

LEGISLATIVE BILL 778

Approved by the Governor March 6, 2006

Introduced by Langemeier, 23; Erdman, 47; Byars, 30; Flood, 19; Pahls, 31

AN ACT relating to appraisers; to amend sections 13-403, 44-320, 72-224.03, 72-257, 76-706, 76-1907, 76-1908, 76-1909, 76-1910, 76-2201, 76-2202, 76-2203, 76-2204, 76-2205, 76-2205.01, 76-2206, 76-2207, 76-2208, 76-2209, 76-2210, 76-2210.01, 76-2210.02, 76-2211, 76-2211.01, 76-2211.02, 76-2212, 76-2213, 76-2214, 76-2215, 76-2216, 76-2217, 76-2217.01, 76-2218, 76-2218.01, 76-2219, 76-2220, 76-2222, 76-2223, 76-2224, 76-2225, 76-2226, 76-2227, 76-2228, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2239, 76-2241, 76-2242, 76-2243, 76-2245, 76-2246, 76-2247.01, 76-2248, 76-2249, 76-2250, and 77-2019, Reissue Revised Statutes of Nebraska, sections 2-1502, 2-5506, and 77-5004, Revised Statutes Cumulative Supplement, 2004, and sections 49-14,103.01, 76-2221, and 77-1355, Revised Statutes Supplement, 2005; to rename the Real Estate Appraiser Act and a board; to change provisions relating to appraisals and real estate appraisers; to adopt national credentialing standards; to redefine terms; to harmonize provisions; to repeal the original sections; and to outright repeal section 76-2203.01, Reissue Revised Statutes of Nebraska.

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

Section 1. Section 2-1502, Revised Statutes Cumulative Supplement, 2004, is amended to read:

2-1502 (1) The purpose of the Small Watersheds Flood Control Fund is to assist local organizations by paying all or part of the cost of purchase of needed lands, easements, and rights-of-way for soil and water conservation and flood control needs when the following conditions have been met:

- (a) The local organizations have agreed on a program of work;
- (b) Such a program of work has been found to be feasible, practicable, and will promote the health, safety, and general welfare of the people of the state;
- (c) The department has either participated in the planning or reviewed the plans and has approved the program of work;
- (d) Local organizations have obtained a minimum of seventy-five percent of the needed number of easements and rights-of-way in the project or a subwatershed prior to the use of state funds for this purpose;
- (e) Local organizations have made a formal request or application to the department for state funds for the purpose of purchasing lands, easements, and rights-of-way;
- (f) Local organizations and the department have entered into an agreement on the administration and expenditure of these state funds;
- (g) The purchase price of the land, easement, or right-of-way has been established either by the courts or by one ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser approved by the department, which appraisal costs shall be a nonstate cost; and
- (h) Local organizations have given assurance to the department that they have obtained any water rights or other permits required under state or federal law and complied with all other applicable state laws.

(2) State funds to be used for lands, easements, and rights-of-way shall be granted to the local organizations in whose name the land, easement, or right-of-way shall be recorded. Rental or lease revenue from these lands may be used subject to the approval of the department by the local organization in the proper management of these lands, such management to include, but not be limited to, weed control, construction, and maintenance of conservation measures, seeding of grass, planting of trees, and construction and maintenance of fences. Within ten years from the purchase date of lands and rights-of-way, and if the lands and rights-of-way are not granted or retained for public purposes as otherwise provided by this section, it shall be the duty of the local organization to sell the property purchased wholly or partially from state funds and to remit to the department a pro rata share of the proceeds of such sale equal to the percentage of the total cost of the acquisition of such real property made from any state allocation made hereunder and all such remittances shall be deposited in the Small Watersheds Flood Control Fund. The local organization shall retain any easement or right-of-way needed to assure the continued operation,

maintenance, inspection, and repair of the works of improvement constructed on the land to be sold. The commission and local organization may grant for public purposes title to lands and rights-of-way acquired in whole or in part with funds from the Small Watersheds Flood Control Fund to any public district, city, county, political subdivision of the state, or agency of the state or federal government, or the local organization, with approval of the commission, may retain for public purposes the title to such lands and rights-of-way. Whenever any such grant or retention is approved, the department shall be reimbursed in the amount of the pro rata share of the appraised fair market value that is equal to the percentage of the total cost of acquisition paid from the Small Watersheds Flood Control Fund. All such proceeds to the department shall be remitted to the State Treasurer for credit to the Small Watersheds Flood Control Fund.

Sec. 2. Section 2-5506, Revised Statutes Cumulative Supplement, 2004, is amended to read:

2-5506 (1) The Department of Agriculture, in consultation with the parties, may employ the services of a certified general real estate property appraiser when determination of ~~fair~~ market value is a matter in controversy or relevant to the hearing and determination of the matter in controversy.

(2) All costs incurred by the department hearing and determining all matters in controversy pursuant to the Agricultural Suppliers Lease Protection Act shall be paid equally by the parties.

Sec. 3. Section 13-403, Reissue Revised Statutes of Nebraska, is amended to read:

13-403 Notwithstanding any other provision of law, no political subdivision shall purchase, lease-purchase, or acquire for consideration real property having an estimated value of one hundred thousand dollars or more unless an appraisal of such property has been performed by a certified real estate property appraiser.

Sec. 4. Section 44-320, Reissue Revised Statutes of Nebraska, is amended to read:

44-320 (1) Except as provided in subsections (2) through (6) of this section, no director or officer of any domestic insurance company shall directly or indirectly receive any money or valuable consideration for negotiating any loan for the company or for selling or aiding in the sale of any property to or by the company and no such director or officer shall directly or indirectly borrow money from, purchase any property from, or sell any property to the company.

(2) (a) Nothing in this section shall prevent any domestic insurance company from making a loan to an officer of the company for the purchase of a principal residence or acquiring the principal residence of an officer in connection with the relocation of the officer's place of employment at the request of the company either during the course of employment or upon initial employment of such officer. Any loan permitted under this subsection shall be secured by a first trust deed or first mortgage and shall not exceed seventy-five percent of the ~~fair~~ market value of the property. Any acquisition permitted under this subsection shall not exceed the ~~fair~~ market value of the property.

(b) For purposes of this subsection, ~~fair~~ market value shall mean the market value of real estate as determined by a licensed real estate property appraiser who is recognized as a Member of the Appraisal Institute, a Residential Member by the American Institute of Real Estate Appraisers, a Senior Real Estate Analyst, a Senior Real Property Appraiser, or a Senior Residential Appraiser by the Society of Real Estate Appraisers, or an American Society Appraiser by the American Society of Appraisers credentialed by the Real Property Appraiser Board.

(c) Any loan or acquisition permitted under this subsection shall be subject to (i) the approval of the domestic insurance company's board of directors or a delegated committee of the company and (ii) prior written approval of the Director of Insurance based upon written application by the company including full and fair disclosure of the terms of the transaction. Approval of such transaction by the Director of Insurance shall be presumed unless notice of disapproval is received by the applicant within thirty days of the filing of the application. Approval of such transaction may be denied if the director finds that it is not in the best interest of the company or that the terms of the transaction are not fair and reasonable to the company.

