

One Hundred Sixth Legislature - Second Session - 2020

Introducer's Statement of Intent

LB775

Chairperson: Senator Matt Williams

Committee: Banking, Commerce and Insurance

Date of Hearing: January 27, 2020

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB775 is introduced at the request of the Nebraska Real Property Appraiser Board. The purpose of LB775 is to update the Nebraska Real Property Appraiser Act for compliance with Title XI of the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Uniform Standards of Professional Appraisal Practice, and the Policy Statements of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. Title XI requires each state to prescribe appropriate standards for the performance of real estate appraisals in connection with federally related transactions. In addition, real estate appraisals are to be performed in accordance with generally accepted uniform appraisal standards, and are to be performed by an individual whose competency has been demonstrated, and whose professional conduct is subject to effective state supervision.

Along with the changes required by the Appraisal Subcommittee, USPAP, and the ASC Policy Statements, LB775 also includes non-substantive changes to address administration of the Act. If the State of Nebraska is found to not be in compliance with Title XI by the Appraisal Subcommittee, the Appraisal Subcommittee may remove all Nebraska credentialed appraisers from the Federal Registry, resulting in no appraisers qualified to appraise real property in connection with federally related transactions. Such action would have a substantial negative impact on the mortgage loan activity in Nebraska.

Principal Introducer: _____

Senator Matt Williams