## LEGISLATURE OF NEBRASKA

## ONE HUNDREDTH LEGISLATURE

# FIRST SESSION

# LEGISLATIVE BILL 186

Introduced By: Langemeier, 23
Read first time: January 9, 2007

Committee: Banking, Commerce and Insurance

#### A BILL

1	FOR	AN	ACT	relat	ing	to	real	pr	operty	y ap	praise	rs;	to	amend
2			secti	ons	76-22	210,	76	5-221	0.01,	76	-2210.	02,	76-	-2213,
3			76-22	13.01,	76-	-2217	7.01,	76	-2226	, 7	6-2228	, 7	6-222	28.01,
4			76-22	29, 76	-2229	.01,	76-	2230,	76-2	2231.0	1, 76-	2232	, 76-	-2233,
5			76-22	33.01,	76-2	241,	76-2	2242,	and	77-50	04, Re	evise	d Sta	atutes
6			Cumul	ative	Suppl	emen	t, 2	006;	to d	hange	provi	sions	s re	lating
7			to c	redent	ialing	g of	rea	al pi	ropert	cy ap	praise	rs;	to ı	update
8			refer	ences;	to	dele	ete	obsol	ete	provi	sions;	to	harr	monize
9			provi	sions;	and	£	to	repea	al	the	origin	nal	sect	cions.
10	Be i	t ena	acted k	by the	peopl	e of	the	State	e of N	Nebras	ka,			

1 Section 1. Section 76-2210, Revised Statutes Cumulative

- 2 Supplement, 2006, is amended to read:
- 3 76-2210. Certified general real property appraiser means a
- 4 person who holds a valid **certificate credential** as a certified
- 5 general real property appraiser issued under the Real Property
- 6 Appraiser Act.
- 7 Sec. 2. Section 76-2210.01, Revised Statutes Cumulative
- 8 Supplement, 2006, is amended to read:
- 9 76-2210.01. Certified real property appraiser means a person
- 10 who holds a valid <u>certificate</u> <u>credential</u> as a certified general
- 11 real property appraiser or a valid <del>certificate</del> <u>credential</u> as a
- 12 certified residential real property appraiser issued under the Real
- 13 Property Appraiser Act.
- 14 Sec. 3. Section 76-2210.02, Revised Statutes Cumulative
- 15 Supplement, 2006, is amended to read:
- 16 76-2210.02. Certified residential real property appraiser
- 17 means a person who holds a valid certificate credential as a
- 18 certified residential real property appraiser issued under the Real
- 19 Property Appraiser Act.
- 20 Sec. 4. Section 76-2213, Revised Statutes Cumulative
- 21 Supplement, 2006, is amended to read:
- 22 76-2213. Licensed real property appraiser <del>or licensed</del>
- 23 residential real property appraiser means a person who holds a valid
- 24 <u>license credential</u> as a licensed real property appraiser <del>or as a</del>
- 25 licensed residential real property appraiser issued under the Real
- 26 Property Appraiser Act.
- 27 Sec. 5. Section 76-2213.01, Revised Statutes Cumulative

- 1 Supplement, 2006, is amended to read:
- 2 76-2213.01. National Uniform Standards of Professional
- 3 Appraisal Practice means the standards promulgated by the Appraisal
- 4 Foundation, as the standards existed on January 1, 2006. 2007.
- 5 Sec. 6. Section 76-2217.01, Revised Statutes Cumulative
- 6 Supplement, 2006, is amended to read:
- 7 76-2217.01. Registered real property appraiser means a
- 8 person who holds a valid registration credential as a registered
- 9 real property appraiser as provided in section 76-2229.01.
- 10 Sec. 7. Section 76-2226, Revised Statutes Cumulative
- 11 Supplement, 2006, is amended to read:
- 12 76-2226. There is hereby created the Real Property Appraiser
- 13 Fund. The board may use the fund for the administration and
- 14 enforcement of the Real Property Appraiser Act and to meet the
- 15 necessary expenditures of the board. The fund shall include a
- 16 sufficient cash fund balance as determined by the board. The expense
- 17 of administering and enforcing the act shall not exceed the money
- 18 collected by the board under the act. Any money remaining in the Real
- 19 Estate Appraiser Fund on July 14, 2006, shall be transferred to the
- 20 Real Property Appraiser Fund on such date. Any money in the fund
- 21 available for investment shall be invested by the state investment
- 22 officer pursuant to the Nebraska Capital Expansion Act and the
- Nebraska State Funds Investment Act.
- 24 Sec. 8. Section 76-2228, Revised Statutes Cumulative
- 25 Supplement, 2006, is amended to read:
- 26 76-2228. (1) Prior to January 1, 2008, there shall be four
- 27 classes of credentials issued to real property appraisers as follows:

1 (a) Registered real property appraiser, which classification
2 shall consist of those persons who meet the requirements for
3 registration set forth in section 76-2229.01;

- 4 (b) Licensed real property appraiser, which classification
  5 shall consist of those persons who meet the requirements for
  6 licensure set forth in section 76-2230;
- 7 (c) Certified residential real property appraiser, which 8 classification shall consist of those persons who meet the 9 requirements for residential certification set forth in section 10 76-2231.01; and
- 11 (d) Certified general real property appraiser, which
  12 classification shall consist of those persons who meet the
  13 requirements for general certification set forth in section 76-2232.
  - (2) On and after January 1, 2008, there shall be five classes of credentials issued to real property appraisers as follows:

14

15

25

26

27

- 16 (a) Trainee real property appraiser, which classification
  17 shall consist of those persons who meet the requirements for
  18 eredentialing set forth in section 76-2228.01;
- 19 (b) Registered real property appraiser, which classification
  20 shall consist of those persons who meet the requirements for
  21 registration set forth in section 76-2229.01;
- (c) Licensed residential real property appraiser, which
  classification shall consist of those persons who meet the
  requirements for licensure set forth in section 76-2230;
  - (d) Certified residential real property appraiser, which classification shall consist of those persons who meet the requirements for residential certification set forth in section

