees of the state for purposes of sections 81-1320 to 81-1328 and 84-1601 to 84-1615.

(8) The commissioners shall be reimbursed as prescribed in sections 81-1174 to 81-1177 for their actual and necessary expenses in the performance of their official duties pursuant to the Tax Equalization and Review Commission Act.

Sec. 26. Section 81-885, Revised Statutes Supplement, 2009, is amended to read:

81-885 Sections 81-885 to 81-885.55 and section 28 of this act shall be known and may be cited as the Nebraska Real Estate License Act.

Sec. 27. Section 81-885.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-885.01 For purposes of the Nebraska Real Estate License Act, unless the context otherwise requires:

(1) Real estate means and includes condominiums and leaseholds, as well as any other interest or estate in land, whether corporeal, incorporeal, freehold, or nonfreehold, and whether the real estate is situated in this state or elsewhere;

(2) Broker means any person who, for any form of compensation or consideration or with the intent or expectation of receiving the same from another, negotiates or attempts to negotiate the listing, sale, purchase, exchange, rent, lease, or option for any real estate or improvements thereon, or assists in procuring prospects or holds himself or herself out as a referral agent for the purpose of securing prospects for the listing, sale, purchase, exchange, renting, leasing, or optioning of any real estate or collects rents or attempts to collect rents, gives a broker's price opinion or comparative market analysis, or holds himself or herself out as engaged in any of the foregoing. Broker also includes any person: (a) Employed, by or on behalf of the owner or owners of lots or other parcels of real estate, for any form of compensation or consideration to sell such real estate or any part thereof in lots or parcels or make other disposition thereof; (b) who auctions, offers, attempts, or agrees to auction real estate; or (c) who buys or offers to buy or sell or otherwise deals in options to buy real estate;

(3) Associate broker means a person who has a broker's license and who is employed by another broker to participate in any activity described in subdivision (2) of this section;

(4) Designated broker means an individual holding a broker's license who has full authority to conduct the real estate activities of a real estate

business. In a sole proprietorship, the owner, or broker identified by the owner, shall be the designated broker. In the event the owner identifies the designated broker, the owner shall file a statement with the commission subordinating to the designated broker full authority to conduct the real estate activities of the sole proprietorship. In a partnership, limited liability company, or corporation, the partners, limited liability company members, or board of directors shall identify the designated broker for its real estate business by filing a statement with the commission subordinating to the designated broker full authority to conduct the real estate activities of the partnership, limited liability company, or corporation. The designated broker shall also be responsible for supervising the real estate activities of any associate brokers or salespersons;

(5) Inactive broker means an associate broker whose license has been returned to the commission by the licensee's broker, a broker who has requested the commission to place the license on inactive status, a new licensee who has failed to designate an employing broker or have the license issued as an individual broker, or a broker whose license has been placed on inactive status under statute, rule, or regulation;

(6) Salesperson means any person, other than an associate broker, who is employed by a broker to participate in any activity described in subdivision (2) of this section;

(7) Inactive salesperson means a salesperson whose license has been returned to the commission by the licensee's broker, a salesperson who has requested the commission to place the license on inactive status, a new licensee who has failed to designate an employing broker, or a salesperson whose license has been placed on inactive status under statute, rule, or regulation;

(8) Person means and includes individuals, corporations, partnerships, and limited liability companies, except that when referring to a person licensed under the act, it means an individual;

(9) Subdivision or subdivided land means any real estate offered for sale and which has been registered under the Interstate Land Sales Full Disclosure Act, 82 Stat. 590 and following, 15 U.S.C. 1701 and following, as such act existed on January 1, 1973, or real estate located out of this state which is divided or proposed to be divided into twenty-five or more lots, parcels, or units;

(10) Subdivider means any person who causes land to be subdivided into a subdivision for himself, herself, or others or who undertakes to develop a subdivision but does not include a public agency or officer authorized by law to create subdivisions;

(11) Purchaser means a person who acquires or attempts to acquire or succeeds to an interest in land;

(12) Commission means the State Real Estate Commission;

(13) Broker's price opinion means an analysis, opinion, or conclusion prepared by a person licensed under the Nebraska Real Estate License Act in the ordinary course of his or her business relating to the price of specified interests in or aspects of identified real estate or identified real property for the purpose of (a) listing, purchase, or sale or (b) originating, extending, renewing, or modifying a loan in a transaction other than a federally related transaction;

(14) Comparative market analysis means an analysis, opinion, or conclusion prepared by a person licensed under the act in the ordinary course of his or her business relating to the price of specified interests in or aspects of identified real estate or identified real property by comparison to other real property currently or recently in the marketplace for the purpose of (a) listing, purchase, or sale or (b) originating, extending, renewing, or modifying a loan in a transaction other than a federally related transaction;

(15) Distance education means courses in which instruction does not take place in a traditional classroom setting, but rather through other media by which instructor and student are separated by distance and sometimes by time; and

(16) Regulatory jurisdiction means a state, district, or territory of the United States, a province of Canada or a foreign country, or a political subdivision of a foreign country, which has implemented and administers laws regulating the activities of a broker;—

(17) Federal financial institution regulatory agency means (a) the Board of Governors of the Federal Reserve System, (b) the Federal Deposit Insurance Corporation, (c) the Office of the Comptroller of the Currency, (d) the Office of Thrift Supervision, (e) the National Credit Union Administration, or (f) the successors of any of those agencies; and

(18) Federally related transaction means a real-estate-related transaction that (a) requires the services of an appraiser and (b) is



engaged in, contracted for, or regulated by a federal financial institution regulatory agency.

Sec. 28. (1) The Real Property Appraiser Act shall not apply to a person licensed under the Nebraska Real Estate License Act who, in the ordinary course of his or her business, gives a broker's price opinion or comparative market analysis, except that such opinion or analysis shall not be referred to as an appraisal.

(2) No compensation, fee, or other consideration shall be charged for a broker's price opinion or comparative market analysis other than a real estate commission or brokerage fee charged or paid for brokerage services rendered in connection with the sale of the real estate involved unless the opinion or analysis is in writing, is signed by the preparer, includes the date on which it was prepared, and contains or has attached thereto the following disclosure in bold fourteen-point type: This opinion or analysis is not an appraisal. It is intended only for the benefit of the addressee for the purpose of assisting buyers or sellers or prospective buyers or sellers in deciding the listing, offering, or sale price of the real property or for lending purposes in a transaction other than a federally related transaction. This opinion or analysis is not governed by the Real Property Appraiser Act.

(3) A broker's price opinion or comparative market analysis prepared for an existing or potential lienholder originating, extending, renewing, or modifying a loan in a transaction other than a federally related transaction may not be used as the sole basis to determine the value of the real estate for the purpose of originating a loan secured by such real estate, and the person giving the opinion or analysis must be engaged directly by the lienholder or its agent. Such person shall have no duty to inquire as to any other basis used to determine such value.

Sec. 29. Original sections 76-2202, 76-2206, 76-2213, 76-2213.01, 76-2216, 76-2221, 76-2223, 76-2225, 76-2228, 76-2228.01, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2240, 76-2241, 76-2249, 77-5004, and 81-885.01, Reissue Revised Statutes of Nebraska, and section 81-885, Revised Statutes Supplement, 2009, are repealed.

Sec. 30. The following sections are outright repealed: Sections 76-2207, 76-2209, and 76-2211, Reissue Revised Statutes of Nebraska.

Sec. 31. Since an emergency exists, this act takes effect when passed and approved according to law.