(3) Nothing in this section shall prevent any director or officer of any domestic insurance company from purchasing from his or her company an insurance policy or annuity contract if (a) the purchase is in the ordinary course of the company's business and subject to all of the requirements normally imposed by the company in the sale of such policies and contracts and (b) no discount granted to the director or officer in connection with the

purchase is greater than discounts provided to other employees of the company in connection with the sale of similar policies and contracts.

(4) Nothing in this section shall prevent any director or officer of any domestic insurance company from purchasing from his or her company surplus personal property having a total purchase price not in excess of ten thousand dollars in any calendar year if the personal property is sold to the director or officer at not less than its fair market value.

(5) Nothing in this section shall prevent any director or officer of any domestic insurance company from selling to his or her company property of any type or nature having a total purchase price not in excess of ten thousand dollars in any calendar year if the sale is in the ordinary course of business of the director's or officer's business and if the property is sold to the company at not more than its fair market value.

(6) Except as otherwise provided in this section, if any director or officer of any domestic insurance company desires to borrow money from, purchase any property from, or sell any property to the company in excess of ten thousand dollars in any calendar year, the company shall file an application with the Director of Insurance requesting written approval to engage in such transaction. The application shall set out the names of all of the parties interested in the transaction and the respective percentage of interest of each party, a brief description of the nature of the transaction, and a full disclosure of all consideration given or received by the company in connection with such transaction. The application shall be a public record open to public inspection from the date of filing. If the transaction is not approved or disapproved by the director within thirty days from the date of filing, the transaction shall be deemed disapproved. In determining whether to approve or disapprove such transaction, the director shall consider the following factors:

(a)(i) The fact that the transaction has been disclosed or made known to the board of directors of the company or a delegated committee of the company which must authorize approval or ratify the transaction by a vote or consent sufficient for the purpose without counting the vote or consent of any interested director or officer; and

(ii) If applicable, the fact of such transaction has been disclosed or made known to the shareholders entitled to vote and they authorize approval or ratify such transaction by vote or written consent; or

(b)(i) The transaction is fair and reasonable to the company; and

(ii) The transaction is of a nature normally engaged in by the company and the consideration is fair and reasonable.

(7) The Director of Insurance may proceed in a court of competent jurisdiction against a domestic insurance company to reverse or hold invalid a transaction made in violation of subsection (6) of this section unless the transaction was approved pursuant to such subsection.

(8) In addition to other remedies and penalties available under the law of this state, each violation of this section shall be an unfair trade practice in the business of insurance subject to the Unfair Insurance Trade Practices Act.

Sec. 5. Section 49-14,103.01, Revised Statutes Supplement, 2005, is amended to read:

49-14,103.01 (1) For purposes of sections 49-14,103.01 to 49-14,103.06, unless the context otherwise requires, officer means (a) a member of the board of directors of a natural resources district, (b) a member of any board or commission of any county, school district, city, or village which spends and administers its own funds, who is dealing with a contract made by such board or commission, (c) any elected county, school district, educational service unit, city, or village official, and (d) a member of any board of directors or trustees of a hospital district as provided by the Nebraska Local Hospital District Act or a county hospital as provided by sections 23-3501 to 23-3519. Officer does not mean volunteer firefighters or ambulance drivers with respect to their duties as firefighters or ambulance drivers.

(2) Except as provided in section 49-1499.04 or 70-624.04, no officer may have an interest in any contract to which his or her governing body, or anyone for its benefit, is a party. The existence of such an interest in any contract shall render the contract voidable by decree of a court of competent jurisdiction as to any person who entered into the contract or took assignment of such contract with actual knowledge of the prohibited conflict.

(3) An action to have a contract declared void under this section may be brought by the county attorney, the governing body, or any resident within the jurisdiction of the governing body and shall be brought within one year after the contract is signed or assigned. The decree may provide for the reimbursement of any person for the reasonable value of all money, goods,

material, labor, or services furnished under the contract, to the extent that the governing body has benefited thereby.

(4) The prohibition in this section shall apply only when the officer or his or her parent, spouse, or child (a) has a business association as defined in section 49-1408 with the business involved in the contract or (b) will receive a direct pecuniary fee or commission as a result of the contract.

(5) The prohibition in this section does not apply if the contract is an agenda item approved at a board meeting and the interested officer:

(a) Makes a declaration on the record to the governing body responsible for approving the contract regarding the nature and extent of his or her interest prior to official consideration of the contract;

(b) Does not vote on the matters of granting the contract, making payments pursuant to the contract, or accepting performance of work under the contract, or similar matters relating to the contract, except that if the number of members of the governing body declaring an interest in the contract would prevent the body with all members present from securing a quorum on the issue, then all members may vote on the matters; and

(c) Does not act for the governing body which is party to the contract as to inspection or performance under the contract in which he or she has an interest.

(6) An officer who (a) has no business association as defined in section 49-1408 with the business involved in the contract or (b) will not receive a direct pecuniary fee or commission as a result of the contract shall not be deemed to have an interest within the meaning of this section.

(7) The receiving of deposits, cashing of checks, and buying and selling of warrants and bonds of indebtedness of any such governing body by a financial institution shall not be considered a contract for purposes of this section. The ownership of less than five percent of the outstanding shares of a corporation shall not constitute an interest within the meaning of this section.

(8) If an officer's parent, spouse, or child is an employee of his or her governing body, the officer may vote on all issues of the contract which are generally applicable to (a) all employees or (b) all employees within a classification and do not single out his or her parent, spouse, or child for special action.

(9) Section 49-14,102 does not apply to contracts covered by sections 49-14,103.01 to 49-14,103.06.

(10) (a) This section does not prohibit a director of a natural resources district from acting as a participant in any of the conservation or other general district programs which are available for like participation to other residents and landowners of the district or from granting, selling, or otherwise transferring to such district any interest in real property necessary for the exercise of its powers and authorities if the cost of acquisition thereof is equal to or less than that established by a board of three ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraisers or by a court of competent jurisdiction in an eminent domain proceeding.

(b) District payments to a director of a natural resources district of the ~~fair~~ market value for real property owned by him or her and needed for district projects, or for cost sharing for conservation work on such director's land or land in which a director may have an interest, shall not be deemed subject to this section.

Sec. 6. Section 72-224.03, Reissue Revised Statutes of Nebraska, is amended to read:

72-224.03 Except as otherwise provided in section 72-222.02, any public body that has or hereafter shall be granted by the Legislature the authority to acquire educational lands for public use shall be required to condemn the interest of the state, as trustee for the public schools, in educational lands in the following manner:

(1) The proceedings shall be had before a board consisting of (a) the superintendent of a school district offering instruction in grades kindergarten through twelve, (b) a certified public accountant, and (c) a ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser, all appointed by the Governor for a term of six years, except that of the initial appointees one shall serve for a term of two years, one for a term of four years, and one for a term of six years as designated by the Governor. The members of the board shall each receive fifty dollars for each day actually engaged in the performance of official duties and shall be reimbursed for actual and necessary expenses as provided in sections 81-1174 to 81-1177 to be paid by the Board of Educational Lands and Funds;

(2) The condemnation proceedings shall be commenced by the filing of a plat and complete description of the lands to be acquired together with an application for that purpose with the secretary of the Board of Educational Lands and Funds. Notice of the pendency of such application and the date of hearing shall be given by serving a copy of the application, together with notice of the date of hearing, upon the Governor and the Attorney General. The date of hearing shall be not less than ten days from the date of the filing of the application;

(3) The condemner and the Board of Educational Lands and Funds may present evidence before the board of appraisers. The board shall have the power to administer oaths and subpoena witnesses at the request of either party or on its own motion;

(4) After hearing the evidence, the board of appraisers shall make the award and file same in the office of the Board of Educational Lands and Funds. Such award may be appealed, and the appeal shall be in accordance with the Administrative Procedure Act; and

(5) Upon payment of the amount of the award by the condemner, it shall be the duty of the secretary of the Board of Educational Lands and Funds to transmit a certified copy of the award to the condemner for filing in the office of the register of deeds in the county or counties where the land is located. The filing of such certified copy of the award shall have the force and effect of a deed of conveyance of the real estate and shall constitute a transfer of the title thereto.

