

LEGISLATIVE BILL 741

Approved by the Governor April 11, 2018

Introduced by Lindstrom, 18.

A BILL FOR AN ACT relating to the Real Property Appraiser Act; to amend sections 76-2201, 76-2202, 76-2203, 76-2205.02, 76-2207.01, 76-2207.02, 76-2207.03, 76-2207.04, 76-2207.05, 76-2207.06, 76-2207.07, 76-2207.08, 76-2207.09, 76-2207.10, 76-2207.11, 76-2207.12, 76-2207.13, 76-2207.14, 76-2207.15, 76-2207.16, 76-2215, 76-2216.02, 76-2218.02, 76-2219.01, 76-2220, 76-2221, 76-2222, 76-2227, 76-2233, 76-2233.03, 76-2236, 76-2236.01, 76-2238, 76-2245, 76-2246, and 76-2247.01, Revised Statutes Cumulative Supplement, 2016; to change intent; to define and redefine terms; to eliminate provisions relating to real property associates; to change provisions relating to the Real Property Appraiser Board, credentials, reciprocity, continuing education, and disciplinary action; to harmonize provisions; to repeal the original sections; to outright repeal sections 76-2216.01 and 76-2227.01, Revised Statutes Cumulative Supplement, 2016; and to declare an emergency.

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

Section 1. Section 76-2201, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2201 Sections 76-2201 to 76-2250 and sections 6 to 21 of this act shall be known and may be cited as the Real Property Appraiser Act.

Sec. 2. Section 76-2202, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2202 The Legislature finds that as a result of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, ~~as the act existed on January 1, 2016,~~ and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Nebraska's laws providing for regulation of real property appraisers require restructuring and updating in order to comply with such acts. Compliance with the acts 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 such acts.

Sec. 3. Section 76-2203, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2203 For purposes of the Real Property Appraiser Act, the definitions found in sections 76-2203.01 to 76-2219.02 and sections 6 to 21 of this act shall be used.

Sec. 4. Section 76-2205.02, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2205.02 Appraisal review assignment means (1) as a noun, the act or process of developing and communicating an opinion about the quality of a real property appraiser's work that was performed as part of a valuation assignment, or evaluation assignment, or appraisal review assignment or (2) as an adjective, of or pertaining to an opinion about the quality of another appraiser's work that was performed as part of a valuation assignment, evaluation assignment, or appraisal review assignment.

Sec. 5. Section 76-2207.01, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2207.01 Assignment means a (1) an agreement between a real property appraiser or real property associate and a client to perform a valuation service or (2) the valuation service that is performed by an appraiser as a consequence of such an agreement with a client.

Sec. 6. Assignment results means the opinions or conclusions developed by a real property appraiser when performing valuation services specific to an assignment not limited to value for an appraisal assignment, and not limited to an opinion about the quality of another appraiser's work for an appraisal review assignment.

Sec. 7. Section 76-2207.02, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.02~~ Board means the Real Property Appraiser Board.

Sec. 8. Section 76-2207.03, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.03~~ Certified general real property appraiser means a person who holds a valid credential as a certified general real property appraiser issued under the Real Property Appraiser Act.

Sec. 9. Section 76-2207.04, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.04~~ Certified real property appraiser means a person who holds a valid credential as a certified general real property appraiser or a valid credential as a certified residential real property appraiser issued under the Real Property Appraiser Act.

Sec. 10. Section 76-2207.05, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.05~~ Certified residential real property appraiser means a person who holds a valid credential as a certified residential real property appraiser

issued under the Real Property Appraiser Act.

Sec. 11. Section 76-2207.06, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.06~~ Client means the person or persons who engage, by employment or contract, a real property appraiser or ~~real property associate~~ in a specific assignment. The client may engage and communicate with the appraiser directly or through an agent.

Sec. 12. Section 76-2207.07, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.07~~ Completed application means an application for credentialing has been processed, all statutory requirements for a credential to be awarded have been met by the applicant, and all required documentation is submitted to the board for final consideration.