- 1 76-2231.01; and
- 2 (e) Certified general real property appraiser, which
- 3 classification shall consist of those persons who meet the
- 4 requirements for general certification set forth in section 76-2232.
- 5 Sec. 9. Section 76-2228.01, Revised Statutes Cumulative
- 6 Supplement, 2006, is amended to read:
- 7 76-2228.01. (1) On and after January 1, 2008, to qualify
- 8 <u>for a credential</u> as a trainee real property appraiser, an applicant
- 9 shall:
- 10 (a) Be at least nineteen years of age;
- 11 (b) Hold a high school diploma or a certificate of high
- 12 school equivalency or have education acceptable to the board;
- 13 (c) Have successfully completed no fewer than seventy-five
- 14 class hours in board-approved courses of study which relate to
- 15 appraisal and which include completion of the fifteen-hour National
- 16 Uniform Standards of Professional Appraisal Practice Course, or its
- 17 equivalent as approved by the Appraiser Qualifications Board. The
- 18 fifteen-hour course shall be taught by a National Uniform Standards of
- 19 Professional Appraisal Practice Instructor who is certified by the
- 20 Appraiser Qualifications Board and who is a state-certified appraiser
- 21 in good standing. The courses of study shall be conducted by an
- 22 accredited university, college, community college, or junior college,
- 23 an appraisal society, institute, or association, a state or federal
- 24 agency or commission, a proprietary school, or such other educational
- provider as may be approved by the board and shall be, at a minimum,
- 26 fifteen class hours in length. Each course shall include ar
- 27 examination pertinent to the material presented. The applicant shall

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

have completed the class hours within the five-year period immediately preceding submission of the application and shall have completed the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course within the two-year period immediately preceding submission of the application;

- Be subject to direct supervision by a supervising (d) appraiser or appraisers who are certified residential real property appraisers or certified general real property appraisers in good standing. The supervising appraiser shall be responsible for the training and direct supervision of the trainee by accepting responsibility for the appraisal report by signing and certifying the report is in compliance with the National Uniform Standards of Professional Appraisal Practice, reviewing the trainee appraisal reports, and personally inspecting each appraised property with the trainee until the supervising appraiser determines the trainee is competent in accordance with the competency rule of the National Uniform Standards of Professional Appraisal Practice. The trainee shall maintain an appraisal log for each supervising appraiser in accordance with standards set by rule and regulation of the board; and
- (2) If a trainee real property appraiser remains in the classification in excess of two years, the trainee shall be required in the third and successive years to successfully complete no fewer than fourteen hours of instruction in courses or seminars for each year of the period preceding the renewal and shall have completed the seven-hour National Uniform Standards of Professional Appraisal

convicted, have had his or her civil rights restored.

(e) Not have been convicted of any felony or, if

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Practice Update Course, or its equivalent, at a minimum of every two years. The courses of study shall be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

(3) The application for <u>a credential as</u> a trainee real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 10. Section 76-2229, Revised Statutes Cumulative Supplement, 2006, is amended to read:

76-2229. (1) No person other than a registered real property appraiser shall assume or use the title registered real property appraiser or any title, designation, or abbreviation likely to create impression of registration credentialing as registered the а real property appraiser by this state. No person other than a licensed real property appraiser shall assume or use the title licensed real property appraiser or any title, designation, abbreviation likely impression to create the of <del>licensure</del> credentialing a <u>licensed</u> real property appraiser by as this state. 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 residential certification credentialing as a <u>certified residential</u> real property appraiser by this state.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

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 general certification credentialing as a certified general real property appraiser by this state. A real property appraiser shall state whether he or she is a registered real property appraiser, licensed real property appraiser, certified residential real property appraiser, or certified general real property appraiser whenever he or she identifies himself or herself as a real property appraiser, including on all reports which are signed individually or as cosigner.

(2) The terms registered real property appraiser, licensed real property appraiser, <del>licensed residential real property</del> appraiser, certified residential real property appraiser, certified general 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 liability company, firm, or group or in such manner that it might be interpreted as referring to a corporation, partnership, limited liability company, firm, or group or to anyone other than the credential holder. This requirement shall not be construed to prevent a credential holder from signing an appraisal report on behalf of a corporation, partnership, limited liability company, firm, or group if it is clear that only the individual holds the credential and that the corporation, partnership, limited liability company, firm, or group does not.

Sec. 11. Section 76-2229.01, Revised Statutes Cumulative

- 2 Supplement, 2006, is amended to read:
- 3 76-2229.01. (1) For registration To qualify for a
- 4 <u>credential</u> as a <u>registered</u> real property appraiser, an applicant
- 5 shall:
- 6 (a) Be at least nineteen years of age;
- 7 (b) Hold a high school diploma or a certificate of high
- 8 school equivalency or have education acceptable to the board;
- 9 (c) Have successfully completed no fewer than ninety class
- 10 hours in board-approved courses of study which relate to appraisal and
- 11 which include a fifteen-hour course in the National Uniform Standards
- 12 of Professional Appraisal Practice. The courses of study shall be
- 13 conducted by an accredited university, college, community college, or
- 14 junior college, an appraisal society, institute, or association, or
- such other educational provider as may be approved by the board and
- shall be, at a minimum, fifteen class hours in length. Each course of
- 17 study shall include an examination pertinent to the material
- 18 presented;
- 19 (d) Pass an examination administered by the board which
- 20 demonstrates that the applicant has:
- 21 (i) Knowledge of technical terms commonly used in or related
- 22 to appraisal and the writing of appraisal reports;
- (ii) Knowledge of depreciation theories, cost estimating,
- 24 methods of capitalization, market data analysis, appraisal
- 25 mathematics, and economic concepts applicable to real estate;
- 26 (iii) An understanding of the basic principles of land
- 27 economics, appraisal processes, and problems encountered in the

gathering, interpreting, and processing of data involved in the valuation of real property;