Sec. 7. Section 72-257, Reissue Revised Statutes of Nebraska, is amended to read:

72-257 All lands, now owned or hereafter acquired by the state for educational purposes, may be sold at the expiration of the present leases. The Board of Educational Lands and Funds shall retain all mineral rights in the land sold. Prior to such sale, the land may be appraised for purposes of sale in the same manner as privately owned land by a certified general real estate property appraiser appointed by the board and thereafter shall be sold at public sale at not less than the appraised value. When two or more contiguous tracts are under separate leases with different expiration dates, the board may, if it is deemed to be in the best interest of the state, defer the sale of any tract having an earlier lease expiration date and may offer the tract for lease for less than twelve years to coincide with the expiring lease of the contiguous tract, in order that the contiguous lands may eventually be offered for sale on the same date.

Sec. 8. Section 76-706, Reissue Revised Statutes of Nebraska, is amended to read:

76-706 Upon filing of a petition under either section 76-704 or 76-705, the county judge or clerk magistrate, within three days by order entered of record, shall appoint three disinterested freeholders of the county, not interested in a like question, to serve as appraisers. One appraiser so appointed shall be a ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser, except that if the county judge finds that no ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser is a disinterested freeholder of the county, this requirement shall not apply. The county judge or clerk magistrate shall direct the sheriff to summon the appraisers so selected to convene at the office of the county judge at a time specified in the summons for the purpose of qualifying as appraisers and thereafter proceed to appraise the property sought to be condemned and to ascertain and determine the damages sustained by the condemnee. Notice of intention to acquire the property and of the time and place of meeting of the board of appraisers to have the damages assessed shall be served upon the condemnee at least ten days prior to the meeting of the board of appraisers. Service of such notice shall be made in the manner provided for service of a summons in a civil action.

Sec. 9. Section 76-1907, Reissue Revised Statutes of Nebraska, is amended to read:

76-1907 A petition filed pursuant to section 76-1906 shall:

(1) Set forth a designation of the homestead which shall, with respect to the redemptive homestead, be limited by the boundaries of any designation made pursuant to section 76-1904 in any mortgage or trust deed having priority under section 76-1905; and

(2) Include a written appraisal report prepared and signed by a ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser setting forth the appraiser's estimate opinion of value and basis for such estimate opinion of the current ~~fair~~ market value of each of the following: (a) The protected real estate as a whole; (b) the redemptive homestead if sold separately from the balance of the protected real

estate; and (c) the balance of the protected real estate if sold separately from the redemptive homestead.

Sec. 10. Section 76-1908, Reissue Revised Statutes of Nebraska, is amended to read:

76-1908 If after trial as an action in equity the court finds: (1) That the petition provided for in section 76-1906 is filed in good faith and not for delay; (2) that the statements contained in the petition are true; and (3) that the requested redemption will not unreasonably affect the fair market value of the protected real estate exclusive of the redemptive homestead, then the court shall confirm the redemption.

Sec. 11. Section 76-1909, Reissue Revised Statutes of Nebraska, is amended to read:

76-1909 (1) Except as provided in subsection (2) of this section, an order confirming a requested homestead redemption shall direct the petitioner to pay into the court not later than ten days from the entry of such order a cash amount equal to the current fair market value of the redemptive homestead as found and determined by the court in its confirmation order. If the petitioner fails to make such payment, the court shall, upon its own motion or the motion of any party to the action, vacate the confirmation order, and all of the protected real estate shall then be subject to sale as provided by law, free of any redemptive or other right of the petitioner otherwise existing under the Farm Homestead Protection Act. The filing of a petition requesting redemption on the basis of the payment of a cash amount equal to the current fair market value of the redemptive homestead shall not constitute a waiver of any stay in effect or available to the petitioner under section 25-1506.

(2) Redemption based upon the petitioner's equity in the protected real estate shall be permitted when requested in the prayer of the petition and when the court specifically finds and determines in its confirmation order that the sum of all liens upon the protected real estate is equal to eighty-five percent or less of the current fair market value of that portion of the protected real estate exclusive of the redemptive homestead. If the court finds that the petitioner has sufficient equity as required by this subsection, the payment otherwise required by subsection (1) of this section shall be waived by the court in its order confirming the redemption. The filing of a petition requesting redemption on the basis of the petitioner's equity in the protected real estate as provided in this subsection shall constitute a waiver of any stay in effect or available to the petitioner under section 25-1506.

Sec. 12. Section 76-1910, Reissue Revised Statutes of Nebraska, is amended to read:

76-1910 (1) The filing of a petition as provided in section 76-1906 shall not delay or preclude the holder of a mortgage, trust deed, or judgment lien, referred to in such section, from causing a sale as otherwise permitted by law of that portion of the protected real estate exclusive of the redemptive homestead described in the petition.

(2) Upon (a) payment of the fair market value of the redemptive homestead as provided in subsection (1) of section 76-1909 or (b) confirmation of a requested redemption on the basis of the petitioner's equity in the protected real estate pursuant to subsection (2) of section 76-1909, the petitioner shall be entitled to retain his or her interest in the redemptive homestead free of the lien of the mortgage or trust deed or the judgment lien, against which the petition for redemption was filed, and free of any other lien held therein by any party to the action.

Sec. 13. Section 76-2201, Reissue Revised Statutes of Nebraska, is amended to read:

76-2201 Sections 76-2201 to 76-2250 and sections 31, 37, and 49 of this act shall be known and may be cited as the Real Estate Property Appraiser Act.

Sec. 14. Section 76-2202, Reissue Revised Statutes of Nebraska, is amended to read:

76-2202 ~~The Legislature finds that, because of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 by the Congress of the United States, Nebraska laws providing for licensing of real estate appraisers require restructuring in order to comply with Title XI of the act. Compliance with the act is necessary to ensure an adequate number of appraisers in Nebraska to conduct appraisals of real estate involved in federally related transactions as defined in Title XI of the act. The restructuring of Nebraska laws by the Real Estate Appraiser Act includes the creation of a new, independent board.~~

The Legislature finds that changes to the Real Property Appraiser Act made by this legislative bill are necessary to comply with the Appraiser Qualifications Board's Real Property Appraiser Qualification Criteria,

effective January 1, 2008. Further, the increased educational standards required by this legislative bill are due to the changes in the required core curriculum necessitated by the 2008 criteria.

