

LEGISLATIVE BILL 1011

Approved by the Governor April 16, 2008

Introduced by Langemeier, 23; Erdman, 47.

FOR AN ACT relating to the Real Property Appraiser Act; to amend section 76-2244, Reissue Revised Statutes of Nebraska, sections 76-2207, 76-2217.02, 76-2221, 76-2222, and 76-2249, Revised Statutes Cumulative Supplement, 2006, and sections 76-2213.01, 76-2223, 76-2228, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, and 76-2241, Revised Statutes Supplement, 2007; to change provisions relating to appraiser trainees, trainee real property appraisers, the Uniform Standards of Professional Appraisal Practice, exemptions under the act, the Real Property Appraiser Board, the classification of appraisers, the restricted use of certain titles, credentialing, and fees as prescribed; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 76-2207, Revised Statutes Cumulative Supplement, 2006, is amended to read:

76-2207 Appraiser trainee means a person who, under the direct supervision of a ~~licensed~~, certified residential, or certified general real property appraiser, assists the appraiser in any phase of appraisal activity but does not include nonprofessional employees such as clerical employees.

Sec. 2. Section 76-2213.01, Revised Statutes Supplement, 2007, is amended to read:

76-2213.01 Uniform Standards of Professional Appraisal Practice means the standards promulgated by the Appraisal Foundation, as the standards existed on January 1, ~~2007~~, 2008.

Sec. 3. Section 76-2217.02, Revised Statutes Cumulative Supplement, 2006, is amended to read:

76-2217.02 Trainee real property appraiser means a person who holds a valid credential as a trainee real property appraiser issued under the Real Property Appraiser Act and who, under the direct supervision of a certified residential or certified general real property appraiser, assists the appraiser in any phase of appraisal activity but does not include nonprofessional employees such as clerical employees.

Sec. 4. Section 76-2221, Revised Statutes Cumulative Supplement, 2006, 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 the 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 also practices as an independent real property appraiser for others shall be subject to the act and shall be credentialed prior to engaging in such other appraising signs an appraisal 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 does not sign an appraisal 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 licensed under the Nebraska Real Estate License Act who, in the ordinary course of his or her business, gives a broker's price opinion or comparative market analysis, except that such opinion or analysis shall not be referred to as an appraisal. No compensation, fee, or other consideration shall be charged for such opinion or analysis other than a real estate commission or brokerage fee charged or paid for brokerage services rendered in connection with the sale of the real estate involved unless the opinion or analysis is in writing and carries the following disclosure in bold fourteen-point type: This opinion or analysis is not an appraisal. It is intended only for the benefit of the addressee for the purpose of assisting buyers or sellers or prospective buyers or sellers in deciding the listing,

offering, or sale price of the real property and not for any other purpose, including, but not limited to, lending purposes. This opinion or analysis is not governed by the Real Property Appraiser Act, but is subject to enforcement through the Nebraska Real Estate License Act;

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

~~(4) Until January 1, 2008, an appraiser trainee;~~

~~(5) (4) Any owner of real estate, employee of the owner, or attorney licensed to practice law in the State of Nebraska 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;~~

~~(6) (5) Any owner of real estate, employee of the owner, or attorney licensed to practice law in the State of Nebraska 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;~~

~~(7) (6) Any owner of real estate, employee of the owner, or attorney licensed to practice law in the State of Nebraska 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; or~~

~~(8) (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 for others shall be subject to the Real Property Appraiser Act and shall be credentialed prior to engaging in such other appraising. Any appraiser appointed to act as a referee pursuant to section 77-1502.01 and who prepares an appraisal report for the county board of equalization shall not sign such appraisal report as a credentialed 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.~~

Sec. 5. Section 76-2222, Revised Statutes Cumulative Supplement, 2006, 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 general real property appraisers.