- 3 (iv) Knowledge of the appraisal of various types of and
- 4 interests in real property for various functions and purposes;
- 5 (v) An understanding of basic real estate law
- 6 (vi) An understanding of the types of misconduct for which
- 7 disciplinary proceedings may be initiated;
- 8 (vii) An understanding of the National Uniform Standards of
- 9 Professional Appraisal Practice;
- 10 (viii) An understanding of the recognized methods and
- 11 techniques necessary for the development and communication of a
- 12 credible appraisal; and
- 13 (ix) Knowledge of such other principles and procedures as
- 14 may be appropriate to produce a credible appraisal; and
- 15 (e) Not have been convicted of any felony or, if so
- 16 convicted, have had his or her civil rights restored.
- 17 (2) The application for registration shall include the
- 18 applicant's social security number and such other information as the
- 19 board may require.
- 20 (3) On and after January 1, 2008, the scope of practice of
- 21 <u>a registered real property appraiser shall be limited to the appraisal</u>
- 22 <u>of noncomplex property having one, two, three, or four residential</u>
- 23 <u>units having a transaction value of less than two hundred fifty</u>
- 24 <u>thousand dollars and the transaction is a non-lending transaction.</u>
- 25  $\frac{(3)}{(4)}$  On and after January 1, 2008, an applicant shall
- 26 receive no more than three successive annual renewals for
- 27 registration. credentialing as a registered real property

1 <u>appraiser.</u> Notwithstanding any other provision of section 76-2228 to

- 2 the contrary, the board shall not approve any initial application for
- 3 <del>registration</del> <u>credentialing</u> as a <u>registered</u> real property
- 4 appraiser on and after January 1, 2012.
- 5 Sec. 12. Section 76-2230, Revised Statutes Cumulative
- 6 Supplement, 2006, is amended to read:
- 7 76-2230. (1) Prior to January 1, 2008, to qualify for a
- 8 <u>license</u> <u>credential</u> as a <u>licensed</u> real property appraiser, an
- 9 applicant shall:
- 10 (a) Be at least nineteen years of age;
- 11 (b) Hold a high school diploma or a certificate of high
- 12 school equivalency or have education acceptable to the board;
- 13 (c) Have successfully completed no fewer than ninety class
- 14 hours, which may include the class hours set forth in section
- 15 76-2229.01, in board-approved courses of study which relate to
- 16 appraisal and which include a fifteen-hour course in the National
- 17 Uniform Standards of Professional Appraisal Practice. The courses of
- 18 study shall be conducted by an accredited university, college,
- 19 community college, or junior college, an appraisal society, institute,
- 20 or association, or such other educational provider as may be approved
- 21 by the board and shall be, at a minimum, fifteen class hours in
- length. Each course shall include an examination pertinent to the
- 23 material presented;
- 24 (d) Have no fewer than two years of experience in any
- 25 combination of the following: Fee and staff appraisal; ad valorem tax
- 26 appraisal; review appraisal; appraisal analysis; highest-and-best-use
- 27 analysis; or feasibility analysis or study. The required experience

shall not be limited to the listed items but shall be acceptable to 1 2 the board and subject to review and determination as to conformity with the National Uniform Standards of Professional 3 4 Practice. The experience shall include a total of at least two 5 thousand hours and shall have occurred over at 6 twenty-four-month period. If requested, evidence acceptable to the 7 board concerning the experience shall be presented by the applicant in 8 the form of written reports or file memoranda;

- 9 (e) Pass an examination administered by the board which demonstrates that the applicant has:
- 11 (i) Knowledge of technical terms commonly used in or related 12 to appraisal and the writing of appraisal reports;
- (ii) Knowledge of depreciation theories, cost estimating, 13 14 methods of capitalization, market data analysis, appraisal mathematics, and economic concepts applicable to real estate; 15 16 (iii) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, 17 interpreting, and processing of data involved in the valuation of real 18
  - (iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;
- 22 (v) An understanding of basic real estate law;

19

20

21

property;

- 23 (vi) An understanding of the types of misconduct for which 24 disciplinary proceedings may be initiated;
- 25 (vii) An understanding of the National Uniform Standards of 26 Professional Appraisal Practice;
- 27 (viii) An understanding of the recognized methods and

techniques necessary for the development and communication of a
credible appraisal; and

- (ix) Knowledge of such other principles and procedures as

  may be appropriate to produce a credible appraisal; and

  (f) Not have been convicted of any felony or, if so
- 6 convicted, have had his or her civil rights restored.
- 7 (2) On and after January 1, 2008, to qualify for a 8 credential as a licensed <del>residential</del> real property appraiser, an 9 applicant shall:
- 10 (a) Be at least nineteen years of age;

- (b) Hold a high school diploma or a certificate of high school equivalency or have education acceptable to the board;
  - (c) Have successfully completed no fewer than one hundred fifty class hours, which may include the class hours set forth in section 76-2229.01, in board-approved courses of study which relate to appraisal and which include completion of the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The fifteen-hour course shall be taught by a National Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. The courses of study shall be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board and shall be, at a minimum, fifteen class hours in length. Each course shall include a closed-book

1 examination pertinent to the material presented;

(d) Have no fewer than two thousand hours of experience in any combination of the following: Fee and staff appraisal; ad valorem tax appraisal; condemnation appraisal; technical review appraisal; appraisal analysis; real estate consulting; highest-and-best-use analysis; and feasibility analysis or study. The required experience shall not be limited to the listed items but shall be acceptable to the board and subject to review and determination as to conformity with the National Uniform Standards of Professional Appraisal Practice. The experience shall have occurred during a period of no fewer than twelve months. If requested, evidence acceptable to the board concerning the experience shall be presented by the applicant in the form of written reports or file memoranda;