Sec. 15. Section 76-2203, Reissue Revised Statutes of Nebraska, is amended to read:

76-2203 For purposes of the Real Estate Property Appraiser Act, the definitions found in sections 76-2204 to 76-2219 and sections 31 and 37 of this act shall be used.

Sec. 16. Section 76-2204, Reissue Revised Statutes of Nebraska, is amended to read:

76-2204 Appraisal ~~shall mean~~ means an analysis, opinion, or conclusion prepared by a real estate property appraiser relating to the value of specified interests in or aspects of identified real estate or identified real property. An appraisal may be classified by the nature of the assignment into either a valuation assignment or an evaluation assignment.

Sec. 17. Section 76-2205, Reissue Revised Statutes of Nebraska, is amended to read:

76-2205 Appraisal Foundation ~~shall mean~~ means the Appraisal Foundation that was incorporated as an Illinois not-for-profit corporation on November 30, 1987.

Sec. 18. Section 76-2205.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2205.01 Appraisal practice ~~shall mean~~ means valuation services performed by an individual acting as an appraiser, including, but not limited to, appraisal, appraisal review, or appraisal consulting, performed by a real estate appraiser.

Sec. 19. Section 76-2206, Reissue Revised Statutes of Nebraska, is amended to read:

76-2206 Appraisal report ~~shall mean~~ means any communication, written or oral, of an appraisal. The testimony of a real estate property appraiser dealing with the appraiser's analyses, conclusions, or opinions concerning identified real estate or identified real property ~~shall be~~ is deemed to be an oral appraisal report.

Sec. 20. Section 76-2207, Reissue Revised Statutes of Nebraska, is amended to read:

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

Sec. 21. Section 76-2208, Reissue Revised Statutes of Nebraska, is amended to read:

76-2208 Board ~~shall mean~~ means the Real Estate Property Appraiser Board.

Sec. 22. Section 76-2209, Reissue Revised Statutes of Nebraska, is amended to read:

76-2209 Broker's price opinion ~~shall mean~~ means an analysis, opinion, or conclusion prepared by a person licensed under the Nebraska Real Estate License Act in the ordinary course of his or her business relating to the price of specified interests in or aspects of identified real estate or identified real property for the purpose of listing, purchase, or sale.

Sec. 23. Section 76-2210, Reissue Revised Statutes of Nebraska, is amended to read:

76-2210 Certified general real estate property appraiser ~~shall mean~~ means a person who holds a valid certificate as a certified general real estate property appraiser issued under the Real Estate Property Appraiser Act.

Sec. 24. Section 76-2210.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2210.01 Certified real estate property appraiser ~~shall mean~~ means a person who holds a valid certificate as a certified general real estate property appraiser or a valid certificate as a certified residential real estate property appraiser issued under the Real Estate Property Appraiser Act.

Sec. 25. Section 76-2210.02, Reissue Revised Statutes of Nebraska, is amended to read:

76-2210.02 Certified residential real estate property appraiser ~~shall mean~~ means a person who holds a valid certificate as a certified residential real estate property appraiser issued under the Real Estate Property Appraiser Act.

Sec. 26. Section 76-2211, Reissue Revised Statutes of Nebraska, is amended to read:

76-2211 Comparative market analysis ~~shall mean~~ means an analysis, opinion, or conclusion prepared by a person licensed under the Nebraska Real

Estate License Act in the ordinary course of his or her business relating to the price of specified interests in or aspects of identified real estate or identified real property by comparison to other real property currently or recently in the marketplace for the purpose of listing, purchase, or sale.

Sec. 27. Section 76-2211.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2211.01 Consulting service ~~shall mean~~ means an impartial evaluation service as a disinterested third party rendered as part of an appraisal practice that responds to a client's stated objective and any other engagement for which a real estate property appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested third party in rendering an unbiased opinion.

Sec. 28. Section 76-2211.02, Reissue Revised Statutes of Nebraska, is amended to read:

76-2211.02 Credential ~~shall mean~~ means a registration, license, or certificate.

Sec. 29. Section 76-2212, Reissue Revised Statutes of Nebraska, is amended to read:

76-2212 Evaluation assignment ~~shall mean~~ means an assignment that relates to the nature, quality, or utility of identified real estate or identified real property and which typically does not include a ~~value estimate~~ an opinion of value. Evaluation assignment ~~shall~~ does not include reports prepared by experts from professional disciplines other than real estate property appraisal such as: A soil test or soil analysis of identified real estate prepared by a civil engineer; a title opinion or zoning analysis of identified real estate prepared by a lawyer; an architectural analysis of identified improved real estate prepared by an architect; and a property management analysis of identified improved real estate prepared by a property manager or property management consultant.

Sec. 30. Section 76-2213, Reissue Revised Statutes of Nebraska, is amended to read:

76-2213 Licensed real estate property appraiser or licensed residential real property appraiser ~~means~~ shall mean a person who holds a valid license as a licensed real estate property appraiser or as a licensed residential real property appraiser issued under the Real Estate Property Appraiser Act.

Sec. 31. Section 76-2218.01, Reissue Revised Statutes of Nebraska, is amended to read:

~~76-2218.01~~ National Uniform Standards of Professional Appraisal Practice means the standards promulgated by the Appraisal Foundation, as the standards existed on ~~September 1, 2001~~ January 1, 2006.

Sec. 32. Section 76-2214, Reissue Revised Statutes of Nebraska, is amended to read:

76-2214 Real estate ~~shall mean~~ means a parcel or tract of land, including improvements, if any.

Sec. 33. Section 76-2215, Reissue Revised Statutes of Nebraska, is amended to read:

76-2215 Real estate property appraisal activity ~~shall mean~~ means any act or process, performed for a fee or other valuable consideration, involved in developing an appraisal or preparing an appraisal report, including but not limited to, a consulting service, ~~an advocate consulting service~~, an evaluation assignment, or a valuation assignment.

Sec. 34. Section 76-2216, Reissue Revised Statutes of Nebraska, is amended to read:

76-2216 Real estate property appraiser ~~shall mean~~ means a person (1) who engages in real estate property appraisal activity, (2) who advertises or holds himself or herself out to the general public as a real estate property appraiser, or (3) who offers, attempts, or agrees to perform or performs real estate property appraisal activity with the intention or upon the promise of receiving valuable consideration. Real property appraiser includes persons defined as real estate appraisers prior to the effective date of this act.

Sec. 35. Section 76-2217, Reissue Revised Statutes of Nebraska, is amended to read:

76-2217 Real property ~~shall mean~~ means one or more defined interests, benefits, or rights inherent in the ownership of real estate.

Sec. 36. Section 76-2217.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2217.01 Registered real estate property appraiser ~~shall mean~~ means a person who holds a valid registration as a registered real estate property appraiser as provided in section 76-2229.01.

Sec. 37. Trainee real property appraiser means a person 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. 38. Section 76-2218, Reissue Revised Statutes of Nebraska, is amended to read:

76-2218 Two-year continuing education period ~~shall mean~~ means a period of twenty-four months commencing on January 1 following the date of credentialing under the Real Estate Property Appraiser Act and each succeeding twenty-four-month period.