Sec. 13. Section 76-2207.08, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.08~~ Complex residential real property means residential property in which the property to be appraised, the form of ownership, or the market conditions are complicated or atypical.

Sec. 14. Section 76-2207.09, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.09~~ Credential means a registration, license, or certificate.

Sec. 15. Section 76-2207.10, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.10~~ Credential holder means (1) any person who holds a valid credential ~~(a) as a real property associate or (b) as a trainee~~ real property appraiser, licensed real property appraiser, certified residential real property appraiser, or certified general real property appraiser and (2) any person who holds a temporary permit to engage in real property appraisal activity within this state.

Sec. 16. Section 76-2207.11, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.11~~ Education provider means: Any person; organization; proprietary school; accredited degree-awarding community college, college, or university; or state or federal agency that provides appraiser qualifying or continuing training or education.

Sec. 17. Section 76-2207.12, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.12~~ Evaluation assignment means an assignment that relates to the nature, quality, or utility of identified real estate or identified real property and typically does not include an opinion of value. Evaluation assignment does not include reports prepared by experts from professional disciplines other than real property appraisal such as: A soil test or soil analysis of identified real estate prepared by a civil engineer; a title opinion or zoning analysis of identified real estate prepared by a lawyer; an architectural analysis of identified improved real estate prepared by an architect; and a property management analysis of identified improved real estate prepared by a property manager or property management consultant.

Sec. 18. Section 76-2207.13, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.13~~ Fifteen-hour National Uniform Standards of Professional Appraisal Practice Course means the course as approved by the Appraiser Qualifications Board ~~as of January 1, 2016, or the equivalent of the course as approved by the Real Property Appraiser Board.~~

Sec. 19. Section 76-2207.14, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.14~~ Financial Institutions Reform, Recovery, and Enforcement Act of 1989 means the act as it existed on January 1, 2018 ~~2016~~.

Sec. 20. Section 76-2207.15, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.15~~ Instructor means a person approved by the board that meets or exceeds the instructor requirements specified in the Real Property Appraiser Act and rules and regulations of the board and is responsible for ensuring that the education activity content is communicated to the activity's audience as presented to the board for approval and that the education activity contributes to the quality of real property valuation services provided to the public. A person that communicates assigned materials or a portion of the education activity content under the authorization of the education provider, but is not responsible for the education activity content, is not an instructor.

Sec. 21. Section 76-2207.16, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2207.16~~ Jurisdiction means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

Sec. 22. Section 76-2215, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2215~~ Real property appraisal activity means any act or process involved in developing an analysis, opinion, or conclusion relating to the ~~value~~ of specified interests in or aspects of identified real estate or identified real property. Real property appraisal activity includes, but is not limited to, evaluation assignments, valuation assignments, and appraisal review assignments.

Sec. 23. Section 76-2216.02, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2216.02 Report means any communication, written, oral, or by electronic means, of an appraisal or appraisal review that is transmitted to the client or a party authorized by the client upon completion of an assignment. Testimony related to an appraisal or appraisal review is deemed to be an oral report.

Sec. 24. Section 76-2218.02, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2218.02 Uniform Standards of Professional Appraisal Practice means the standards adopted and promulgated by The Appraisal Foundation as the standards existed on January 1, 2018.

Sec. 25. Section 76-2219.01, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2219.01 Valuation services means all services pertaining to aspects of property value, including services performed by both real property appraisers and real property associates.

Sec. 26. Section 76-2220, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2220 (1) Except as provided in section 76-2221, it shall be unlawful for anyone to act as a real property appraiser or real property associate in this state without first obtaining proper credentialing as required under the Real Property Appraiser Act.

(2) Except as provided in section 76-2221, any person who, directly or indirectly for another, offers, attempts, or agrees to perform any act described in section 76-2216 shall be deemed a real property appraiser and any person who, directly or indirectly for another, offers, attempts, or agrees to perform any act described in section 76-2216.01 shall be deemed a real property associate, within the meaning of the Real Property Appraiser Act, and such action shall constitute sufficient contact with this state for the exercise of personal jurisdiction over such person in any action arising out of such act. Committing a single act described in such sections by a person required to be credentialed under the Real Property Appraiser Act and not so credentialed shall constitute a violation of the act for which the board may impose sanctions pursuant to this section for the protection of the public health, safety, or welfare.

