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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

MEETING OF:

**STATE BOARD OF CERTIFIED
REAL ESTATE APPRAISERS**

TIME: 10:30 A.M.

Held at

PENNSYLVANIA DEPARTMENT OF STATE

2525 North 7th Street

CoPA HUB, Eaton Conference Room

Harrisburg, Pennsylvania 17110

as well as

VIA MICROSOFT TEAMS

Thursday, January 18, 2024

1 State Board of Certified
2 Real Estate Appraisers
3 January 18, 2024
4
5

6 BOARD MEMBERS:
7

8 Mark V. Smeltzer Sr., Chairman, Professional Member
9 William T. Stoerrle Jr., Vice Chairman, Professional
10 Member
11 Michael McFarlane, Secretary, Professional Member -
12 Absent
13 John D. Ausherman, Professional Member
14 Martha H. Brown, Esquire, Secretary of the
15 Commonwealth designee
16 Paul Edger, Esquire, Office of Attorney General
17 designee
18 Paul H. Wentzel Jr., Senior Legislative Director,
19 Department of Banking and Securities designee
20
21

22 BUREAU PERSONNEL:
23

24 Shana M. Walter, Esquire, Acting Senior Counsel
25 Ronald K. Rouse, Esquire, Board Counsel
26 Jacqueline A. Wolfgang, Esquire, Regulatory Counsel
27 Ray Michalowski, Esquire, Senior Board Prosecutor and
28 Board Prosecution Liaison
29 Timothy A. Fritsch, Esquire, Board Prosecutor
30 Ashley P. Murphy, Esquire, Board Prosecutor
31 Kristel Hennessy Hemler, Board Administrator
32 Carlton Smith, Deputy Chief Counsel, Prosecution
33 Division
34 Kishan Patel, Extern, Department of State
35 Brian Poeschl, Extern, Department of State
36 Deena Parmelee, Legal Office Administrator 1,
37 Department of State
38 Jessica Zukoski, Senior Legal Analyst, Department of
39 State
40
41

42 ALSO PRESENT:
43

44 Scott DiBiasio, Manager, State and Industry Affairs,
45 Appraisal Institute
46 Jonathan Green, LAT, JB Real Estate Valuation &
47 Advisory
48 Christopher Bourland, JB Real Estate Valuation &
49 Advisory
50

State Board of Certified
Real Estate Appraisers
January 18, 2024

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ALSO PRESENT: (cont.)

Chandra Mast, General Commercial Appraiser, Red Rose Appraisals
R. Scott Hartman, SRA, Appraisal Institute
Stephanie Gones, Compliance Analyst, The CE Shop
Matthew Ford

1 ***

2 State Board of Certified
3 Real Estate Appraisers
4 January 18, 2024

5 ***

6 [Pursuant to Section 708(a)(5) of the Sunshine Act,
7 at 9:00 a.m. the Board entered into Executive Session
8 with Ronald K. Rouse, Esquire, Board Counsel, to have
9 attorney-client consultations and for the purpose of
10 conducting quasi-judicial deliberations. The Board
11 returned to open session at 10:30 a.m.]

12 ***

13 [Ronald K. Rouse, Esquire, Board Counsel, informed
14 everyone that the meeting of the State Board of
15 Certified Real Estate Appraisers was being held in a
16 hybrid format in person and by livestreaming
17 teleconference pursuant to Act 100 of 2021, which
18 requires boards to use a virtual platform to conduct
19 business when a public meeting is held.

20 Mr. Rouse also noted the Board entered into
21 Executive Session with Board Counsel to have
22 attorney-client consultations and for the purpose of
23 conducting quasi-judicial deliberations.]

24 ***

25 The regularly scheduled meeting of the State

1 Board of Certified Real Estate Appraisers was held on
2 Thursday, January 18, 2024. Mark V. Smeltzer Sr.,
3 Chairman, Professional Member, officially called the
4 meeting to order at 10:30 a.m.

5 ***

6 Roll Call

7 [Mark V. Smeltzer Sr., Chairman, Professional Member,
8 requested a roll call of Board members. There was a
9 quorum.]

10 ***

11 Introduction of Attendees

12 [Mark V. Smeltzer Sr., Chairman, Professional Member,
13 also requested an introduction of attendees.]