Sec. 39. Section 76-2219, Reissue Revised Statutes of Nebraska, is amended to read:

76-2219 Valuation assignment ~~shall mean~~ means an appraisal that estimates the value of identified real estate or identified real property at a particular point in time.

Sec. 40. Section 76-2220, Reissue Revised Statutes of Nebraska, is amended to read:

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

Sec. 41. Section 76-2221, Revised Statutes Supplement, 2005, is amended to read:

76-2221 The Real Estate Property Appraiser Act shall not apply to:

(1) Any real estate 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 estate property appraiser for others shall be subject to the act and shall be credentialed prior to engaging in such other appraising;

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

(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 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 estate property appraiser would not have, except that a real estate property appraiser or a person licensed under the Nebraska Real Estate License Act is not exempt under this subdivision;

(6) Any owner of real estate, employee of the owner, or attorney licensed to practice law in 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 estate property appraiser would not have, except that a

real estate property appraiser or a person licensed under the Nebraska Real Estate License Act is not exempt under this subdivision;

(7) 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) 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 estate property appraiser for others shall be subject to the Real Estate Property Appraiser Act and shall be credentialed prior to engaging in such other appraising.

Sec. 42. Section 76-2222, Reissue Revised Statutes of Nebraska, is amended to read:

76-2222 (1) The Real Estate Property Appraiser Board is hereby created. The board shall consist of five members, one member who is a certified real estate 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 estate 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 estate 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. 43. Section 76-2223, Reissue Revised Statutes of Nebraska, is amended to read:

76-2223 The board shall administer and enforce the Real Estate 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 Estate 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 ~~September 1, 2001~~ January 1, 2006;

(6) Establish appropriate administrative procedures for disciplinary proceedings conducted pursuant to the Real Estate 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 ~~standards of professional appraisal practice or ethical rules established under section 76-2237~~ National 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; ~~or is about to occur~~;

(11) Promote research and conduct studies relating to the profession of real estate property appraisal, sponsor real estate 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 Estate Property Appraiser Act.

Sec. 44. Section 76-2224, Reissue Revised Statutes of Nebraska, is amended to read:

76-2224 In order to administer and enforce the Real Estate Property Appraiser Act, the board may hire a director and other staff, rent office space, and acquire other facilities and equipment. The board may contract for administrative assistance, including facilities, equipment, supplies, and personnel that are required by the board to carry out its responsibilities under the act.

Sec. 45. Section 76-2225, Reissue Revised Statutes of Nebraska, is amended to read:

76-2225 The members of the board shall be immune from any civil action or criminal prosecution for initiating or assisting in any lawful investigation of the actions of or any disciplinary proceeding concerning a credential holder pursuant to the Real Estate Property Appraiser Act if such action is taken without malicious intent and in the reasonable belief that it was taken pursuant to the powers vested in the members of the board.

Sec. 46. Section 76-2226, Reissue Revised Statutes of Nebraska, is amended to read:

76-2226 There is hereby created the Real Estate Property Appraiser Fund. The board may use the fund for the administration and enforcement of the Real Estate Property Appraiser Act and to meet the necessary expenditures of the board. The fund shall include a sufficient cash fund balance as determined by the board. The expense of administering and enforcing the act shall not exceed the money collected by the board under the act. Any money remaining in the Real Estate Appraiser Fund on the effective date of this act shall be transferred to the Real Property Appraiser Fund on such date. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 47. Section 76-2227, Reissue Revised Statutes of Nebraska, is amended to read:

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

(2) At the time of filing an initial or renewal application for credentials, the applicant shall sign a pledge that he or she has read and will comply with the ~~standards of professional appraisal practice and the~~

~~ethical rules established under section 76-2237 National Uniform Standards of Professional Appraisal Practice.~~ Each applicant shall also certify that he or she understands the types of misconduct for which disciplinary proceedings may be initiated.

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

(4) No credential shall be issued to a corporation, partnership, limited liability company, firm, or group.

Sec. 48. Section 76-2228, Reissue Revised Statutes of Nebraska, is amended to read:

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

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

~~(2)~~ (b) Licensed real estate property appraiser, which classification shall consist of those persons who meet the requirements for licensure set forth in section 76-2230;

~~(3)~~ (c) Certified residential real estate property appraiser, which classification shall consist of those persons who meet the requirements for residential certification set forth in section 76-2231.01; and

~~(4)~~ (d) Certified general real estate property appraiser, which classification shall consist of those persons who meet the 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:

(a) Trainee real property appraiser, which classification shall consist of those persons who meet the requirements for credentialing set forth in section 49 of this act;

(b) Registered real property appraiser, which classification shall consist of those persons who meet the requirements for 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 76-2231.01; and

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

Sec. 49. (1) On and after January 1, 2008, to qualify as a trainee 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 seventy-five class hours 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 an examination pertinent to the material presented. The applicant shall 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;

(d) Be subject to direct supervision by a supervising 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

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

(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 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 a trainee real property appraiser shall include the applicant's social security number and such other information as the board may require.

Sec. 50. Section 76-2229, Reissue Revised Statutes of Nebraska, is amended to read:

76-2229 (1) No person other than a registered real estate property appraiser shall assume or use the title registered real estate property appraiser or any title, designation, or abbreviation likely to create the impression of registration as a real estate property appraiser by this state. No person other than a licensed real estate property appraiser shall assume or use the title licensed real estate property appraiser or any title, designation, or abbreviation likely to create the impression of licensure as a real estate property appraiser by this state. No person other than a certified residential real estate property appraiser shall assume or use the title certified residential real estate property appraiser or any title, designation, or abbreviation likely to create the impression of residential certification as a real estate property appraiser by this state. No person other than a certified general real estate property appraiser shall assume or use the title certified general real estate property appraiser or any title, designation, or abbreviation likely to create the impression of general certification as a real estate property appraiser by this state. A real estate property appraiser shall state whether he or she is a registered real estate property appraiser, licensed real estate property appraiser, certified residential real estate property appraiser, or certified general real estate property appraiser whenever he or she identifies himself or herself as a real estate property appraiser, including on all reports which are signed individually or as cosigner.

(2) The terms registered real estate property appraiser, licensed real estate property appraiser, licensed residential real property appraiser, certified residential real estate property appraiser, and certified general real estate property appraiser may only be used to refer to a person who is credentialed as such under the Real Estate 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. 51. Section 76-2229.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2229.01 (1) For registration as a real estate 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 ~~not less~~ no fewer than ninety class hours in board-approved courses of study 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, 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 ~~the English language, including~~ 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 ~~standards of professional appraisal practice and ethical rules that a real estate appraiser is required to observe~~ National 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)-(i)~~ (e) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored, and ~~(ii) upon request of the board, furnish satisfactory proof of good reputation as required under section 76-2227.~~

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

Sec. 52. Section 76-2230, Reissue Revised Statutes of Nebraska, is amended to read:

76-2230 (1) ~~To~~ Prior to January 1, 2008, to qualify for a license as a real estate 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 ~~not less no fewer~~ 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 a fifteen-hour course in the National Uniform Standards of Professional Appraisal Practice. 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 ~~less~~ 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 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 ~~the English language, including~~ 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 standards of professional appraisal practice and ethical rules that a real estate appraiser is required to observe National 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)-(i)~~ (f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored, and ~~(ii)~~ upon request of the board, furnish satisfactory proof of good reputation as required under section 76-2227.