- (e) Within the twenty-four months following approval of the applicant by the board, pass a closed-book examination administered by the board which demonstrates that the applicant has:
- (i) Knowledge of technical terms commonly used in or related to appraisal and the writing of appraisal reports;
- (ii) Knowledge of depreciation theories, cost estimating, methods of capitalization, market data analysis, appraisal mathematics, and economic concepts applicable to real estate;
- 22 (iii) An understanding of the principles of land economics,
  23 appraisal processes, and problems encountered in the gathering,
  24 interpreting, and processing of data involved in the valuation of real
  25 property;
- 26 (iv) Knowledge of the appraisal of various types of and 27 interests in real property for various functions and purposes;

1 (v) An understanding of basic real estate law;

- 2 (vi) An understanding of the types of misconduct for which
- 3 disciplinary proceedings may be initiated;
- 4 (vii) An understanding of the National Uniform Standards of
- 5 Professional Appraisal Practice;
- 6 (viii) An understanding of the recognized methods and
- 7 techniques necessary for the development and communication of a
- 8 credible appraisal; and
- 9 (ix) Knowledge of such other principles and procedures as
- 10 may be appropriate to produce a credible appraisal; and
- 11 (f) Not have been convicted of any felony or, if so
- convicted, have had his or her civil rights restored.
- 13 (3) On and after January 1, 2008, the scope of practice for
- 14 a licensed <del>residential</del> real property appraiser shall be limited to
- the appraisal of noncomplex property having one, two, three, or four
- 16 residential units with a transaction value of less than one million
- 17 dollars and complex property having one, two, three, or four
- 18 residential units with a transaction value of less than two hundred
- 19 fifty thousand dollars.
- 20 (4) If an applicant is applying for renewal of a credential
- 21 as a licensed <del>residential</del> real property appraiser on and after
- January 1, 2008, the applicant shall have successfully completed no
- 23 fewer than fourteen hours of instruction in courses or seminars for
- 24 each year of the two-year continuing education period during which the
- 25 application is submitted and shall have completed the seven-hour
- 26 National Uniform Standards of Professional Appraisal Practice Update
- 27 Course, or its equivalent as approved by the Appraiser Qualifications

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

section.

Board, at a minimum of every two years. The seven-hour course shall be taught by a National Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. Credit toward a classroom hour requirement may be granted only when the length of the educational offering is at least two hours. The courses of study shall be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board. (5) If, prior to January 1, 2008, an applicant for a credential as a licensed residential real property appraiser has satisfied the requirements for education, experience, or examination, as the requirements for each component are described in subdivisions (1)(c), (d), and (e) of this section, respectively, the board shall deem the applicant to have met the requirements for that component for purposes of credentialing. Ιf the applicant has not met the requirements for a component prior to January 1, 2008, the applicant shall be required to meet the applicable requirements for that component as described in subdivision (2)(c), (d), or (e) of this

(6) The application for the license credential as a licensed real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 13. Section 76-2231.01, Revised Statutes Cumulative

- 1 Supplement, 2006, is amended to read:
- 2 76-2231.01. (1) Prior to January 1, 2008, to qualify for a
- 3 <u>residential certificate</u> <u>credential</u> as a certified residential real
- 4 property appraiser, an applicant shall:

5

8

19

20

21

22

23

24

25

26

27

- (a) Be at least nineteen years of age;
- 6 (b) Hold a high school diploma or a certificate of high
- 7 school equivalency or have education acceptable to the board;
- 9 twenty class hours, which may include the class hours set forth in

(c) Have successfully completed no fewer than one hundred

- sections 76-2229.01 and 76-2230, in board-approved courses of study
- 11 which relate to appraisal and which include a fifteen-hour course in
- the National Uniform Standards of Professional Appraisal Practice. The
- courses of study shall be conducted by an accredited university,
- 14 college, community college, or junior college, an appraisal society,
- institute, or association, or such other educational provider as may
- 16 be approved by the board and shall be, at a minimum, fifteen class
- 17 hours in length. Each course shall include an examination pertinent to
- 18 the material presented;
  - (d) Have no fewer than two years of experience in any combination of the following: Fee and staff appraisal; ad valorem tax appraisal; review appraisal; appraisal analysis; highest-and-best-use analysis; or feasibility analysis or study. The required experience shall not be limited to the listed items but shall be acceptable to the board and subject to review and determination as to conformity with the National Uniform Standards of Professional Appraisal Practice. The experience shall include a total of at least two thousand five hundred hours and shall have occurred over no less than

a twenty-four-month period. If requested, evidence acceptable to the board concerning the experience shall be presented by the applicant in the form of written reports or file memoranda. Of the two thousand five hundred hours, one thousand five hundred hours shall be in residential appraisal work. For purposes of determining residential appraisal work, residential appraisal work shall be the appraisal of property having one to four residential units;

- 8 (e) Pass an examination administered by the board which 9 demonstrates that the applicant has:
- 10 (i) Knowledge of technical terms commonly used in or related
  11 to appraisals and the writing of appraisal reports;
- (ii) An understanding of the basic principles of land economics, appraisal processes, and problems encountered in gathering, interpreting, and processing of data involved in the valuation of real property;
- (iii) An understanding of the recognized methods and techniques necessary for the development and communication of credible appraisals as provided in the Real Property Appraiser Act;
- 19 (iv) An understanding of the National Uniform Standards of 20 Professional Appraisal Practice;
- (v) Knowledge of depreciation theories, cost estimating,
  methods of capitalization, appraisal mathematics, and economic
  concepts applicable to real estate;
- (vi) Knowledge of such other principles and procedures as may be appropriate for certification;
- 26 (vii) An understanding of real estate law; and
  27 (viii) An understanding of the types of misconduct for which