14 ***

15 Approval of minutes of the November 30, 2023 meeting

16 CHAIRMAN SMELTZER:

17 Has everyone had a chance to look over
18 the minutes? Is there a motion to
19 approve the minutes or any discussion
20 of the minutes?

21 MR. STOERRLE:

22 I make a motion that we approve the
23 minutes.

24 MR. AUSHERMAN:

25 I second.

1 CHAIRMAN SMELTZER:

2 Roll call vote.

3

4 Mark Smeltzer, aye; William Stoerrle,
5 aye; John Ausherman, aye; Martha Brown,
6 aye; Paul Edger, aye; Paul Wentzel,
7 aye.

8 [The motion carried unanimously.]

9

10 Report of Board Counsel - Miscellaneous

11 [Ronald K. Rouse, Esquire, Board Counsel, provided a
12 Sunshine Act PowerPoint presentation. He explained
13 that the purpose of the Sunshine Act is the right of
14 the public to be present at all meetings of agencies
15 and to witness the deliberations, policy formulation,
16 and decision-making because it is vital to the
17 enhancement and proper functioning of the democratic
18 process.

19 Mr. Rouse stated meetings must be open to the
20 public when deliberations or official action takes
21 place. He addressed public notice, including the
22 place, date, and time of the meeting, noting it is
23 not required in a case of an emergency meeting or
24 conference.

25 Mr. Rouse discussed Act 65 of 2021 additions to

1 the Sunshine Act. He noted the recording of votes
2 and requirement of minutes for all open meetings. He
3 mentioned that the only applicable exceptions to open
4 meeting requirements are Executive Sessions and
5 conferences.

6 Mr. Rouse explained that legal challenges to the
7 Sunshine Act have to be filed within 30 days of the
8 date of the meeting or discovery of any action in
9 which the Sunshine Act was violated and he discussed
10 penalties for violating the Sunshine Act.

11 Mr. Rouse stated all Board business,
12 deliberations, and official actions should be
13 conducted in an open meeting; and Board members
14 should not discuss agency business, especially
15 Executive Session matters, outside of an official
16 Board meeting.

17 Mr. Rouse noted committee meetings discussing
18 regulations and policies should take place in an open
19 meeting with appropriate public notice. He mentioned
20 that administrative functions are not subject to open
21 meeting requirements.

22 Mr. Rouse addressed mandatory recusals, where a
23 Board member may have a prosecutorial role or direct
24 personal or financial interest in the outcome of the
25 matter. He addressed strongly suggested recusals,

1 where there is a personal affection or outside
2 knowledge of a matter which may render a Board member
3 unable to make a fair and unbiased determination.

4 Mr. Rouse noted that discretionary recusals are
5 when a Board member cannot hear and dispose of the
6 case or participate in a decision on a subject fairly
7 and without prejudice. He encouraged Board members
8 who are uncertain whether to recuse themselves to
9 discuss the matter with Board Counsel privately.

10 Mr. Rouse addressed abstention versus recusal,
11 noting abstention means a member is withholding their
12 vote, but it would not affect quorum requirements.
13 He noted the Board member is unable to vote at all
14 with recusal, and it may affect the quorum
15 requirement.

16 Mr. Rouse addressed conflict of interest, where
17 no member of any professional examining and licensing
18 board shall at the same time be an officer or agent
19 of any statewide association or organization
20 representing the profession or occupation subject to
21 the board's actions.

22 Mr. Rouse noted public members of a licensing
23 board or commission designated as a representative of
24 the public at large shall be a private citizen and
25 not be a member of any profession or occupation which

1 is regulated or licensed by the board, commission,
2 BPOA, or be related to or have part of their
3 immediate family as someone who is a member of the
4 profession or occupation that is licensed or
5 regulated by a particular board or commission.

6 Mr. Rouse mentioned that public members may not
7 be affiliated in any way with the profession or
8 occupation that is licensed or regulated by the Board
9 or hold any appointed or elected public office or
10 position within the Commonwealth or any state or
11 United States government during their term.]

12 ***

13 Report of Prosecutorial Division

14 [Timothy A. Fritsch, Esquire, Board Prosecutor,
15 presented the Consent Agreement and Order for Case
16 Nos. 22-70-006342 & 23-70-002636.]

