

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(See below)		(See below)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

Under current law, real estate brokers who give a price opinion or market analysis for a fee are not required to hold appraiser credentials if the written report is only used by buyers and sellers or prospective buyers and sellers in deciding the listing, offering, or sale price of the real property. LB 818 would expand this exemption under the Real Property Appraiser Act to allow a price opinion or market analysis to be used by lenders and borrowers or prospective lenders and borrowers to obtain financing in certain transactions.

The **Nebraska Real Property Appraiser Board** has indicated that this bill could significantly reduce their revenue from credential (licensure) fees. This is based on the assumption that since real estate brokers will now be able to produce reports for lenders and borrowers that previously only a credentialed appraiser could produce, the income of the individual appraiser will decline as they lose a certain amount of business. This in turn may force some appraisers out of business. There is no basis to disagree with this assumption, but it is not possible to predict with any certainty how many appraisers will go out of business and not seek a renewal of their credentials. Any cash fund revenue loss is unknown at this time.

The **Nebraska Real Estate Commission** was contacted by phone and they indicated that LB 818 would not have a fiscal impact on their expenditures or revenues.