- 1 disciplinary proceedings may be initiated; and
- 2 (f) Not have been convicted of any felony or, if so
- 3 convicted, have had his or her civil rights restored.
- 4 (2) On and after January 1, 2008, to qualify for a
- 5 <u>residential certificate</u> <u>credential</u> as a certified residential real
- 6 property appraiser, an applicant shall:
- 7 (a) Be at least nineteen years of age;
- 8 (b)(i) Hold an associate degree, or higher, from an
- 9 accredited university, college, community college, or junior college;
- 10 or
- 11 (ii) Have successfully completed, as verified by the board,
- twenty-one semester hours of coursework or its equivalent from an
- 13 accredited university, college, community college, or junior college
- 14 that shall have included English composition; principles of
- 15 macroeconomics or microeconomics; finance; algebra, geometry, or
- 16 higher mathematics; statistics; introduction to computers, including
- 17 word processing and spread sheets; and business or real estate law;
- 18 (c) Have successfully completed no fewer than two hundred
- 19 class hours, which may include the class hours set forth in sections
- 20 76-2229.01 and 76-2230, in board-approved courses of study which
- 21 relate to appraisal and which include completion of the fifteen-hour
- 22 National Uniform Standards of Professional Appraisal Practice Course,
- 23 or its equivalent as approved by the Appraiser Qualifications Board.
- 24 The fifteen-hour course shall be taught by a National Uniform
- 25 Standards of Professional Appraisal Practice Instructor who is
- 26 certified by the Appraiser Qualifications Board and who is a
- 27 state-certified appraiser in good standing. The courses of study shall

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board and shall be, at a minimum, fifteen class hours in length. Credit toward the class hour requirement may be awarded to teachers of appraisal courses. Each course shall include a closed-book examination pertinent to the material presented;

- (d) Have no fewer than two thousand five hundred hours of experience in any combination of the following: Fee and staff appraisal; ad valorem tax appraisal; condemnation appraisal; technical estate consulting; review appraisal; appraisal analysis; real highest-and-best-use analysis; and feasibility analysis or study. The required experience shall not be limited to the listed items but shall be acceptable to the board and subject to review and determination as to conformity with the National Uniform Standards of Professional Appraisal Practice. The experience shall have occurred during a period of no fewer than twenty-four months. If requested, evidence acceptable to the board concerning the experience shall be presented by the or file memoranda; form of written reports applicant in the
- (e) Within the twenty-four months following approval of the applicant by the board, pass a closed-book examination administered by the board which demonstrates that the applicant has:
- 24 (i) Knowledge of technical terms commonly used in or related 25 to appraisal and the writing of appraisal reports;
- 26 (ii) Knowledge of depreciation theories, cost estimating, 27 methods of capitalization, market data analysis, appraisal

mathematics, and economic concepts applicable to real estate;

(iii) An understanding of the principles of land economics,

appraisal processes, and problems encountered in the gathering,

interpreting, and processing of data involved in the valuation of real

5

6

7

16

17

18

19

24

25

26

27

property;

- (iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;
- 8 (v) An understanding of basic real estate law;
- 9 (vi) An understanding of the types of misconduct for which 10 disciplinary proceedings may be initiated;
- 11 (vii) An understanding of the National Uniform Standards of 12 Professional Appraisal Practice;
- (viii) An understanding of the recognized methods and techniques necessary for the development and communication of a credible appraisal; and
  - (ix) Knowledge of such other principles and procedures as may be appropriate to produce a credible appraisal; and (f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.
- 20 (3) On and after January 1, 2008, the scope of practice of a 21 certified residential real property appraiser shall be limited to the 22 appraisal of property having one, two, three, or four residential 23 units without regard to transaction value or complexity.
  - (4) If an applicant is applying for renewal of a residential certificate credential as a certified residential real property appraiser on and after January 1, 2008, the applicant shall have successfully completed no fewer than fourteen hours of

1

2

3

4

5

6

7

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

instruction in courses or seminars for each year of the two-year continuing education period during which the application is submitted and shall have completed the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course, or its equivalent as approved by the Appraiser Qualifications Board, at a minimum of every two years. The seven-hour course shall be taught by a National Uniform Standards Professional Appraisal Practice Instructor of who certified by the Appraiser Qualifications Board and who state-certified appraiser in good standing. Credit toward a classroom hour requirement may be granted only if the length of the educational offering is at least two hours. The courses of study shall be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

(5) If, prior to January 1, 2008, an applicant for a residential certificate credential as a certified residential real property appraiser has satisfied the requirements for education, experience, or examination, as the requirements for each component are described in subdivisions (1)(c), (d), and (e) of this section, respectively, the board shall deem the applicant to have met the requirements for that component for purposes of credentialing. If the applicant has not met the requirements for a component prior to January 1, 2008, the applicant shall be required to meet the applicable requirements for that component as described in subdivision

- 1 (2)(c), (d), or (e) of this section.
- 2 (6) The application for a residential certificate
- 3 credential as a certified residential real property appraiser shall
- 4 include the applicant's social security number and such other
- 5 information as the board may require.
- 6 Sec. 14. Section 76-2232, Revised Statutes Cumulative
- 7 Supplement, 2006, is amended to read:
- 8 76-2232. (1) Prior to January 1, 2008, to qualify for a
- 9 general certificate credential as a certified general real
- 10 property appraiser, an applicant shall:
- 11 (a) Be at least nineteen years of age;
- 12 (b) Hold a high school diploma or a certificate of high
- 13 school equivalency or have education acceptable to the board;
- 14 (c) Have successfully completed no fewer than one hundred
- eighty class hours, which may include the class hours set forth in
- 16 sections 76-2229.01, 76-2230, and 76-2231.01, in board-approved
- 17 courses of study which relate to appraisal and which include a
- 18 fifteen-hour course in the National Uniform Standards of Professional
- 19 Appraisal Practice. The courses of study shall be conducted by an
- 20 accredited university, college, community college, or junior college,
- 21 an appraisal society, institute, or association, or such other
- 22 educational provider as may be approved by the board and shall be, at
- 23 a minimum, fifteen class hours in length. Each course shall include an
- 24 examination pertinent to the material presented;
- 25 (d) Have two and one-half years of experience in any
- 26 combination of the following: Fee and staff appraisal; ad valorem tax
- 27 appraisal; review appraisal; appraisal analysis; highest-and-best-use