17 CHAIRMAN SMELTZER:

18 There is no other discussion. The
19 Board would entertain a motion to adopt
20 the Consent Agreement.

21 MR. AUSERMAN:

22 I so move.

23 MR. EDGER:

24 I second.

25 MS. HENNESSY HEMLER:

1 Roll call.

2

3 Mark Smeltzer, aye; William Stoerrle,
4 aye; John Ausherman, aye; Martha Brown,
5 aye; Paul Edger, aye; Paul Wentzel,
6 aye.

7 [The motion carried unanimously. This is the matter
8 of BPOA v. George S. Koury II, Case Nos. 22-70-006342
9 & 23-70-002636.]

10

11 Appointment - Annual Prosecution Division

12 Presentation

13 [Carlton Smith, Esquire, Deputy Chief Counsel,
14 Prosecution Division, informed Board members that he
15 assumed his role in March 2023 when Carolyn
16 DeLaurentis was promoted to the Executive Deputy
17 Chief Counsel position and he provided a brief
18 summary of his professional background.

19 Mr. Smith reported a decrease in the number of
20 Bureau of Professional and Occupational Affairs
21 (BPOA) complaints for all boards and commissions from
22 around 22,000 in 2022 to roughly 19,000 in 2023.

23 Mr. Smith presented the 2023 Prosecution
24 Division's Annual Report for the State Board of
25 Certified Real Estate Appraisers. He reported a

1 little over 6,000 active licensees with 197 opened
2 cases in 2023. He also reported 104 open cases in
3 2023 and around 94 in 2022. He noted 187 cases were
4 closed in 2023. He stated the average number of days
5 to close a case from the time the complaint is
6 received until disposition was 214 days in 2023 and
7 246 days in 2022. He mentioned their goal is to have
8 a case disposed of within a year or less across all
9 boards. Mr. Smith stated fines were the most
10 common way to impose discipline, as well as mandatory
11 continuing education. He reported 8 fines, 1 Act 48
12 fine, and 6 for mandatory continuing education.

13 Mr. Smith addressed cases where there was no
14 discipline and referred to Code Y27, noting it to be
15 unique to their Board, where they could do a remedial
16 diversion agreement. He reported 19 in 2023 and 7 in
17 2022. He also reported 78 "prosecution not
18 warranted" cases.

19 Mr. Smith addressed warning letters, noting they
20 are the most appropriate course of action when cases
21 are fairly mundane in terms of seriousness.

22 Chair Smeltzer requested copies of the slides and
23 suggested they also be available to education
24 providers in the state. He mentioned they are
25 required to take an update continuing education

1 program on Pennsylvania state laws and believed it
2 would be a nice addition to what providers put into
3 the state laws.

4 Mr. Smith offered to provide copies of the slides
5 but wanted to receive confirmation before sharing it
6 with other agencies.

7 Mr. Michalowski informed Board members that
8 prosecution would be able to share the final annual
9 report that goes to the legislature if not the
10 current report.

11 Chair Smeltzer thanked the prosecution division
12 and mentioned their last Appraisal Subcommittee (ASC)
13 audit was much more favorable, and ASC appreciated
14 the efforts of prosecution having a faster process
15 than in the past.

16 Mr. Smith noted Mr. Rouse and Mr. Michalowski,
17 among other individuals, were congratulated for their
18 work in making that happen.

19 Mr. Michalowski informed Board members that
20 prosecution did three presentations on behalf of the
21 Board last year, including Philadelphia Metro and
22 Keystone, and would be doing a presentation sometime
23 in the next few months for the western half of the
24 state. He noted they also had a presentation on
25 appraisal bias for the Pennsylvania Human Relations

1 Commission (PHRC) at their fair housing conference.

2 Mr. Michalowski noted Ms. Ashley Murphy would be
3 joining the prosecution team as an additional
4 prosecutor for their Board. He referred to
5 discussions at the end of last year about when the
6 14-Hour Uniform Standards of Professional Appraiser
7 Practice (USPAP) would switch over to teaching the
8 newest version of the Uniform Standards of
9 Professional Appraiser Practice (USPAP) and asked
10 whether that has occurred.

11 Chair Smeltzer stated the new class is available
12 and providers started it in November and December.
13 He noted teaching the class several times and
14 believed the program to be well done.