(2) On and after January 1, 2008, to qualify for a credential as a licensed residential 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 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 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;

(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 National 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) On and after January 1, 2008, the scope of practice for a
licensed residential 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) If an applicant is applying for renewal of a credential as a
licensed 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 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. 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.

~~(2)~~ (6) The application for the license shall include the
applicant's social security number and such other information as the board
may require.

Sec. 53. Section 76-2231.01, Reissue Revised Statutes of Nebraska,
 is amended to read:

76-2231.01 (1) ~~To~~ Prior to January 1, 2008, to qualify for a
residential certificate as a certified residential real estate 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 ~~not less~~ 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 a fifteen-hour course in the National Uniform
 Standards of Professional Appraisal Practice. 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 ~~less~~ 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;

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

(i) Knowledge of the English language, including 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 Estate Property Appraiser Act;

(iv) An understanding of the standards of professional appraisal practice and ethical rules that a real estate appraiser is required to observe National 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)-(i)~~ (f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored, and ~~(ii)~~ upon request of the board, furnish satisfactory proof of good reputation as required under section 76-2227.

(2) On and after January 1, 2008, to qualify for a residential certificate 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 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. 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 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 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 National 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) 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) If an applicant is applying for renewal of a residential certificate 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 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, 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 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.

~~(2)~~ (6) The application for a residential certificate shall include the applicant's social security number and such other information as the board may require.

Sec. 54. Section 76-2232, Reissue Revised Statutes of Nebraska, is amended to read:

76-2232 (1) ~~The~~ Prior to January 1, 2008, to qualify for a general certificate as a certified general real estate 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 ~~not less~~ 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 a fifteen-hour course in the National Uniform Standards of Professional Appraisal Practice. 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 National 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 the English language, including 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 Estate Property Appraiser Act;

(iv) An understanding of the standards of professional appraisal practice and ethical rules that a real estate appraiser is required to observe National 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)-(i)~~ (f) Not have been convicted of any felony or, if so convicted, have had his or her civil rights restored, and ~~(ii)~~ upon request of the board, furnish satisfactory proof of good reputation as required under section 76-2227.

(2) On and after January 1, 2008, to qualify for a general certificate 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 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. 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:

(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 National 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) If an applicant is applying for renewal of a general certificate 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 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, 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 general certificate 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.

~~(2)~~ (5) The application for a general certificate shall include the applicant's social security number and such other information as the board may require.

Sec. 55. Section 76-2233, Reissue Revised Statutes of Nebraska, is amended to read:

76-2233 (1) A nonresident of this state may obtain a license credential as a licensed real estate property appraiser or a licensed residential real estate property appraiser or obtain a certificate as a certified residential real estate property appraiser or as a certified general real estate property appraiser by (a) complying with all of the provisions of the Real Estate 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 estate 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. 56. Section 76-2233.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2233.01 A nonresident may obtain a temporary license credential as a licensed real estate property appraiser or as a licensed residential real property appraiser or obtain a temporary certificate as a certified residential real estate property appraiser or as a certified general real estate 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, 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

(5) Pay an application fee in an amount established by the board.

A temporary license or certificate 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 shall expire upon the completion of the appraisal work required by the contract for appraisal services or upon the expiration of a period of six months from the date of issuance, whichever occurs first. A temporary license or certificate may ~~not~~ be renewed for one additional six-month period.

Sec. 57. Section 76-2233.02, Reissue Revised Statutes of Nebraska, is amended to read:

76-2233.02 A credential issued under the Real Estate Property Appraiser Act other than a temporary credential shall remain in effect until December 31 following the date of credentialing unless surrendered, revoked, suspended, or canceled prior to such date. To renew a valid credential, the credential holder shall file an application on a form approved by the board and pay the prescribed renewal fee to the board not later than November 30 of each year. In every second year of renewal, as specified in section 76-2236, evidence of completion of continuing education requirements shall accompany renewal application or be on file with the board prior to renewal.

If a credential holder fails to apply and meet the requirements for renewal by November 30, such credential holder may obtain a renewal of such credential by satisfying all of the requirements for renewal and paying a late renewal fee if such late renewal takes place prior to July 1 of the following year. The board may refuse to renew any credential if the credential holder has continued to perform real estate property appraisal activities or other related activities in this state following the expiration of his or her credential.

Sec. 58. Section 76-2236, Reissue Revised Statutes of Nebraska, is amended to read:

76-2236 Every credential holder shall furnish evidence to the board that he or she has satisfactorily completed no ~~less~~ fewer than twenty-eight hours of approved continuing education activities in each two-year continuing education period. ~~except that during the first full year of the two-year continuing education period only,~~ commencing on January 1, 2001, every new or upgraded credential holder shall furnish evidence to the board that he or she has satisfactorily completed one-half of the two-year continuing education requirement. Hours of satisfactorily completed approved continuing education activities cannot be carried over from one two-year continuing education period to another. The board may extend or waive the continuing education requirements by rule or regulation. As prescribed by rule or regulation of the board and at least once every ~~four~~ two years, an update seminar of no less than seven hours, covering the National Uniform Standards of Professional Appraisal Practice, shall be included in the continuing education requirement of each credential holder. The board shall approve continuing education activities which it determines would protect the public by improving the competency of credential holders. Evidence of completion of such continuing education activities for the two-year continuing education period may be submitted to the board as each activity is completed. A person who holds a temporary credential shall not have to meet any continuing education requirements in this state.

Sec. 59. Section 76-2237, Reissue Revised Statutes of Nebraska, is amended to read:

76-2237 Each credential holder shall comply with generally accepted standards of professional appraisal practice and generally accepted ethical rules to be observed by a real estate appraiser the National Uniform Standards of Professional Appraisal Practice. The board shall adopt and promulgate rules and regulations which may conform to the generally accepted standards of professional appraisal practice evidenced by the National Uniform Standards of Professional Appraisal Practice. The board shall review such rules and regulations annually. A copy of each such rule or regulation shall be mailed to the business address of each credential holder.