(3) The board may issue a cease and desist order against any person who violates this section by performing any action described in section 76-2216 or 76-2216.01 without the appropriate credential. Such order shall be final ten days after issuance unless such person requests a hearing pursuant to section 76-2240. The board may, through the Attorney General, obtain an order from the district court for the enforcement of the cease and desist order.

Sec. 27. Section 76-2221, Revised Statutes Cumulative Supplement, 2016, 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 this 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 a 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 is a credentialed real property appraiser and who does not sign a 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 referred to in subsection (1) of section 81-885.16;

(3) Any person who provides assistance (a) in obtaining the data upon which an appraisal is based, (b) in the physical preparation of a 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 report;

(4) Any owner of real estate, employee of the owner, or attorney licensed to practice law in this state 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 this state 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 this state 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;

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

(8) Any person who is appointed to serve as an appraiser pursuant to section 76-706, except that if such person is a credential holder, he or she shall (a) be subject to the scope of practice applicable to his or her classification of credential and (b) comply with the Uniform Standards of Professional Appraisal Practice, excluding standards 1 through 10; or

(9) Any person, including an independent contractor, retained by a county to assist in the appraisal of real property as performed by the county assessor of such county subject to the standards established by the Tax Commissioner pursuant to section 77-1301.01. A person so retained shall be under the direction and responsibility of the county assessor.

Sec. 28. Section 76-2222, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2222 (1) The Real Property Appraiser Board is hereby created. The board shall consist of five members. One member who is a certified real property appraiser shall be selected from each of the three congressional districts, and two members shall be selected at large. The two members selected at large shall include one representative of financial institutions and one licensed real estate broker who also holds a credential as a licensed or certified real property appraiser. The Governor shall appoint the members of the board. ~~The members shall be appointed so that the membership of the board selected from the congressional districts includes at least two certified real property appraisers.~~

(2) The term of each member of the board shall be five years. Upon the expiration of his or her term, a member of the board shall continue to hold office until the appointment and qualification of his or her successor. No person shall serve as a member of the board for consecutive terms. Any vacancy shall be filled in the same manner as the original appointment. The Governor may remove a member for cause.

(3) The members of the board shall elect a chairperson during the first meeting of each year from among the members.

(4) Three members of the board shall constitute a quorum.

(5) Each member of the board shall receive a per diem of one hundred dollars per day (a) for each scheduled meeting of the board or a committee of the board at which the member is present and (b) actually spent in traveling to and from and attending meetings and conferences of the Association of Appraiser Regulatory Officials and its committees and subcommittees or of ~~The~~ the Appraisal Foundation and its committees and subcommittees, board committee meetings, or other business as authorized by the board.

(6) Each member of the board shall be reimbursed for actual and necessary expenses incident to the performance of his or her duties under the Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act as provided in sections 81-1174 to 81-1177.

Sec. 29. Section 76-2227, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2227 (1) Applications for initial credentials, upgrade of credentials, credentials through reciprocity, temporary credentials, and renewal of credentials, including authorization to take the appropriate examination, shall be made in writing to the board on forms approved by the board. The payment of the appropriate fee in an amount established by the board pursuant to section 76-2241 shall accompany all applications.

(2) Applications for credentials shall include the applicant's social security number and such other information as the board may require.

(3) At the time of filing an application for a credential, the applicant shall sign a pledge that he or she has read and will comply with the Uniform Standards of Professional Appraisal Practice. Each applicant shall also certify that he or she understands the types of misconduct for which disciplinary proceedings may be initiated.

