

# **Explanation for Why the Nebraska Real Property Appraiser Board Believes that the Occupational Regulations Overseen by the NRPAB have been Effective**

The mission of the Nebraska Real Property Appraiser Board is to administer and enforce the Nebraska Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act with efficiency, equity, and integrity, to not only ensure that the citizens of Nebraska are protected and served, but also that the appraisal business community is highly qualified through education, experience, and examination. The Board generates interest in the real property appraiser industry by promoting the appraiser profession in schools and colleges, building positive public awareness of the industry throughout the state, and identifies and resolves issues faced by the public and appraisal business community. The Board has successfully administered its program, resulting in the Nebraska Real Property Appraiser Board being an asset to the appraiser community and the general public. The board continues to find ways to develop new real property appraisers while removing barriers to entry into the profession.

The Board has evolved into a strategic results-based agency, and the Board's goals and objectives are typically set each year at its annual strategic planning meeting held in June and evaluated throughout the fiscal year. The Board's success can be attributed to setting objectives that are in the best interest of the appraiser community, carrying out those objectives, and then continuing to monitor the results. The following general objectives are paramount to the Board's program success:

## **Federal Compliance**

The Board is required to comply with federal requirements set forth by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, Title XI of FIRREA, and the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Board was last audited by the Appraisal Subcommittee on March 11-13 of 2025 and received a rating of "Excellent" for both the Appraiser Program and the AMC Program. The Appraisal Subcommittee found no weaknesses in the state's regulatory programs. This was the State of Nebraska's third rating of excellent in a row for both the Appraiser Program and the AMC Program. The Board's next audit will take place in 2027. The Board will continue to implement and monitor policies and procedures that ensure compliance with federal requirements.

## **Administration of the Real Property Appraiser Act and Appraiser Management Company Registration Act**

The Board continuously strives to administer the Nebraska Real Property Appraiser Act and the Nebraska Appraisal Management Company Registration Act with efficiency, equity, and integrity. The Board will continue to review processes and procedures related to administering and enforcing the Nebraska Real Property Appraiser Act and the Nebraska Appraisal Management Company Registration Act.

The following objectives met by the Board each year are essential to program success:

- Residential and reciprocal credentials are issued in a timely manner to individuals qualified to serve the public.
- Credentialed appraisers meet all continuing education requirements for renewal, and that each appraiser submits appropriate documentation in support of his or her continuing education activities.

- In the absence of disciplinary or other issues, temporary real property appraiser credentials are issued within 48 hours of the application being received at the Board's office.
- Appraisal management companies that will operate with integrity and respect for the citizens and appraisers in the State of Nebraska are registered in a timely manner.
- Grievances are resolved in an efficient manner that includes respect for the respondent's due process rights and a thorough investigation. The intent of the Board's regulatory program is to be educational in practice when possible.
- Continuing education offerings and instructors that improve the quality of appraisers in the state are approved for public consumption.
- Qualifying education courses that help prepare an individual for success once credentialed are approved for public consumption.
- Barriers for entry into the real property appraiser profession, for registration as an appraisal management company, for renewal of real property appraiser credentials, and renewal of appraisal management company registrations, are identified and removed.

Finally, as another measure of the Board's administration of its program, the Federal Bureau of Investigation completed a review of the Board's Criminal History Record Check program in conjunction with its audit of the Nebraska State Patrol. The FBI found no issues with the Board's program.

## **Board Policies and Procedures**

The process of reviewing and updating the Board's policies and procedures is an ongoing objective, and the Board continues to improve the agency's operations efficiency through evaluation of policies and procedures and measuring the effectiveness of the agency's functions.