(2) The term of each member of the board shall be five years, except that of the members initially appointed one shall serve for one year, one shall serve for two years, one shall serve for three years, and one shall serve for four years as designated by the Governor. 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 more than two 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) Four members shall constitute a quorum. Each member shall receive a per diem of one hundred dollars per day or substantial part of a day for each scheduled meeting of the board at which the member is present and

shall be reimbursed for actual and necessary expenses as provided in sections 81-1174 to 81-1177.

Sec. 6. Section 76-2223, Revised Statutes Supplement, 2007, is amended to read:

76-2223 The board shall administer and enforce the Real Property Appraiser Act and may:

(1) Receive applications for credentialing under the act, process such applications and regulate the issuance of credentials to qualified applicants, and maintain a directory of the names and addresses of persons who receive credentials under the act;

(2) Hold meetings, public hearings, informal conferences, and administrative hearings, prepare or cause to be prepared specifications for all appraiser classifications, solicit bids and enter into contracts with one or more educational testing services or organizations for the preparation of a bank of questions and answers for examinations, and administer or contract for the administration of examinations in such places and at such times as deemed appropriate;

(3) Develop the specifications for credentialing examinations, including timing, location, and security necessary to maintain the integrity of the examinations;

(4) Review from time to time the procedure for selecting individual questions from the bank of questions for use in connection with each scheduled examination and review from time to time the questions in the bank of questions and the related answers to ascertain that they meet the specifications established by the board;

(5) Collect all fees required or permitted by the act. The board shall remit all such receipts to the State Treasurer for credit to the Real Property Appraiser Fund. In addition, the board may collect and transmit to the appropriate federal authority any fees established under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2006~~, 2008;

(6) Establish appropriate administrative procedures for disciplinary proceedings conducted pursuant to the Real Property Appraiser Act;

(7) Issue subpoenas to compel the attendance of witnesses and the production of books, documents, records, and other papers, administer oaths, and take testimony and require submission of and receive evidence concerning all matters within its jurisdiction. In case of disobedience of a subpoena, the board may make application to the district court of Lancaster County to require the attendance and testimony of witnesses and the production of documentary evidence. If any person fails to obey an order of the court, he or she may be punished by the court as for contempt thereof;

(8) Deny, censure, suspend, or revoke an application or credential if it finds that the applicant or credential holder has committed any of the acts or omissions set forth in section 76-2238 or otherwise violated the act. Any disciplinary matter may be resolved through informal disposition pursuant to section 84-913;

(9) Take appropriate disciplinary action against a credential holder if the board determines that a credential holder has violated any provision of the act or the Uniform Standards of Professional Appraisal Practice;

(10) Enter into consent decrees and issue cease and desist orders upon a determination that a violation of the act has occurred;

(11) Promote research and conduct studies relating to the profession of real property appraisal, sponsor real property appraisal educational activities, and incur, collect fees for, and pay the necessary expenses in connection with activities which shall be open to all credential holders;

(12) Establish and annually adopt minimum standards for appraisals as required under section 76-2237;

(13) Adopt and promulgate rules and regulations to carry out the act. The rules and regulations may include provisions establishing minimum standards for schools, courses, and instructors. The rules and regulations shall be adopted pursuant to the Administrative Procedure Act; and

(14) Do all other things necessary to carry out the Real Property Appraiser Act.

Sec. 7. Section 76-2228, Revised Statutes Supplement, 2007, is amended to read:

76-2228 ~~(1) Prior to January 1, 2008, there shall be four classes of credentials issued to real property appraisers as follows:~~

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

~~(b) Licensed real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section~~

~~76-2230;~~

~~(c) Certified residential real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2231.01; and~~

~~(d) Certified general real property appraiser, which classification shall consist of those persons who meet the requirements 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:

~~(a) (1) Trainee real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2228.01;~~

~~(b) (2) Registered real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2229.01;~~

~~(c) (3) Licensed real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2230;~~

~~(d) (4) Certified residential real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2231.01; and~~