15 Mr. Michalowski requested the Board make a motion
16 to have Ms. Murphy take the 15-Hour National USPAP
17 Course. He noted she would also probably attend
18 later programs offered by the ASC.]

19 MR. ROUSE:

20 This is a motion for Ashley Murphy to
21 take the 15-Hour National USPAP Course.

22 CHAIRMAN SMELTZER:

23 I'll make that motion.

24 MR. STOERRLE:

25 I second the motion.

1 MS. HENNESSY HEMLER:

2 Mark Smeltzer, aye; William Stoerrle,
3 aye; John Ausherman, aye; Martha Brown,
4 aye; Paul Edger, aye; Paul Wentzel,
5 aye.

6 [The motion carried unanimously.]

7 ***

8 Report of Board Counsel - Miscellaneous

9 [Ronald K. Rouse, Esquire, Board Counsel, reminded
10 Board members that the 2024 edition of USPAP, as well
11 as USPAP Guidance and Reference Manual were available
12 in the fall of 2023. He noted the documents are
13 available for purchase on The Appraisal Foundation's
14 website.

15 Mr. Rouse mentioned prior discussion regarding
16 the 7-Hour USPAP Update Course and encouraging
17 licensees to take the update course as soon as
18 possible because people will be held responsible for
19 complying with the 2024 requirements of USPAP.

20 Mr. Rouse noted the importance of people having
21 the newest copy of USPAP, as well as taking the
22 continuing education course. He also reminded
23 everyone that there is now a nondiscrimination
24 section added to the Ethics Rule and changes to
25 Advisory Opinion 39, which was added to show how the

1 Fair Housing Act, Equal Credit Opportunity Act, and
2 Civil Rights Act of 1886 are relevant to appraisal
3 practice.

4 Mr. Rouse also noted the addition of Advisory
5 Opinion 40 related to the prohibitions on using
6 particular protected characteristics in developing an
7 opinion of value for residential real property
8 assignments and in the research, analysis, and
9 reporting of location-related data.

10 Mr. Rouse also mentioned some definitions have
11 been retired, including "assignment elements,"
12 "misleading" and "relevant characteristics," along
13 with modified definitions to "appraiser," "personal
14 inspection," and "workfile."

15 Chair Smeltzer commented that Board members
16 received copies of both documents in 2019 and asked
17 whether that would continue. He noted the importance
18 of the prosecutorial division having the latest USPAP
19 and USPAP Guidance and Reference Manual.

20 Mr. Michalowski mentioned that they typically
21 order four copies, one for Mr. Rouse and three for
22 prosecution.

23 Ms. Hennessy Hemler explained that receiving
24 more documents for Board members would require a
25 Board vote. She noted receiving documents for staff,

1 and it was approved by Acting Commissioner Claggett
2 for administrative purposes.]

3 MR. ROUSE:

4 Would the Chair entertain a motion to
5 provide Board members with a copy of
6 the 2024 USPAP, as well as the 2024
7 USPAP Guidance and Reference Manual?

8 MR. AUSERMAN:

9 I so move.

10 MR. STOERRLE:

11 Second.

12 MS. HENNESSY HEMLER:

13 Mark Smeltzer, aye; William Stoerrle,
14 aye; John Auserman, aye; Martha Brown,
15 aye; Paul Edger, aye; Paul Wentzel,
16 aye.

17 [The motion carried unanimously.]

18 ***

19 Regulations/Statute - Regulatory Report

20 [Ronald K. Rouse, Esquire, Board Counsel, provided a
21 copy of the Regulatory Report for the Board's review.
22 He referred to Regulation 16A-7025 regarding the
23 schedule of fees, noting the Bureau of Finance and
24 Operations would be providing a full report at the
25 February meeting.]

1 Mr. Rouse noted receiving comments on distance
2 education and the Practical Applications of Real
3 Estate Appraisal (PAREA). He informed Board members
4 that the regulations have merged and been put under
5 Regulation 16A-7029. He mentioned that he still
6 needs to answer the Office of General Counsel
7 questions regarding the proposed package.

8 Mr. Rouse noted Regulation 16A-7031, which is
9 the federally mandated revisions to their regulations
10 regarding valuation bias training for appraisers and
11 appraisal management company (AMC) ownership
12 limitations, took priority. He stated the regulatory
13 package went in as final omitted, noting he has a
14 meeting with the Independent Regulatory Review
15 Commission on January 25, 2024, regarding the
16 regulation.