## **Credentialing**

The average age of a real property appraiser is approximately 55 years old. Although an adequate number of real property appraisers currently exist in Nebraska, the Board continues to build awareness of the profession amongst younger generations and continues to explore opportunities to promote the appraiser profession, encourage college students to consider a career as an appraiser, and increase the number of appraisers credentialed in Nebraska. The Board worked with the University of Nebraska at Omaha Real Estate Degree Program to establish criteria for colleges and universities with AQB approved degree programs to apply to have individual qualifying education courses approved. This would allow students in an AQB approved degree program apply to become a Trainee Real Property Appraiser while still in school, which would allow the student to begin working in the industry and obtaining appraisal experience before their degree is finished. The Board is also in the process of developing a program utilizing Appraisal Subcommittee SARAS grant funds to relieve the financial strain on aspiring real property appraisers and supervisory real property appraisers. Finally, the Real Property Appraiser Qualifications Criteria establishes the qualifications for entry into the real property appraiser profession. The Board implements only the minimum requirements of the Real Property Appraiser Qualifications Criteria to ensure that the regulations in Nebraska pertaining to real property appraiser credentialing are not overly burdensome.

## **Compliance**

The Board has established processes and procedures to ensure that investigations are effective, efficient, and reduce the burden placed on the respondent. In 2018, the compliance procedures were updated to streamline the initial review process. Now the Board receives the grievance, supporting documentation, the respondent's response, and the respondent's report and workfile. The additional information received allows the Board to dismiss a grievance prior to investigation if there is no evidence of a violation. This relieves the stress of the respondent and saves the Board investigative costs for an investigation that would be dismissed anyway. The Board has also established that the intent of its compliance program is to be educational in nature when possible. The Board intends to continue monitoring the efficiency and effectiveness of the compliance program.

## **Education**

The Board has established policies and procedures to ensure that education activities are approved in accordance with federal requirements. In addition, the Board has established policies and procedures for the review and acceptance of education activities completed by Nebraska credentialed appraisers that reside in other jurisdictions, if the activities are approved by the appraiser regulatory agency in that jurisdiction, to reduce the education burden for those Nebraska credentialed appraisers that reside in another state. The Board intends to continue monitoring the efficiency and effectiveness of the education program.

## **Financial**

It is important to the Board that it is a good steward of public money. A strong measure of the Board's accounting practices and procedures, and use of the Appraiser Fund and Appraisal Management Company Registration Fund is provided by the Nebraska State Auditor of Public Accounts. The APA completed its last audit of the Board's finances in March and April of 2020, for the period July 1, 2018, through December 31, 2019. The Board receives direct feedback from the APA regarding the performance of the Board's accounting practices and procedures. The APA listed no material issues or deficiencies in the April 15, 2020 Attestation Report. The lack of material issues or deficiencies found by the APA is an indicator of the quality of the Board's accounting practices and procedures, and the proper use of the Appraiser Fund and AMC Registration Fund. In addition, the lack of material issues or deficiencies indicates that the Board is administering its programs in a responsible manner. The Board will strive to maintain its current accounting practices and procedures.

The Appraisal Subcommittee makes awards through SARAS Grants to support the efforts of eligible state agencies to comply with Title XI. On September 3, 2024, the Board submitted its first ever application to the ASC for a SARAS Grant through the end of Fiscal Year 2026-27. The Board received a Notice of Grant Award in the amount of \$58,033.00 for Fiscal Year 2024-25 that includes an approved budget for the Director's attendance of, and travel to and from, the 2024 Fall AARO Conference; attendance of the 2025 Spring AARO Conference; and to migrate temporary real property appraiser applications online. The online temporary real property appraiser application and NRPAB Database has been successfully completed.

On July 8, 2025, the Board received a Notice of Grant Award in the amount of \$119,242.00 for Fiscal Year 2025-26 that includes an approved budget for the Director's attendance of, and travel to and from, the 2025 Fall AARO Conference; attendance of the 2026 Spring AARO Conference; and to monitor and fix bugs and functional issues for the Online Temporary Real Property Appraiser Credential Application and NRPAB Database interface put in production in July of 2025, develop the Online Real Property Appraiser Credential by Reciprocity Application and NRPAB Database interface enhancement and put into production, and develop the Online Education Provider Application Submission Portal and NRPAB Database interface enhancement. Utilization of federal SARAS grant funds allows the Board to reach its technology and travel goals, while reducing the financial burden on the state's real property appraisers and registered AMCs. The Board intends to utilize federal grant money for large technology projects and AARO travel as long as the Appraisal Subcommittee makes funds available.

