

# **One Hundred Fourth Legislature - Second Session - 2016**

## **Introducer's Statement of Intent**

### **LB731**

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**Chairperson: Senator Jim Scheer**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: January 25, 2016**

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

The purpose of LB 731 is to update the Nebraska Real Property Appraiser Act ("Act") for compliance with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("Title XI"), the Real Property Appraiser Qualification Criteria effective January 1, 2015 ("2015 Criteria"), the Uniform Standards of Professional Appraisal Practice ("USPAP"), and the Policy Statements of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council ("ASC Policy Statements"). Title XI requires each state to prescribe appropriate standards for the performance of real estate appraisals in connection with federally related transactions. In addition, real estate appraisals are to be performed in accordance with generally accepted uniform appraisal standards, and are to be performed by an individual whose competency has been demonstrated, and whose professional conduct is subject to effective state supervision. If the State of Nebraska is found not to be in compliance with Title XI by the Appraisal Subcommittee, the Appraisal Subcommittee may remove all Nebraska credentialed appraisers from the Federal Registry, resulting in no appraisers qualified to appraise real property in connection with federally related transactions, which is approximately 80% of all mortgage loan activity. Along with the changes required by the Appraisal Subcommittee, USPAP, the 2015 Criteria, and the ASC Policy Statements, LB 731 also includes minor changes to address administration of the Act.

**Principal Introducer:** \_\_\_\_\_

Senator Jerry Johnson