(4) To qualify for an initial credential, an upgrade of a credential, a credential through reciprocity, a temporary credential, or a renewal of a credential, an applicant shall:

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

(b) Certify that he or she has not surrendered an appraiser credential, or any other registration, license, or certification, issued by any other regulatory agency or held in any other jurisdiction, in lieu of disciplinary

action pending or threatened within the five-year period immediately preceding the date of application;

(c) Certify that his or her appraiser credential, or any other registration, license, or certification, issued by any other regulatory agency or held in any other jurisdiction, has not been revoked or suspended within the five-year period immediately preceding the date of application;

(d) Not have been convicted of, including a conviction based upon a plea of guilty or nolo contendere:

(i) Any felony or, if so convicted, has had his or her civil rights restored;

(ii) Any crime of fraud, dishonesty, breach of trust, money laundering, misrepresentation, or deceit involving real estate, financial services, or in the making of an appraisal within the five-year period immediately preceding the date of application; or

(iii) Any other crime which is related to the qualifications, functions, or duties of a real property appraiser within the five-year period immediately preceding the date of application;

(e) Certify that no civil judicial actions, including dismissal with settlement, in connection with real estate, financial services, or in the making of an appraisal have been brought against him or her within the five-year period immediately preceding the date of application;

(f) Demonstrate character and general fitness such as to command the confidence and trust of the public; and

(g) Not possess a background that would call into question public trust or a credential holder's fitness for credentialing.

(5) Credentials shall be issued only to persons who have a good reputation for honesty, trustworthiness, integrity, and competence to perform assignments in such manner as to safeguard the interest of the public and only after satisfactory proof of such qualification has been presented to the board upon request and a completed application has been approved.

~~(6) Credentials shall be issued only to persons who have demonstrated a general knowledge of Nebraska law as it pertains to real property appraisal activity.~~

~~(6)~~ (7) No credential shall be issued to a person other than an individual.

Sec. 30. Section 76-2233, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2233 (1) A person currently credentialed to appraise real estate and real property under the laws of another jurisdiction may qualify for obtain a credential through reciprocity as a licensed residential real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser by complying with all of the provisions of the Real Property Appraiser Act relating to the appropriate classification of credentialing.

(2) An applicant under this section may qualify for a credential if ~~If~~, in the determination of the board:

(a) The requirements for credentialing in ~~the~~ applicant's jurisdiction of practice specified in an application for credentialing meet or exceed ~~meets or exceeds~~ the minimum requirements of the Real Property Appraiser Qualification Criteria as adopted and promulgated by the Appraiser Qualifications Board of The Appraisal Foundation; and

(b) The regulatory program of the applicant's jurisdiction of practice specified in an application for credentialing this state, and that jurisdiction is determined to be effective in accordance ~~compliance~~ with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, ~~an applicant of such jurisdiction may, through reciprocity, become credentialed under the Real Property Appraiser Act.~~

(3) The status of an applicant's jurisdiction of practice specified in an application for credentialing through reciprocity shall be verified through the most recent Compliance Review Report issued by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. In the case that findings pertaining to the adoption or implementation of the Real Property Appraiser Qualification Criteria indicate that one or more credentialing requirements do not meet or exceed the Real Property Appraiser Qualification Criteria as promulgated by the Appraiser Qualifications Board of The Appraisal Foundation, the board may request evidence from the jurisdiction of practice or the Appraisal Subcommittee of the Federal Financial Institutions Examination Council showing that progress has been made to mitigate the findings in the Compliance Review Report.

(4) ~~(3)~~ To qualify for a credential through reciprocity, the applicant shall:

(a) Submit two copies of legible ink-rolled fingerprint cards or equivalent electronic fingerprint submissions to the board for delivery to the Nebraska State Patrol in a form approved by both the Nebraska State Patrol and the Federal Bureau of Investigation. A fingerprint-based national criminal history record check shall be conducted through the Nebraska State Patrol and the Federal Bureau of Investigation with such record check to be carried out by the board;

(b) 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; and

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

(5) ~~(4)~~ The credential status of an applicant under this section, including current standing and any disciplinary action imposed against his or her credentials, shall be verified through the National Registry of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

Sec. 31. Section 76-2233.03, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2233.03 (1) A credential holder may request that his or her credential be placed on inactive status for a period not to exceed two years. Such requests shall be submitted to the board on an application form prescribed by the board. The payment of the appropriate fee in an amount established by the board pursuant to section 76-2241 shall accompany all applications for requests of inactive status.

