

the Banking, Commerce and Insurance Committee for public hearing. The bill was advanced to General File. I do have committee amendments pending by the Banking, Commerce and Insurance Committee.

PRESIDENT: Senator Landis, are you going to take those amendments first, is that the...? Okay. Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, LB 1153 comes to us from Senator Barrett. It is an outgrowth of the S & L bailout phenomenon. As part of the arrangement for that, there was the admonition that states will pass appraiser licensure. Why? Because a major reason for the S & L failures of the eighties was the overappraisal of property that inflated the asset value or the claimed asset value of S & Ls. In fact, when land values went bust, when S & Ls had to rely on their assets to cover their losses, their assets weren't there. Their asset and liability balance sheets were inflated, and there really was not the hub of value to support the risks underwritten by the S & Ls. And what had happened was that S & Ls had found sweetheart appraisers who would go out and give those inflated values in excess of their real measure, in some cases with complicity, perhaps in other cases through incompetence. The list of proponents of this measure is quite long. The Banking Committee took testimony from the director of the real estate commission, who worked, I think, diligently in drawing the material together for this bill. The Nebraska Bankers Association, the Kansas-Nebraska League of Savings Institutions, the American Institute of Real Estate Appraisers, the National Association of Independent Fee Appraisers, and two more professional societies as well. The bill itself, which Senator Barrett will describe to you, creates some discipline authority in the state real estate commission, and also creates a five-member real estate appraiser licensing and certification board. It's not to be of an advisor nature, but in fact to assist the real estate commission in the carrying out of this act. The powers and duty of the board are enunciated, and from there there are two types of appraisers that are created--licensed and certified. The requirements for creating either the licensure or the certification status for yourself, as an appraiser, are established in the law the qualifications appear. And, furthermore, the act has as its goal continuing education for both licensed and certified real estate appraisers, and, secondly, the requirement that licensed and certified real estate appraisers comply with generally