~~(e) (5) Certified general real property appraiser, which classification shall consist of those persons who meet the requirements set forth in section 76-2232.~~

Sec. 8. Section 76-2229, Revised Statutes Supplement, 2007, 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 the impression of credentialing as a registered 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, or abbreviation likely to create the impression of credentialing as a licensed real property appraiser by 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 credentialing as a certified residential real property appraiser by this state. 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. 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. 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, or~~ trainee 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, certified residential real property appraiser, and 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 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. 9. Section 76-2229.01, Revised Statutes Supplement, 2007, is amended to read:

76-2229.01 (1) ~~¶~~ On and after January 1, 2008, to qualify for a credential as a registered real property appraiser, an applicant shall:

(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 ninety class hours in board-approved courses of study which relate to appraisal and which include the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The courses of study shall be conducted by an accredited university, college, community college, or 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 study shall include an examination pertinent to the material presented;

(d) Pass an 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;

(iii) An understanding of the basic principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and processing of data involved in the valuation of real property;

(iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;

(v) An understanding of basic real estate law;

(vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;

(vii) An understanding of the Uniform Standards of 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

(e) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.

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

(3) On and after January 1, 2008, the scope of practice of a registered real property appraiser shall be limited to the appraisal of noncomplex property having one, two, three, or four residential units having a transaction value of less than two hundred fifty thousand dollars.

(4) On and after January 1, 2008, an applicant shall receive no more than three successive annual renewals for credentialing as a registered real property appraiser. Notwithstanding any other provision of section 76-2228 to the contrary, the board shall not approve any initial application for credentialing as a registered real property appraiser on and after January 1, 2012.

Sec. 10. Section 76-2230, Revised Statutes Supplement, 2007, is amended to read:

76-2230 ~~(1) Prior to January 1, 2008, to qualify for a credential as a licensed real property appraiser, an applicant shall:~~

~~(a) Be at least nineteen years of age;~~

~~(b) Held 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 ninety 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 the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The courses of study shall be conducted by an accredited university, college, community college, or 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 shall include an examination pertinent to 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 Uniform Standards of Professional Appraisal Practice. The experience shall include a total of at least two thousand hours and shall have occurred over at least 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;~~

(e) Pass an 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;

(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 property;

(iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;

(v) An understanding of basic real estate law;

(vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;

(vii) An understanding of the Uniform Standards of 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.

(2) (1) On and after January 1, 2008, to qualify for a credential as a licensed real property appraiser, an applicant shall:

(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 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 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 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;

(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 property;

(iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;

(v) An understanding of basic real estate law;

(vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;

(vii) An understanding of the Uniform Standards of 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.

~~(3)~~ (2) On and after January 1, 2008, the scope of practice for a licensed real property appraiser shall be limited to the appraisal of noncomplex property having one, two, three, or four residential units with a transaction value of less than one million dollars and complex property having one, two, three, or four residential units with a transaction value of less than two hundred fifty thousand dollars.

~~(4)~~ (3) If an applicant is applying for renewal of a credential as a licensed real property appraiser on and after January 1, 2008, the applicant shall have 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 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 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.

~~(6)~~ (4) The application for the 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. 11. Section 76-2231.01, Revised Statutes Supplement, 2007, is amended to read:

76-2231.01 ~~(1)~~ Prior to January 1, 2008, to qualify for a credential as a certified residential real property appraiser, an applicant shall:

~~(a)~~ Be at least nineteen years of age;

~~(b)~~ Held 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 twenty class hours, which may include the class hours set forth in sections 76-2229.01 and 76-2230, in board-approved courses of study which relate to appraisal and which include the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The courses of study shall be conducted by an accredited university, college, community college, or 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 shall include an examination pertinent to 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 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;

(e) Pass an examination administered by the board which demonstrates that the applicant has:

(i) Knowledge of technical terms commonly used in or related 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;

(iv) An understanding of the Uniform Standards of 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;

(vii) An understanding of real estate law; and

(viii) An understanding of the types of misconduct for which disciplinary proceedings may be initiated; and

(f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.