(2) A credential holder whose credential is placed on inactive status shall not:

(a) Assume or use any title, designation, or abbreviation likely to create the impression that such person holds an active credential issued by the board; or

(b) Engage in appraisal practice or real property appraisal activity or act as a credentialed real property appraiser ~~or real property associate~~.

(3) A credential holder whose credential is placed on inactive status may make a request to the board that such credential be reinstated to active status on an application form prescribed by the board. The payment of the appropriate fee in an amount established by the board pursuant to section 76-2241 shall accompany all applications for reinstatement of a credential.

(4) A credential holder's application for reinstatement shall include evidence that he or she has met the continuing education requirements as specified in section 76-2236 while the credential was on inactive status.

(5) If a credential holder's credential expires during the inactive period, an application for renewal of the credential shall accompany the application for reinstatement. All requirements for renewal specified in section 76-2233.02 shall be met, except for the requirement to pay a late processing fee for applications received after November 30 of the designated year.

(6) If a credential holder fails to reinstate his or her credential to active status prior to the completion of the two-year period, his or her credential will return to the status as if the credential was not placed on inactive status. If a credential holder's credential is expired at the completion of the two-year period, the credential holder shall reapply for credentialing and meet the current requirements in place at the time of application.

Sec. 32. Section 76-2236, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2236 (1) 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. The continuing education period begins on January 1 of the next year for any credential holder who first obtained his or her credential at the current level on or after July 1. Hours of satisfactorily completed approved continuing education activities cannot be carried over from one two-year continuing education period to another. Evidence of successful completion of such continuing education activities for the two-year continuing education period, including passing examination if applicable, shall be submitted to the board in the manner prescribed by the board. No continuing education activity shall be less than two hours in duration. A person who holds a temporary credential does not have to meet any continuing education requirements in the Real Property Appraiser Act.

~~(2) No more than fourteen hours of approved continuing education activities in each two-year continuing education period shall be taken online or by correspondence. All online courses shall conform to the Appraiser Qualifications Board's criteria.~~

(2) ~~(3)~~ As prescribed by rules and regulations of the Real Property Appraiser Board and at least once every two years, the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course as approved by the Appraiser Qualifications Board as of January 1, 2016, 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. The seven-hour National Uniform Standards of Professional Appraisal Practice Update Course or an equivalent of the course as approved by the board shall:

~~(a) Be taken in a classroom and not online or by correspondence;~~

~~(a) (b)~~ Be approved by the board as a continuing education activity for the duration the course is approved by the Appraiser Qualifications Board as of January 1, 2016; and

~~(b) (c)~~ Be taught by an instructor certified by the Appraiser Qualifications Board to teach the Uniform Standards of Professional Appraisal Practice and who is a state-certified appraiser in good standing.

~~(4) As prescribed by rules and regulations of the Real Property Appraiser Board and at least once every four years, but not more than every two years, a report writing update course of at least seven hours, as approved by the board,~~

~~shall be included in the continuing education requirement of each credential holder. The report writing update course shall be taken in a classroom and not online or by correspondence.~~

(3) (5) A continuing education activity conducted in another jurisdiction in which the activity is approved to meet the continuing education requirements for renewal of a credential in such other jurisdiction shall be accepted by the board if that jurisdiction has adopted and enforces standards for such continuing education activity that meet or exceed the standards established by the Real Property Appraiser Act and the rules and regulations of the board.

(4) (6) The board may adopt a program of continuing education for individual credentials as long as the program is compliant with the Appraiser Qualifications Board's criteria specific to continuing education.