Sec. 60. Section 76-2238, Reissue Revised Statutes of Nebraska, is amended to read:

76-2238 The following acts and omissions shall be considered grounds for disciplinary action or denial of an application by the board:

- (1) Failing to meet the minimum qualifications for credentialing established by or pursuant to the Real Estate Property Appraiser Act;
- (2) Procuring or attempting to procure a credential under the act by knowingly making a false statement, submitting false information, or making a material misrepresentation in an application filed with the board or procuring or attempting to procure a credential through fraud or misrepresentation;
- (3) Paying money or other valuable consideration other than the fees provided for by the act to any member or employee of the board to procure a credential;
- (4) An act or omission involving real estate or appraisal practice which constitutes dishonesty, fraud, or misrepresentation with or without the intent to substantially benefit the credential holder or another person or with the intent to substantially injure another person;
- (5) Entry of a final civil or criminal judgment against a credential holder on grounds of fraud, misrepresentation, or deceit involving real estate or in the making of an appraisal;
- (6) Conviction, including a conviction based upon a plea of guilty or nolo contendere, of a crime which is substantially related to the qualifications, functions, or duties of a real estate property appraiser;
- (7) Engaging in the business of real estate property appraising under an assumed or fictitious name;
- (8) Paying a finder's fee or a referral fee to any person in connection with the appraisal of real estate or real property, except that an intracompany payment for business development shall not be considered to be unethical or a violation of this subdivision;
- (9) Making a false or misleading statement in that portion of a

written appraisal report that deals with professional qualifications or in any testimony concerning professional qualifications;

(10) Any violation of the act or any rule or regulation adopted and promulgated pursuant to the act;

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

(12) Acceptance of a fee for performing a real estate property appraisal valuation assignment or evaluation assignment ~~other than an advocate consulting service~~ when the fee is or was contingent upon (a) the real estate property appraiser reporting a predetermined analysis, opinion, or conclusion, (b) the analysis, opinion, conclusion, or valuation reached, or (c) the consequences resulting from the appraisal;

(13) Failure or refusal to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal;

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

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

(16) Demonstrating negligence, incompetence, or unworthiness to act as an appraiser, whether of the same or of a different character as otherwise specified in this section;

(17) Suspension or revocation of an appraisal credential or a license in another regulated occupation, trade, or profession in this or any other jurisdiction;

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

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

(20) Presentation to the board of any check which is returned to the State Treasurer unpaid, whether payment of fee is for an initial or renewal credential or for examination; and

(21) Failure to pass the examination.

Sec. 61. Section 76-2239, Reissue Revised Statutes of Nebraska, is amended to read:

76-2239 The board may, upon its own motion, and shall, upon the written complaint of any aggrieved person, cause an investigation to be made with respect to an alleged violation of the Real Estate Property Appraiser Act by any credential holder or applicant for credentialing under the act. The board may revoke or suspend the credential or otherwise discipline a credential holder or deny any application for any of the acts or omissions set forth in section 76-2238. Violation of the act or the rules and regulations during a period of probation shall cause immediate execution of a suspension penalty. Upon receipt of information indicating that a credential holder may have violated any provision of the act, the board shall make an investigation of the facts to determine whether or not there is evidence of a violation. If technical assistance is required, the board may contract with or use qualified individuals or companies.

If an investigation indicates that a credential holder may have violated a provision of the act, the board may offer the credential holder an opportunity to voluntarily and informally discuss the alleged violation before the board. The board may enter into consent agreements or negotiate settlements. If an investigation indicates that a credential holder has violated a provision of the act, a formal complaint shall be prepared by the board and served upon the credential holder. The complaint shall require the credential holder to file an answer within thirty days of the date of service. In responding to a complaint, the credential holder may admit the allegations of the complaint, deny the allegations of the complaint, or plead otherwise. Failure to make a timely response shall be deemed an admission of the allegations of the complaint. Upon receipt of an answer to the complaint, the director or chairperson of the board shall set a date, time, and place for an administrative hearing on the complaint. The date of the hearing shall not be less than thirty nor more than one hundred twenty days from the date that the answer is filed unless such date is extended for good cause.

Sec. 62. Section 76-2241, Reissue Revised Statutes of Nebraska, is amended to read:

76-2241 The board shall charge and collect appropriate fees for its services under the Real Estate Property Appraiser Act as follows:

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

(2) An examination fee of no more than ~~two~~ 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 license fee for a licensed real estate property appraiser or a licensed residential real property appraiser of no more than one hundred fifty dollars and a temporary certificate fee for a certified residential real estate property appraiser or a certified general real estate property appraiser of no more than ~~one hundred fifty~~ two hundred dollars.

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 ~~September 1, 2001~~ January 1, 2006. 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 Estate Property Appraiser Act shall be remitted by the board to the State Treasurer for credit to the Real Estate Property Appraiser Fund.

Sec. 63. Section 76-2242, Reissue Revised Statutes of Nebraska, is amended to read:

76-2242 (1) The board shall provide to each credential holder proof that such person has been credentialed under the Real Estate Property Appraiser Act for the classification requirements set forth in the act. The board shall also issue a pocket card in such size and form as it may approve.

(2) Each credential issued under the act shall designate the principal place of business of the credential holder.

(3) Registrations, licenses, residential or general certificates, the proof of credentialing, and pocket cards issued by the board shall remain the property of the state, and upon surrender, cancellation, suspension, or revocation, any person holding the documents shall immediately return such documents to the board.

Sec. 64. Section 76-2243, Reissue Revised Statutes of Nebraska, is amended to read:

76-2243 Nothing contained in the Real Estate Property Appraiser Act shall be deemed to prohibit any credential holder under the act from engaging in the practice of real estate property appraising as a professional corporation in accordance with the Nebraska Professional Corporation Act.

Sec. 65. Section 76-2245, Reissue Revised Statutes of Nebraska, is amended to read:

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

Sec. 66. Section 76-2246, Reissue Revised Statutes of Nebraska, is amended to read:

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

Sec. 67. Section 76-2247.01, Reissue Revised Statutes of Nebraska, is amended to read:

76-2247.01 A person may retain or employ a real estate property appraiser credentialed under the Real Estate Property Appraiser Act to provide appraisal services, including, but not limited to, valuation assignments, and consulting services. ~~or advocate consulting services.~~ In each case, the appraisal and the appraisal report shall comply with the Real Estate Property Appraiser Act and the National Uniform Standards of Professional Appraisal Practice.

In a valuation assignment, the real estate property appraiser shall remain an impartial, disinterested third party. When providing a consulting service, the real estate property appraiser may complete the evaluation assignment in a manner that responds to a client's stated objective but shall also remain an impartial, disinterested third party. Compensation of a real estate property appraiser for either a valuation assignment or consulting service shall not be contingent upon the real estate property appraiser reporting a predetermined analysis, opinion, or conclusion reached or upon the results achieved.

~~For an advocate consulting service, the real estate appraiser may be paid a fixed fee or a fee that is contingent on the results achieved by the advocate consulting service. If a real estate appraiser enters into an agreement to perform an advocate consulting service, this fact shall be clearly stated in each written and oral report, in each letter of transmittal, and in the certification statement.~~

Sec. 68. Section 76-2248, Reissue Revised Statutes of Nebraska, is amended to read:

76-2248 At the request of the board, the Attorney General shall render to the board an opinion with respect to all questions of law arising in connection with the administration of the Real Estate Property Appraiser Act and shall act as attorney for the board in all actions and proceedings brought by or against the board under or pursuant to the act. All fees and expenses of the Attorney General arising out of such duties shall be paid out of the Real Estate Property Appraiser Fund. The Attorney General may appoint special counsel to prosecute such action, and all fees and expenses of such counsel allowed shall be taxed as costs in the action as the court may direct.

Sec. 69. Section 76-2249, Reissue Revised Statutes of Nebraska, 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 Estate 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 ~~September 1, 2001~~ January 1, 2006.

(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 estate 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. 70. Section 76-2250, Reissue Revised Statutes of Nebraska, is amended to read:

76-2250 The board may, upon payment of a fee in an amount specified in its rules and regulations, issue a certificate of good standing to any credential holder under the Real Estate Property Appraiser Act who is in good standing in this state.