analysis; or feasibility analysis or study. The required experience 1 2 shall not be limited to the listed items but shall be acceptable to the board and conform with the National Uniform Standards of 3 4 Professional Appraisal Practice. The experience shall include a total 5 of at least three thousand hours and shall have occurred over at least 6 a thirty-month period. If requested, evidence acceptable to the board 7 concerning the experience shall be presented by the applicant in the 8 form of written reports or file memoranda. Of the three thousand hours, one thousand five hundred hours shall be in nonresidential 9 appraisal work. For purposes of determining nonresidential appraisal 10 11 work, residential appraisal work shall be the appraisal of property 12 having one to four residential units;

- 13 (e) Pass an examination administered by the board which
  14 demonstrates that the applicant has:
- 15 (i) Knowledge of technical terms commonly used in or related 16 to appraisals and the writing of appraisal reports;
- (ii) An understanding of the principles of land economics,

  appraisal processes, and problems encountered in gathering,

  interpreting, and processing of data involved in the valuation of real

  property;

21

22

23

- (iii) An understanding of the recognized methods and techniques necessary for the development and communication of credible appraisals as provided in the Real Property Appraiser Act;
- 24 (iv) An understanding of the National Uniform Standards of 25 Professional Appraisal Practice;
- 26 (v) Knowledge of depreciation theories, cost estimating, 27 methods of capitalization, appraisal mathematics, and economic

- concepts applicable to real estate;
- 2 (vi) Knowledge of such other principles and procedures as
- 3 may be appropriate for general certification;
- 4 (vii) An understanding of real estate law; and
- 5 (viii) An understanding of the types of misconduct for which
- 6 disciplinary proceedings may be initiated; and
- 7 (f) Not have been convicted of any felony or, if so
- 8 convicted, have had his or her civil rights restored.
- 9 (2) On and after January 1, 2008, to qualify for a general
- 10 <u>certificate</u> <u>credential</u> as a certified general real property
- 11 appraiser, an applicant shall:
- 12 (a) Be at least nineteen years of age;
- 13 (b)(i) Hold a bachelor's degree, or higher, from an
- 14 accredited university or college; or
- 15 (ii) Have successfully completed, as verified by the board,
- 16 thirty semester hours of coursework or its equivalent from an
- 17 accredited university or college that shall have included English
- 18 composition; macroeconomics; microeconomics; finance; algebra,
- 19 geometry, or higher mathematics; statistics; introduction to
- 20 computers, including word processing and spread sheets; business or
- 21 real estate law; and two elective courses in accounting, geography,
- 22 agricultural economics, business management, or real estate;
- 23 (c) Have successfully completed no fewer than three hundred
- 24 class hours, which may include the class hours set forth in sections
- 25 76-2229.01, 76-2230, and 76-2231.01, in board-approved courses of
- 26 study which relate to appraisal and which include completion of the
- 27 fifteen-hour National Uniform Standards of Professional Appraisal

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The fifteen-hour course shall be taught by a Standards of Professional Uniform Appraisal Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. The courses of study shall be conducted by an accredited university, college, community college, or junior college, an appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board and shall be, at a minimum, fifteen class hours in length. Credit toward the class hour requirement may be awarded to teachers of appraisal courses. Each course shall include a closed-book examination pertinent to the material presented;

- (d) Have no fewer than three thousand hours of experience in any combination of the following: Fee and staff appraisal; ad valorem tax appraisal; condemnation appraisal; technical review appraisal; appraisal analysis; real estate consulting; highest-and-best-use analysis; and feasibility analysis or study. The required experience shall not be limited to the listed items but shall be acceptable to the board and subject to review and determination as to conformity with the National Uniform Standards of Professional Appraisal Practice. The experience shall have occurred during a period of no fewer than thirty months. If requested, evidence acceptable to the board concerning the experience shall be presented by the applicant in the form of written reports or file memoranda;
- (e) Within the twenty-four months following approval of the applicant by the board, pass a closed-book examination administered by

- the board which demonstrates that the applicant has:
- 2 (i) Knowledge of technical terms commonly used in or related
- 3 to appraisal and the writing of appraisal reports;
- 4 (ii) Knowledge of depreciation theories, cost estimating,
- 5 methods of capitalization, market data analysis, appraisal
- 6 mathematics, and economic concepts applicable to real estate;
- 7 (iii) An understanding of the principles of land economics,
- 8 appraisal processes, and problems encountered in the gathering,
- 9 interpreting, and processing of data involved in the valuation of real
- 10 property;
- 11 (iv) Knowledge of the appraisal of various types of and
- interests in real property for various functions and purposes;
- 13 (v) An understanding of basic real estate law;
- 14 (vi) An understanding of the types of misconduct for which
- disciplinary proceedings may be initiated;
- 16 (vii) An understanding of the National Uniform Standards of
- 17 Professional Appraisal Practice;
- 18 (viii) An understanding of the recognized methods and
- 19 techniques necessary for the development and communication of a
- 20 credible appraisal; and
- 21 (ix) Knowledge of such other principles and procedures as
- 22 may be appropriate to produce a credible appraisal; and
- 23 (f) Not have been convicted of any felony or, if so
- convicted, have had his or her civil rights restored.
- 25 (3) If an applicant is applying for renewal of a general
- 26 <u>certificate</u> <u>credential</u> as a certified general real property
- 27 appraiser on and after January 1, 2008, the applicant shall have