### **Legislative**

The Board updates the Real Property Appraiser Act, Appraisal Management Company Registration Act, and Title 298 of the Rules and Regulations as needed to stay current with federal requirements and address issues faced by the Board. The Board intends to continue with this process to keep the laws and rules that govern real property appraisal practice and appraisal management services current and compliant with federal requirements.

### **Public Information**

The Board publishes a quarterly newsletter named "The Nebraska Appraiser," and communicates with credential holders, appraisal management companies, and the general public through other means such as LISTSERV emails called "Memos From the Board," and the agency's Facebook page. The Board will continue to disseminate relevant and important information to credential holders, appraisal management companies, and the general public in an effective and efficient manner.

### **Technology**

All the information for applicants, credential holders, appraisal management companies, enforcement, education, and instructors is incorporated into one database, and the database includes an increasing number of interactive functions through the Appraiser Login and AMC Login portals for real property appraisers and AMCs to access. The Education Submission Portal, online real property appraiser renewal application, online AMC renewal application, online temporary real property appraiser credential application, and online application for a real property appraiser credential through reciprocity located within the Appraiser Login are perfect examples. This portal allows all Nebraska real property appraisers and AMCs to submit the above-mentioned applications, and for real property appraisers to submit continuing education activities at any time during the year, auxiliary application documents, and make real property appraiser credentialing fee payments. This portal also feeds into the NRPAB Database, which is used by staff to review and approve submissions. The NRPAB Database, Appraiser Login, and AMC Login greatly reduce the staff's workload during heavy renewal season volume and increase the efficiency and accuracy of the record keeping process.

The Board also uses the OBIEE software for extracting relevant and important information from the database, and to create reports to help better understand data and trends. The Board's computer and printing equipment are also updated to remain current with relevant technology. In order to better reach Nebraska credentialed appraisers, appraisal management companies, and the public, the Board operates a website and Facebook page. Finally, the Board has expanded its videoconferencing capabilities to better serve Nebraska credentialed appraisers, appraisal management companies, and the public. The Board will continue to develop and improve technology tools to maximize operations efficiency and better serve Nebraska credentialed appraisers, appraisal management companies, and the public.

Effective occupational regulations provide protection to the public against systematic information shortfall and provide a platform for adequate guidance to be provided to the public, mitigating the potential risk of present, significant, and substantiated harms. Proper regulation of the real property appraiser profession and the appraisal management company industry allow for a reasonable consumer to distinguish between the quality of those providing real property appraisal or appraisal management company services and allows for an adequate number of qualified real property appraisers and appraisal management companies available to provide such services. In addition, effective occupational regulations are required for the State of Nebraska to maintain compliance with Title XI, the Real Property Appraiser Qualifications Criteria, Uniform Standards of Professional Appraisal Practice, and the ASC Policy Statements.

If the regulations governing real property appraiser practice and appraisal management company services in Nebraska were ineffective, all Nebraska credentialed appraisers and/or appraisal management companies may be removed from the Federal Appraiser Registry or AMC Registry. Such action by the Appraisal Subcommittee would result in no appraisers qualified to appraise real property in connection with federally related transactions; or no appraisal management companies to provide appraisal management services to creditors or to secondary mortgage market participants, including affiliates; or provide appraisal management services in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating such transactions into securitizations. Such action would have a substantial negative impact on the mortgage loan activity in Nebraska. Finally, ineffective regulations may result in no real property appraisers eligible to appraise real property in connection with federally related transactions.

The Nebraska Real Property Appraiser Board has categorically laid out its criteria for administering and monitoring the effectiveness of its program. Based on the success of meeting its criteria each year, the effectiveness of the mortgage loan industry in Nebraska, and by the public's perception of the Board, the Board's regulations are effective and serve the best interests of the public.