17 R. Scott Hartman, SRA, Appraisal Institute,
18 expressed concern with getting that combined piece in
19 front of the Independent Regulatory Review Commission
20 (IRRC) before they run out of their two-year time
21 frame. He commented that one of the reasons why
22 PAREA is so important is because PAREA provides a
23 pathway for applicants in an area that does not have
24 many appraisers.

25 Mr. Hartman mentioned seeing this more and more

1 in urban markets, where individuals want to be
2 appraisers but nobody is available to train them. He
3 noted the Appraisal Institute is the only provider,
4 and PAREA is ramping up rapidly, but students cannot
5 get into the program until the program is approved.
6 He offered the Appraisal Institute's assistance.

7 Mr. Hartman informed Board members that the
8 Appraisal Institute submitted a positive letter of
9 support on the regulation before IRRC next week, and
10 he would be there personally to testify in support as
11 well.

12 Mr. Rouse referred to Mr. Hartman's comment
13 concerning time running out and informed him that the
14 two years is from the last day of the public comment
15 period of the proposed regulation. He noted they
16 have two years to deliver the final regulation, and
17 it is a priority for the Board.

18 Mr. Hartman again offered the Appraisal
19 Institute's assistance to get PAREA approved in
20 Pennsylvania because they believe someone will want
21 to take it soon, which would put both the Appraisal
22 Institute and the Board in a bad light if they do not
23 have it approved.

24 Chair Smeltzer referred to previous Board
25 discussion concerning reducing entry barriers, noting

1 several things ASC pointed out that the Board may
2 consider. He noted the recommendation of reducing
3 the years of experience for a supervisor from five to
4 three years by the Appraiser Qualifications Board
5 (AQB).

6 Mr. Rouse stated the issue is not in any of the
7 current regulations and believed there was discussion
8 about possibly having another regulation addressing
9 those issues.]

10 ***

11 Exploratory Committee - Committee Discussion - ASC
12 Grants

13 [William Stoerrle, Vice Chairman, addressed the ASC
14 grants and explained that they are waiting for the
15 government to open the funds for the application to
16 be submitted.

17 Chair Smeltzer commented that there would be
18 further discussion at the Association of Appraiser
19 Regulatory Officials (AARO) Meeting in May.]

20 ***

21 Application for Review

22 MR. ROUSE:

23 This was a matter that was discussed in
24 Executive Session.

25 Regarding the Application for

1 Certified Residential Appraiser of
2 Andrew Knasko, Application No.
3 AA0005003533, at item 7 on the agenda,
4 I believe the Chair would entertain a
5 motion to provisionally deny the
6 Application.

7 CHAIRMAN SMELTZER:

8 The Chair would entertain a motion to
9 provisionally deny.

10 MR. STOERRLE:

11 I make that motion.

12 MR. AUSERMAN:

13 I'll second.

14 MS. HENNESSY HEMLER:

15 Mark Smeltzer, aye; William Stoerrle,
16 aye; John Auserman, aye; Martha Brown,
17 aye; Paul Edger, aye; Paul Wentzel,
18 aye.

19 [The motion carried unanimously.]

20 ***

21 Miscellaneous

22 [Mark V. Smeltzer Sr., Chairman, Professional Member,
23 referred to correspondence from Pennsylvania Senator
24 Art Haywood regarding home appraisal bias.

25 Mr. Rouse noted Senator Art Haywood sent a

1 letter, dated October 25, 2023, to the Real Estate
2 Commission regarding home appraisal bias but was more
3 appropriate to be discussed with the State Board of
4 Certified Real Estate Appraisers. He mentioned that
5 Senator Haywood acknowledged that he had years of
6 experience serving as an attorney, focused on housing
7 issues, and was aware of the issues that impede home
8 buyers and sellers from a fair and equitable process.

9 Mr. Rouse stated Senator Haywood was unaware of
10 the extent of appraisal bias until he read a news
11 article regarding a 2022 Philadelphia Home Appraisal
12 Bias Task Force's final report and recommendations.
13 He noted the Philadelphia Task Force found that the
14 profession is not diverse and has structural barriers
15 to entry.