Sec. 71. Section 77-1355, Revised Statutes Supplement, 2005, is amended to read:

77-1355 (1) The Greenbelt Advisory Committee is established to assist and advise the Property Tax Administrator in developing uniform and proportionate special valuation of agricultural real property which is zoned for agricultural use and subject to land-use controls provided for in sections 77-1343 to 77-1348. The advisory committee shall provide advice to the Property Tax Administrator and the Legislature on rules and regulations under section 77-1346 and methods and practices of state and local assessing officials for such special valuation. The Property Tax Administrator shall respond to the recommendations of the advisory committee and explain the basis for approval or rejection of recommendations.

(2) The advisory committee shall consist of the following members appointed by the Governor:

- (a) Two active farmers;
- (b) An active rancher;
- (c) A real estate property appraiser with expertise in the appraisal of agricultural real estate;
- (d) A professor of agricultural economics at the University of Nebraska Institute of Agriculture and Natural Resources;
- (e) An elected county assessor or a designee of the county assessor;

- (f) A local planning and zoning official;
- (g) An elected county official who has served on an agricultural and horticultural land valuation board; and
- (h) A county attorney who has an understanding of appraisal processes and problems encountered in the valuation of real property.

The members shall serve for terms of four years, except that the Governor shall designate three of the initial members to serve for two-year terms. The members shall select a chairperson from the advisory committee's membership. The advisory committee shall meet at least once annually.

(3) The advisory committee shall develop recommendations on:

(a) When using comparable sales analysis for purposes of establishing the special valuation under sections 77-1343 to 77-1348, how such information may be gathered from other counties and locations within a county;

(b) When using an income capitalization approach for such special valuation, the income and expense information to be used and the appropriate method of gathering such information;

(c) When using the income capitalization approach, the approved methods of determining the capitalization rate, including methods of gathering valid comparable sales for purposes of determining the capitalization rate on comparable agricultural land and horticultural land; and

(d) Any further revisions to sections 77-1343 to 77-1348 as the committee deems important for uniform enforcement of such sections and uniform special valuation of agricultural real property.

(4) Methods and recommendations developed by the advisory committee shall provide for an annually updated analysis based on a three-year average of the information used. The advisory committee may develop recommendations for valuation methods which provide for special valuation of land used for specialized agricultural crop production which is unique or localized to a specific area. The recommendations shall be provided by October 1 each year.

(5) The Property Tax Administrator shall provide administrative staff support and information as requested by the advisory committee so long as provision of staff support and information does not impair the ability of the Property Tax Administrator to carry out other statutory obligations.

(6) Members shall be reimbursed for actual and necessary expenses pursuant to sections 81-1174 to 81-1177.

Sec. 72. Section 77-2019, Reissue Revised Statutes of Nebraska, is amended to read:

77-2019 In order to fix the value of property subject to the payment of the inheritance tax, the county judge may appoint a clerk magistrate or some other competent person, or the clerk magistrate may appoint a competent person, as appraiser as often as or whenever occasion may require, except that when real estate is to be appraised by a competent person other than a county judge or a clerk magistrate, the county judge or clerk magistrate shall appoint a ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser, but if the county judge or clerk magistrate finds that no ~~registered, licensed, certified residential, or certified general~~ credentialed real estate property appraiser is a disinterested freeholder of the county, some other competent person may be appointed.

Sec. 73. Section 77-5004, Revised Statutes Cumulative Supplement, 2004, is amended to read:

77-5004 (1) Each commissioner shall be a qualified voter and resident of the state and, for each commissioner representing a congressional district, a domiciliary of the district he or she represents.

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

(a) Appropriate knowledge of terms commonly used in or related to real property appraisal and of the writing of appraisal reports;

(b) Adequate knowledge of depreciation theories, cost estimating, methods of capitalization, and real property appraisal 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;

(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 Estate Property Appraiser Board, which relate to appraisal and which include a the fifteen-hour course in the

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

(f) Such other qualifications and skills as reasonably may be requisite for the effective and reliable performance of the commission's duties.

(3) One commissioner shall possess any certification or training required to become a licensed real estate property appraiser or a licensed residential real property appraiser as set forth in section 76-2230.

(4) Prior to January 1, 2002, the chairperson, and on and after January 1, 2002, at least two commissioners, shall have been engaged in the practice of law in the State of Nebraska for at least five years, which may include prior service as a judge, and shall be currently admitted to practice before the Nebraska Supreme Court.

(5) No commissioner or employee of the commission shall hold any position of profit or engage in any occupation or business interfering with or inconsistent with his or her duties as a commissioner or employee. A person is not eligible for appointment and may not hold the office of commissioner or be appointed by the commission to or hold any office or position under the commission if he or she holds any official office or position.

(6)(a) Each commissioner who meets the requirements of subsection (4) of this section on or after January 1, 2002, shall annually attend a seminar or class of at least two days' duration that is:

(i) Sponsored by a recognized assessment or appraisal organization, in each of these areas: Utility and railroad appraisal; appraisal of complex industrial properties; appraisal of other hard to assess properties; and mass appraisal, residential or agricultural appraisal, or assessment administration; or

(ii) Pertaining to management, law, civil or administrative procedure, or other knowledge or skill necessary for performing the duties of the office.

(b) Each commissioner who does not meet the requirements of subsection (4) of this section on or after January 1, 2002, shall within two years after his or her appointment attend at least thirty hours of instruction that constitutes training for judges or administrative law judges.

(7) The commissioners shall be considered employees of the state for purposes of sections 81-1301 to 81-1391 and 84-1601 to 84-1615.

(8) The commissioners shall be reimbursed as prescribed in sections 81-1174 to 81-1177 for their actual and necessary expenses in the performance of their official duties pursuant to the Tax Equalization and Review Commission Act.

Sec. 74. Original sections 13-403, 44-320, 72-224.03, 72-257, 76-706, 76-1907, 76-1908, 76-1909, 76-1910, 76-2201, 76-2202, 76-2203, 76-2204, 76-2205, 76-2205.01, 76-2206, 76-2207, 76-2208, 76-2209, 76-2210, 76-2210.01, 76-2210.02, 76-2211, 76-2211.01, 76-2211.02, 76-2212, 76-2213, 76-2214, 76-2215, 76-2216, 76-2217, 76-2217.01, 76-2218, 76-2218.01, 76-2219, 76-2220, 76-2222, 76-2223, 76-2224, 76-2225, 76-2226, 76-2227, 76-2228, 76-2229, 76-2229.01, 76-2230, 76-2231.01, 76-2232, 76-2233, 76-2233.01, 76-2233.02, 76-2236, 76-2237, 76-2238, 76-2239, 76-2241, 76-2242, 76-2243, 76-2245, 76-2246, 76-2247.01, 76-2248, 76-2249, 76-2250, and 77-2019, Reissue Revised Statutes of Nebraska, sections 2-1502, 2-5506, and 77-5004, Revised Statutes Cumulative Supplement, 2004, and sections 49-14,103.01, 76-2221, and 77-1355, Revised Statutes Supplement, 2005, are repealed.

Sec. 75. The following section is outright repealed: Section 76-2203.01, Reissue Revised Statutes of Nebraska.