(5) (7) No more than fourteen hours may be approved by the Real Property Appraiser Board as continuing education in each two-year continuing education period for participation, other than as a student, in appraisal educational processes and programs, which includes teaching, program development, authorship of textbooks, or similar activities that are determined by the board to be equivalent to obtaining continuing education. Evidence of participation shall be submitted to the board upon completion of the appraisal educational process or program. No preapproval will be granted for participation in appraisal educational processes or programs.

(6) (8) Qualifying education, as approved by the board, successfully completed by a credential holder to fulfill the class-hour requirement to upgrade to a higher classification than his or her current classification, shall be approved by the board as continuing education.

(7) (9) Qualifying education, as approved by the board, taken by a credential holder not to fulfill the class-hour requirement to upgrade to a higher classification, shall be approved by the board as continuing education if the credential holder completes the examination.

(8) (10) A board-approved seven-hour supervisory appraiser and trainee course successfully completed by a certified real property appraiser for approval as a supervisory appraiser shall be approved by the board as continuing education no more than once during each two-year continuing education period.

(9) (11) The Real Property Appraiser Board shall approve continuing education activities and instructors which it determines would protect the public by improving the competency of credential holders.

Sec. 33. Section 76-2236.01, Revised Statutes Cumulative Supplement, 2016, is amended to read:

~~76-2236.01 (1)(a) No person other than a real property associate shall assume or use the title real property associate or any title, designation, or abbreviation likely to create the impression of credentialing as a real property associate by this state.~~

(1)(a) (b) 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.

(b) (c) 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.

(c) (d) 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.

(d) (e) 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.

(2) A real property appraiser shall state whether he or she is a licensed residential real property appraiser, certified residential real property appraiser, certified general real property appraiser, or trainee real property appraiser and include his or her board-issued credential number whenever he or she identifies himself or herself as a real property appraiser, including on all reports which are signed individually or as cosigner.

(3) The terms ~~real property associate~~, 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 partnership, limited liability company, firm, or group or in such manner that it might be interpreted as referring to a corporation, partnership, limited partnership, limited liability company, firm, or group or to anyone other than the credential holder. This subsection shall not be construed to prevent a credential holder from signing a report on behalf of a corporation, partnership, limited partnership, limited liability company, firm, or group if it is clear that only the person holds the credential and that the corporation, partnership, limited partnership, limited liability company, firm, or group does not.

Sec. 34. Section 76-2238, Revised Statutes Cumulative Supplement, 2016, 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) Failure 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) Failure to demonstrate character and general fitness such as to command the confidence and trust of the public;

(6) Conviction, including a conviction based upon a plea of guilty or nolo contendere, of any felony unless his or her civil rights have been restored;

(7) Entry of a final civil or criminal judgment against a credential holder, including dismissal with settlement, on grounds of fraud, dishonesty, breach of trust, money laundering, misrepresentation, or deceit involving real estate, financial services, or in the making of an appraisal;

(8) 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;

(9) Performing services as a credentialed real property appraiser ~~or a credentialed real property associate~~ under an assumed or fictitious name;

(10) Paying a finder's fee or a referral fee to any person in connection with the appraisal of real estate or real property or an appraisal review, except that an intracompany payment for business development shall not be considered to be unethical or a violation of this subdivision;

(11) Making a false or misleading statement in that portion of a written report that deals with professional qualifications or in any testimony concerning professional qualifications;

(12) Any violation of the act or any rules and regulations adopted and promulgated pursuant to the act;

(13) Violation of the confidential nature of any information to which a credential holder gained access through employment for evaluation assignments or valuation assignments;

(14) Acceptance of a fee for performing a real property appraisal valuation assignment, ~~or evaluation assignment, or appraisal review 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 an the appraisal or appraisal review;

(15) Failure or refusal to exercise reasonable diligence in developing an appraisal or appraisal review, preparing a report, or communicating a report or assignment results an appraisal;

(16) Negligence or incompetence in developing an appraisal or appraisal review, preparing a report, or communicating a report or assignment results an appraisal, including failure to follow the standards and ethical rules adopted by the board;

(17) Failure to maintain, or to make available for inspection and copying, records required by the board;