(2) (1) On and after January 1, 2008, to qualify for a credential as a certified residential real property appraiser, an applicant shall:

(a) Be at least nineteen years of age;

(b) (i) Hold an associate degree, or higher, from an accredited university, college, community college, or junior college; or

(ii) Have successfully completed, as verified by the board, twenty-one semester hours of coursework or its equivalent from an accredited university, college, community college, or junior college that shall have included English composition; principles of macroeconomics or microeconomics; finance; algebra, geometry, or higher mathematics; statistics; introduction to computers, including word processing and spread sheets; and business or real estate law;

(c) Have successfully completed no fewer than two hundred class hours, which may include the class hours set forth in sections 76-2229.01 and 76-2230, 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 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. 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 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 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 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;

(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 property;

(iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;

(v) An understanding of basic real estate law;

(vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;

(vii) An understanding of the Uniform Standards of 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.

~~(3)~~ (2) On and after January 1, 2008, the scope of practice of a certified residential real property appraiser shall be limited to the appraisal of property having one, two, three, or four residential units without regard to transaction value or complexity.

~~(4)~~ (3) If an applicant is applying for renewal of a 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 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 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, 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 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 ~~(2)(c)~~, ~~(d)~~, or ~~(e)~~ of this section.

~~(6)~~ (4) The application for a credential as a certified residential real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 12. Section 76-2232, Revised Statutes Supplement, 2007, is amended to read:

76-2232 ~~(1)~~ Prior to January 1, 2008, to qualify for a credential as a certified general real property appraiser, an applicant shall:

~~(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 eighty class hours, which may include the class hours set forth in sections 76-2229.01, 76-2230, and 76-2231.01, in board-approved courses of study which relate to appraisal and which include the fifteen-hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent as approved by the Appraiser Qualifications Board. The courses of study shall be conducted by an accredited university, college, community college, or 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 shall include an examination pertinent to the material presented;

~~(d)~~ Have two and one-half 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 conform with the Uniform

~~Standards of Professional Appraisal Practice. The experience shall include a total of at least three thousand hours and shall have occurred over at least a thirty-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 three thousand hours, one thousand five hundred hours shall be in nonresidential appraisal work. For purposes of determining nonresidential appraisal work, residential appraisal work shall be the appraisal of property having one to four residential units;~~

~~(e) Pass an examination administered by the board which demonstrates that the applicant has:~~

~~(i) Knowledge of technical terms commonly used in or related 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;~~

~~(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;~~

~~(iv) An understanding of the Uniform Standards of 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 general certification;~~

~~(vii) An understanding of real estate law; and~~

~~(viii) An understanding of the types of misconduct for which disciplinary proceedings may be initiated; and~~

~~(f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored.~~

~~(2) (1) On and after January 1, 2008, to qualify for a credential as a certified general real property appraiser, an applicant shall:~~

~~(a) Be at least nineteen years of age;~~

~~(b) (i) Hold a bachelor's degree, or higher, from an accredited university or college; or~~

~~(ii) Have successfully completed, as verified by the board, thirty semester hours of coursework or its equivalent from an accredited university or college that shall have included English composition; macroeconomics; microeconomics; finance; algebra, geometry, or higher mathematics; statistics; introduction to computers, including word processing and spread sheets; business or real estate law; and two elective courses in accounting, geography, agricultural economics, business management, or real estate;~~

~~(c) Have successfully completed no fewer than three hundred class hours, which may include the class hours set forth in sections 76-2229.01, 76-2230, and 76-2231.01, 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 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. 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 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:~~

- (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;
 - (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 property;
 - (iv) Knowledge of the appraisal of various types of and interests in real property for various functions and purposes;
 - (v) An understanding of basic real estate law;
 - (vi) An understanding of the types of misconduct for which disciplinary proceedings may be initiated;
 - (vii) An understanding of the Uniform Standards of 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.