16 Mr. Rouse noted that Senator Haywood's letter
17 expressed that ongoing education of appraisers was
18 not sufficiently inclusive of fair housing education,
19 and the industry had a lack of transparency. Mr.
20 Rouse also noted Senator Haywood stated the
21 Philadelphia Task Force found that localized market
22 knowledge is critical to fair and appropriate
23 evaluation of home value and is often missing in the
24 appraisal process.

25 Mr. Rouse stated the task force was specifically

1 focused on Philadelphia, but Senator Haywood believed
2 home appraisal is an issue affecting individuals and
3 families across Pennsylvania and outlined
4 recommendations for the Real Estate Commission and
5 State Board of Certified Real Estate Appraisers.

6 Mr. Rouse noted the recommendations included
7 addressing the lack of clarity regarding statewide
8 appraisal issues, where Senator Haywood recommended
9 working with the Pennsylvania Department of Community
10 and Economic Development (DCED) and the Pennsylvania
11 Housing Finance Agency to conduct annual audits of
12 appraisal issues statewide and to incorporate
13 recommendations in the Commonwealth assessment of
14 fair housing.

15 Mr. Rouse noted the second recommendation, where
16 the Pennsylvania Human Relations Commission should
17 undertake public education about appraisal bias and
18 develop a focus on investigating discrimination in
19 appraisals, and private fair housing groups should be
20 engaged in public education and planning at the state
21 level about strategies to increase enforcement of
22 fair housing laws against appraisal bias funded by
23 PHRC to collaborate on enforcement.

24 Mr. Rouse stated it was also recommended that the
25 Attorney General establish a task force to work with

1 these groups to address discrimination in appraisers.

2 Mr. Rouse noted the third recommendation was for
3 the State Board of Certified Real Estate Appraisers
4 to examine its rules and regulations regarding
5 appraisers, supervisors, and trainees with a focus on
6 requirements that make it more difficult for people
7 of color to enter the profession. He also noted
8 Senator Haywood believed the Board should consider
9 changing the rules and regulations to better align
10 with federal standards.

11 Mr. Rouse commented that the issue of appraisal
12 bias has been addressed on the state level and
13 national level. He mentioned the Biden
14 Administration created PAVE, an Interagency Task
15 Force on Property Appraisal and Valuation Equity,
16 dedicated to ending bias in home valuation.

17 Mr. Rouse noted that many recommendations from
18 PAVE were given to the Appraisal Subcommittee and The
19 Appraisal Foundation and were adopted, which the
20 Board also has been adopting. He stated fair housing
21 and valuation bias education is an issue and is
22 addressed in Regulation 16A-7031, so training will be
23 required of all appraisers in the Commonwealth of
24 Pennsylvania.

25 Mr. Rouse mentioned the Appraiser Qualifications

1 Board (AQB) has also changed requirements in the AQB
2 Criteria regarding appraiser applicants as well.

3 Chair Smeltzer commented that the Board is moving
4 on a number of recommendations and have been for some
5 time, including the PAREA program, to lower one of
6 the entry barriers. He noted one of the most
7 difficult things about getting into their profession
8 is to find a supervisor and to connect with a
9 supervisor to train. He stated the Board is moving
10 on that and believed one provider is now making PAREA
11 available.

12 Chair Smeltzer stated the ASC provided
13 recommendations for the Board because the Board's
14 requirements exceed the requirements suggested by the
15 Appraiser Qualifications Board. He noted the Board
16 is currently working on removing some of those
17 barriers. He mentioned the Board voted to adopt
18 AQB's minimum requirements for continuing education.

19 Scott DiBiasio, Manager, State and Industry
20 Affairs, Appraisal Institute, informed Board members
21 that the Appraisal Institute developed a 5-hour
22 valuation bias-related course that is currently
23 available in the marketplace. He noted the course
24 does not meet AQB requirements, but would recreate
25 the course to assure compliance with the 7-hour

1 requirement. He mentioned that their course was in
2 development long before the AQB requirements.

3 Mr. DiBiasio informed Board members that a course
4 would be available to meet their needs when their
5 requirement comes into place in the next licensing
6 cycle. He thanked the Board for moving expeditiously
7 on PAREA-related regulations. He mentioned that
8 their program has been deployed in the marketplace
9 for five months with well over 100 people enrolled
10 nationwide and going very well.