(18) Demonstrating negligence, incompetence, or unworthiness to act as a real property appraiser ~~or real property associate~~, whether of the same or of a different character as otherwise specified in this section;

(19) Suspension or revocation of an appraisal credential or a license in another regulated occupation, trade, or profession in this or any other jurisdiction or disciplinary action taken by another jurisdiction that limits the real property appraiser's ability to engage in real property appraisal activity;

(20) Failure to renew or surrendering an appraisal credential or any other registration, license, or certification issued by any other regulatory agency or held in any other jurisdiction in lieu of disciplinary action pending or threatened;

(21) Failure to report disciplinary action taken against an appraisal credential or any other registration, license, or certification issued by any other regulatory agency or held in any other jurisdiction within sixty days of receiving notice of such disciplinary action;

(22) Failure to comply with terms of a consent agreement or settlement agreement;

(23) Failure to submit or produce books, records, documents, workfiles, reports, or other materials requested by the board concerning any matter under investigation;

(24) Failure of an education provider to produce records, documents, reports, or other materials, including, but not limited to, required student attendance reports, to the board;

(25) Knowingly offering or attempting to offer a qualifying or continuing education course or activity as being approved by the board to an appraiser credentialed under the Real Property Appraiser Act, or an applicant, without

first obtaining approval of the activity from the board, except for courses required by an accredited degree-awarding college or university for completion of a degree in real estate, if the college or university had its curriculum approved by the Appraiser Qualifications Board as qualifying education;

(26) Presentation to the Real Property Appraiser 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

(27) Failure to pass the examination.

Sec. 35. Section 76-2245, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2245 No person engaged in real property appraisal activities in this state or acting in the capacity of a real property appraiser or ~~real property associate~~ in this state may bring or maintain any action in any court of this state to collect compensation for the performance of valuation services for which credentialing is required by the Real Property Appraiser Act without alleging and proving that he or she was duly credentialed under the act in this state at all times during the performance of such services.

Sec. 36. Section 76-2246, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2246 Any person required to be credentialed by the Real Property Appraiser Act who engages in real property appraisal activity or who advertises or holds himself or herself out to the general public as a real property appraiser or ~~real property associate~~ in this state without obtaining proper credentialing under the act shall be guilty of a Class III misdemeanor and shall be ineligible to apply for credentialing under the act for a period of one year from the date of his or her conviction of such offense. The board may, in its discretion, credential such person within such one-year period upon application and after an administrative hearing.

Sec. 37. Section 76-2247.01, Revised Statutes Cumulative Supplement, 2016, is amended to read:

76-2247.01 (1) A person may retain or employ a real property appraiser or ~~real property associate~~ credentialed under the Real Property Appraiser Act to perform valuation services. In each case, the valuation services, including any appraisal, appraisal review, and report, shall comply with the Real Property Appraiser Act and the Uniform Standards of Professional Appraisal Practice.

(2) In a valuation assignment, the real property appraiser shall remain an impartial, disinterested third party. When providing an evaluation assignment, the real property appraiser may respond to a client's stated objective but shall also remain an impartial, disinterested third party.

Sec. 38. Original sections 76-2201, 76-2202, 76-2203, 76-2205.02, 76-2207.01, 76-2207.02, 76-2207.03, 76-2207.04, 76-2207.05, 76-2207.06, 76-2207.07, 76-2207.08, 76-2207.09, 76-2207.10, 76-2207.11, 76-2207.12, 76-2207.13, 76-2207.14, 76-2207.15, 76-2207.16, 76-2215, 76-2216.02, 76-2218.02, 76-2219.01, 76-2220, 76-2221, 76-2222, 76-2227, 76-2233, 76-2233.03, 76-2236, 76-2236.01, 76-2238, 76-2245, 76-2246, and 76-2247.01, Revised Statutes Cumulative Supplement, 2016, are repealed.

Sec. 39. The following sections are outright repealed: Sections 76-2216.01 and 76-2227.01, Revised Statutes Cumulative Supplement, 2016.

Sec. 40. Since an emergency exists, this act takes effect when passed and approved according to law.