~~(3)~~ (2) If an applicant is applying for renewal of a credential as a certified general real property appraiser on and after January 1, 2008, the applicant shall have 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 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, 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.

~~(4)~~ If, prior to January 1, 2008, an applicant for a 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.

~~(5)~~ (3) The application for a credential as a certified general real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 13. Section 76-2233, Revised Statutes Supplement, 2007, is amended to read:

76-2233 (1) A nonresident of this state may obtain a credential as a licensed real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser by (a) complying with all of the provisions of the Real Property Appraiser Act relating to the appropriate classification of credentialing, (b) submitting an application on a form approved by the board, and (c) submitting 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.

(2) If, in the determination of the board, another state or territory or the District of Columbia has substantially equivalent requirements to the requirements of this state, an applicant who is a resident of that state, territory, or district and is currently 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:

- (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;

(b) Certify that disciplinary proceedings are not pending against him or her or state the nature of any pending disciplinary 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

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

~~The board may waive the residence requirement of this subsection under special residency circumstances.~~

Sec. 14. Section 76-2241, Revised Statutes Supplement, 2007, 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:

(1) An application fee of one hundred fifty dollars;

(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;

(3) An initial and renewal credentialing fee, other than temporary credentialing, of no more than three hundred dollars;

(4) A late renewal fee of twenty-five dollars for each month or portion of a month the fee is late; and

(5) A temporary credential application fee for a licensed real property appraiser, ~~of no more than one hundred fifty dollars and a temporary credential fee for~~ a certified residential real property appraiser, or a certified general real property appraiser of no more than ~~two~~ one hundred dollars; ~~and-~~

(6) A pocket card fee of no more than fifty dollars for a licensed real property appraiser, certified residential real property appraiser, or certified general real property appraiser holding a temporary credential under the act.

All fees for credentialing through reciprocity shall be the 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, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2006.~~ 2008. The board may establish such fees as it deems appropriate for special examinations and other services provided by the board. All fees and other revenue collected pursuant to the Real Property Appraiser Act shall be remitted by the board to the State Treasurer for credit to the Real Property Appraiser Fund.

Sec. 15. Section 76-2244, Reissue Revised Statutes of Nebraska, is amended to read:

76-2244 Each resident credential holder shall designate and maintain a principal place of business and shall conspicuously display his or her proof of credentialing in such place of business. Upon any change of his or her principal place of business, a resident or nonresident credential holder shall promptly give notice thereof in writing to the board and the board shall issue a new proof of credentialing for the unexpired term. A nonresident shall not be required to maintain a place of business in this state if he or she maintains an active place of business in his or her place of domicile.

Sec. 16. Section 76-2249, Revised Statutes Cumulative Supplement, 2006, is amended to read:

76-2249 (1) The board may prepare a directory showing the name and place of business of credential holders under the Real Property Appraiser Act. Copies of the directory shall be made available to the public at such reasonable price per copy as may be fixed by the board and shall be provided to federal authorities as required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as the act existed on January 1, ~~2006.~~ 2008.

(2) The board shall provide without charge to any credential holder under the act a set of rules and regulations adopted and promulgated by the board and any other information which the board deems important in the area of real property appraisal in the State of Nebraska. The information may be printed in a booklet, a pamphlet, or any other form the board

determines appropriate. The board may update such material as often as it deems necessary. The board may provide such material to any other person upon request and may charge a fee for the material. The fee shall be reasonable and shall not exceed any reasonable or necessary costs of producing the material for distribution.

Sec. 17. Original section 76-2244, Reissue Revised Statutes of Nebraska, sections 76-2207, 76-2217.02, 76-2221, 76-2222, and 76-2249, Revised Statutes Cumulative Supplement, 2006, and sections 76-2213.01, 76-2223, 76-2228, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, and 76-2241, Revised Statutes Supplement, 2007, are repealed.