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

successfully completed no fewer than fourteen hours of instruction in courses or seminars for each year of the two-year continuing education period during which the application is submitted and shall have completed the seven-hour National Uniform Standards of Professional Appraisal Practice Update Course, or its equivalent as approved by the Appraiser Qualifications Board, at a minimum of every two years. The seven-hour course shall be taught by a National Uniform Standards of Professional Appraisal Practice Instructor who is certified by the Appraiser Qualifications Board and who is a state-certified appraiser in good standing. Credit toward a classroom hour requirement may be granted only if the length of the educational offering is at least two hours. The courses of study shall be conducted by an accredited university, college, community college, or junior college, appraisal society, institute, or association, a state or federal agency or commission, a proprietary school, or such other educational provider as may be approved by the board. Credit may be granted for educational offerings and for participation other than as a student as approved by the board.

(4) If, prior to January 1, 2008, an applicant for a general certificate credential as a certified general real property appraiser has satisfied the requirements for education, experience, or examination, as the requirements for each component are described in subdivisions (1)(c), (d), and (e) of this section, respectively, the board shall deem the applicant to have met the requirements for that component for purposes of credentialing. If the applicant has not met the requirements for a component prior to January 1, 2008, the applicant shall be required to meet the

applicable requirements for that component as described in subdivision

- (2)(c), (d), or (e) of this section.
- 3 (5) The application for a general certificate credential
- 4 <u>as a certified general real property appraiser</u> shall include the
- 5 applicant's social security number and such other information as the
- 6 board may require.
- 7 Sec. 15. Section 76-2233, Revised Statutes Cumulative
- 8 Supplement, 2006, is amended to read:
- 9 76-2233. (1) A nonresident of this state may obtain a
- 10 credential as a licensed real property appraiser\_<del>or a licensed</del>
- 11 residential real property appraiser or obtain a certificate as a
- 12 certified residential real property appraiser, or as a certified
- general real property appraiser by (a) complying with all of the
- 14 provisions of the Real Property Appraiser Act relating to the
- 15 appropriate classification of credentialing, (b) submitting an
- application on a form approved by the board, and (c) submitting an
- 17 irrevocable consent that service of process upon him or her may be
- 18 made by delivery of the process to the director of the board if the
- 19 plaintiff cannot, in the exercise of due diligence, effect personal
- 20 service upon the applicant in an action against the applicant in a
- 21 court of this state arising out of the applicant's activities in this
- 22 state.
- 23 (2) If, in the determination of the board, another state or
- 24 territory or the District of Columbia has substantially equivalent
- 25 requirements to the requirements of this state, an applicant who is a
- 26 resident of that state, territory, or district and is currently
- 27 credentialed to appraise real estate and real property under the laws

of that state, territory, or district may through reciprocity become credentialed under the act. To qualify for reciprocal credentialing, the applicant shall:

4

5

6

7

8

12

13

14

15

16

17

18

- (a) Submit evidence that he or she is currently a resident of the state, territory, or District of Columbia in which he or she is credentialed to appraise real estate and real property and that such credential is in good standing, along with his or her social security number and such other information as the board may require;
- 9 (b) Certify that disciplinary proceedings are not pending
  10 against him or her or state the nature of any pending disciplinary
  11 proceedings;
  - (c) 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;
    - (d) Pay fees as established in section 76-2241; and
- 19 (e) Comply with such other terms and conditions as may be 20 determined by the board.
- 21 The board may waive the residence requirement of this 22 subsection under special residency circumstances.
- Sec. 16. Section 76-2233.01, Revised Statutes Cumulative
  Supplement, 2006, is amended to read:
- 76-2233.01. A nonresident may obtain a temporary credential
  as a licensed real property appraiser, or as a licensed residential
  real property appraiser or obtain a temporary certificate as a

certified residential real property appraiser, or as a certified
general real property appraiser to perform a contract relating to the
appraisal of real estate or real property in this state. To qualify
for the issuance of a temporary license or certificate, credential,
an applicant shall:

- (1) Submit an application on a form approved by the board;
- (2) 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 in this state;
  - (3) Submit evidence that he or she is credentialed as a licensed or certified appraiser of real estate and real property and is currently in good standing in the jurisdiction of residency, along with his or her social security number and such other information as the board may require;
- (4) Certify that disciplinary proceedings are not pending against the applicant in the applicant's state of domicile or in any other jurisdiction or state the nature of any pending disciplinary proceedings; and
- 22 (5) Pay an application fee in an amount established by the 23 board.

A temporary license or certificate credential issued under this section shall be expressly limited to a grant of authority to perform the appraisal work required by the contract for appraisal services in this state. Each temporary license or certificate

credential shall expire upon the completion of the appraisal work 1 2 required by the contract for appraisal services or upon the expiration of a period of six months from the date of issuance, 3 A 4 whichever occurs first. temporary <del>license or certificate</del> 5 credential may be renewed for one additional six-month period. Section 76-2241, Revised Statutes Cumulative 6 Sec. 17. 7 Supplement, 2006, is amended to read:

- 76-2241. The board shall charge and collect appropriate fees for its services under the Real Property Appraiser Act as follows:
- 10 (1) An application fee of one hundred fifty dollars;

8

9

11

12

13

- (2) An examination fee of no more than three hundred dollars. The board may direct applicants to pay the fee directly to a third party who has contracted to administer the examination;
- 14 (3) An initial and renewal credentialing fee, other than 15 temporary credentialing, of no more than three hundred dollars;
- 16 (4) A late renewal fee of twenty-five dollars for each month 17 or portion of a month the fee is late; and
- 18 (5) A temporary license credential fee for a licensed

