



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 186

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: January 22, 2007

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

LB 186 is being introduced for the purpose of creating consistency throughout the Real Property Appraiser Act and with requirements of the *Real Property Appraiser Criteria* mandated by the Appraisal Qualifications Board. The focus of the legislation is purely technical in nature with the exception of one addition. As of January 1, 2008, each level of appraisal credential has a scope of practice to which the appraiser must adhere.

Since Nebraska temporarily has the Registered credential that is not recognized at the federal level, the scope of practice for the Registered credential needs to be implemented into statute to stay in compliance with the federal banking agency guidelines. With the implementation of LB 186, Registered appraisers shall be limited to the appraisal of noncomplex property having one, two, three or four residential units having a transaction value of less than \$250,000 and the transaction is a non-lending transaction. If Registered appraisers are completing appraisal assignments for a lending institution, the Rules and Regulations of the OCC are being violated.

Technical aspects of LB 186 include:

- 1) Reference to the Uniform Standards of Professional Appraisal Practice (USPAP) must be changed to January 1, 2007. The current law references the USPAP as it existed January 1, 2006. In July of 2006, USPAP changed and current reference to USPAP is now inaccurate.
- 2) Maintaining consistency by changing references to registration, license, residential certificate and general certificate to each as a credential.
- 3) Striking the reference to Licensed Residential Real Property Appraiser. The credential is issued to Licensed Real Property Appraisers.

Principal Introducer: _____

Senator Chris Langemeier