  19 real property appraiser or a licensed residential real property

  20 appraiser of no more than one hundred fifty dollars and a temporary

  21 certificate credential fee for a certified residential real

  22 property appraiser or a certified general real property appraiser of

  23 no more than two hundred dollars.
- 24 All fees for credentialing through reciprocity shall be the 25 same as those paid by others pursuant to this section.
- In addition to the fees set forth in this section, the board may collect and transmit to the appropriate federal authority any fees

established under the provisions of the Financial Institutions Reform,

- 2 Recovery, and Enforcement Act of 1989, as the act existed on January
- 1, 2006. The board may establish such fees as it deems appropriate for
- 4 special examinations and other services provided by the board. All
- 5 fees and other revenue collected pursuant to the Real Property
- 6 Appraiser Act shall be remitted by the board to the State Treasurer
- 7 for credit to the Real Property Appraiser Fund.
- 8 Sec. 18. Section 76-2242, Revised Statutes Cumulative
- 9 Supplement, 2006, is amended to read:
- 10 76-2242. (1) The board shall provide to each credential
- 11 holder proof that such person has been credentialed under the Real
- 12 Property Appraiser Act for the classification requirements set forth
- in the act. The board shall also issue a pocket card in such size and
- 14 form as it may approve.
- 15 (2) Each credential issued under the act shall designate the
- 16 principal place of business of the credential holder.
- 17 (3) Registrations, licenses, residential or general
- 18 <u>certificates</u>, the <u>proof</u> of credentialing, and pocket cards
- issued by the board shall remain the property of the state, and upon
- 20 surrender, cancellation, suspension, or revocation, any person holding
- 21 the documents shall immediately return such documents to the board.
- Sec. 19. Section 77-5004, Revised Statutes Cumulative
- 23 Supplement, 2006, is amended to read:
- 24 77-5004. (1) Each commissioner shall be a qualified voter
- 25 and resident of the state and, for each commissioner representing a
- 26 congressional district, a domiciliary of the district he or she
- 27 represents.

1 (2) Each commissioner shall devote his or her full time and
2 efforts to the discharge of his or her duties and shall not hold any
3 other office under the laws of this state, any city or county in this
4 state, or the United States Government while serving on the
5 commission. Each commissioner shall possess:

6

7

8

12

13

14

15

16

19

20

21

22

23

24

25

- (a) Appropriate knowledge of terms commonly used in or related to real property appraisal and of the writing of appraisal reports;
- 9 (b) Adequate knowledge of depreciation theories, cost
  10 estimating, methods of capitalization, and real property appraisal
  11 mathematics;
  - (c) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and evaluating of data involved in the valuation of real property, including complex industrial properties and mass appraisal techniques;
- 17 (d) Knowledge of the law relating to taxation, civil and administrative procedure, due process, and evidence in Nebraska;
  - (e) At least thirty hours of successfully completed class hours in courses of study, approved by the Real Property Appraiser Board, which relate to appraisal and which include the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course. If a commissioner has not received such training prior to his or her appointment, such training shall be completed within one year after appointment; and
- 26 (f) Such other qualifications and skills as reasonably may 27 be requisite for the effective and reliable performance of the

- 1 commission's duties.
- 2 (3) One commissioner shall possess any certification or
- 3 training required to become a licensed real property appraiser or a
- 4 licensed residential real property appraiser as set forth in section
- 5 76-2230.
- 6 (4) Prior to January 1, 2002, the chairperson, and on and
- 7 after January 1, 2002, at least two commissioners, shall have been
- 8 engaged in the practice of law in the State of Nebraska for at least
- 9 five years, which may include prior service as a judge, and shall be
- 10 currently admitted to practice before the Nebraska Supreme Court.
- 11 (5) No commissioner or employee of the commission shall hold
- 12 any position of profit or engage in any occupation or business
- 13 interfering with or inconsistent with his or her duties as a
- 14 commissioner or employee. A person is not eligible for appointment and
- may not hold the office of commissioner or be appointed by the
- 16 commission to or hold any office or position under the commission if
- 17 he or she holds any official office or position.
- 18 (6)(a) Each commissioner who meets the requirements of
- 19 subsection (4) of this section on or after January 1, 2002, shall
- 20 annually attend a seminar or class of at least two days' duration that
- 21 is:
- 22 (i) Sponsored by a recognized assessment or appraisal
- 23 organization, in each of these areas: Utility and railroad appraisal;
- 24 appraisal of complex industrial properties; appraisal of other hard to
- 25 assess properties; and mass appraisal, residential or agricultural
- appraisal, or assessment administration; or
- 27 (ii) Pertaining to management, law, civil or administrative

1 procedure, or other knowledge or skill necessary for performing the

- 2 duties of the office.
- 3 (b) Each commissioner who does not meet the requirements of
- 4 subsection (4) of this section on or after January 1, 2002, shall
- 5 within two years after his or her appointment attend at least thirty
- 6 hours of instruction that constitutes training for judges or
- 7 administrative law judges.
- 8 (7) The commissioners shall be considered employees of the
- 9 state for purposes of sections 81-1301 to 81-1391 and 84-1601 to
- 10 84-1615.
- 11 (8) The commissioners shall be reimbursed as prescribed in
- 12 sections 81-1174 to 81-1177 for their actual and necessary expenses in
- 13 the performance of their official duties pursuant to the Tax
- 14 Equalization and Review Commission Act.
- 15 Sec. 20. Original sections 76-2210, 76-2210.01, 76-2210.02,
- 16 76-2213, 76-2213.01, 76-2217.01, 76-2226, 76-2228, 76-2228.01,
- 17 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233,
- 18 76-2233.01, 76-2241, 76-2242, and 77-5004, Revised Statutes Cumulative
- 19 Supplement, 2006, are repealed.