11 Mr. DiBiasio reported on individuals finding
12 PAREA to be more difficult than expected, and it was
13 taking longer than expected to get through each of
14 the 10 modules and 3 final assignments as part of the
15 licensed residential (LR) program and the certified
16 residential (CR) program. He commented that
17 individuals experiencing difficulty is a good thing,
18 because that demonstrates that applicants are being
19 appropriately challenged and obtaining experience
20 that is almost equivalent to a live supervisor
21 trainee relationship.

22 Mr. DiBiasio informed Board members that
23 individuals from Pennsylvania wanted to enroll in
24 PAREA and were told the Commonwealth has not formally
25 accepted PAREA. He informed everyone that they could

1 get licensed in another state via PAREA and then
2 apply for a reciprocal license in Pennsylvania if
3 they do not want to wait the next couple of months to
4 have the regulations in place. He stated PAREA is on
5 its way to successfully graduating high-quality and
6 competent appraisers probably within the next couple
7 of months.

8 Mr. Stoerrle commented that appraisal students
9 are also working with colleges and universities to
10 put together a real estate program so educational
11 requirements, other than USPAP, are met when they
12 graduate.

13 Mr. DiBiasio mentioned that Penn State has a real
14 estate program that has been approved by the AQB to
15 satisfy some of the qualifying education requirements
16 and offered to pass the information of any specific
17 college or university to the individuals in Chicago
18 who are administering that program.

19 Chair Smeltzer noted the Board would soon be
20 submitting their request to the ASC for funding and
21 have discussed possibly including working with
22 someone with a program in their community college
23 system within Pennsylvania. He asked whether the
24 Appraisal Institute has worked on any programs like
25 that because they would like to get scholarship

1 programs put together for students to get into
2 appraising. He noted their community college system
3 is well developed and believed they could open this
4 up and bring diversity into their industry.

5 Mr. DiBiasio stated the program referred to is at
6 the Mesa Community College in Arizona, noting they
7 brought that program to completion but offered to
8 work with the Board in identifying colleges and
9 universities to assist with the qualifying education
10 aspects.

11 Chair Smeltzer commented that the real push for
12 this right now is in the residential market, and the
13 community college system with the associate degrees
14 may be a good way to open up and lower barriers into
15 the industry.

16 Mr. Wentzel asked whether someone would be
17 replying to Senator Haywood's letter.

18 Mr. Rouse mentioned that he would have to talk
19 with the Real Estate Commission Counsel. He noted
20 bringing it before the Board for discussion because
21 it mentioned home appraisals and to show what the
22 Board has done regarding home appraiser bias.

23 Mr. Wentzel suggested the Board prepare a draft
24 outlining the work completed. He commented that the
25 Pennsylvania Housing Finance Agency (PHFA) and DCED

1 do not do audits and did not believe DCED would be
2 auditing the housing area.

3 Mr. Smeltzer suggested having a subset under the
4 Report of Prosecutorial Division section going
5 forward on any cases dealing with bias and how they
6 are handling the number of complaints.

7 Mr. Michalowski informed Board members of a case
8 that has been filed as an Order to Show Cause that
9 alleges bias, noting the Board may see that in the
10 future as a consent agreement or as a hearing. He
11 noted when they are audited by the Appraisal
12 Subcommittee, there are definite questions they have
13 to answer concerning the enforcement side and other
14 things they do in the enforcement of fair housing
15 laws, which is now included in the ASC report.

16 Mr. Michalowski noted it is appropriate for ASC
17 to do that sort of audit because they do it across
18 all of the states and can do it in a consistent way
19 with both federal and state law. He mentioned they
20 are working with the PHRC on an agreement to work
21 together and are working on a memorandum of
22 understanding to combine investigations where
23 necessary.

24 Chair Smeltzer asked whether or not they need to
25 encourage education providers throughout the state to

1 include, in addition to what is required by the AQB,
2 coverage of nationally developed programs on specific
3 regulations in Pennsylvania as far as fair housing
4 laws and how they apply to appraisers beyond what the
5 federal regulations require.]

6

7 Public Comment/Discussion

8 [Jonathan Green, LAT, presented to the Board to
9 discuss his request for clarification under 49 Pa.
10 Code § 36.2(d) on January 4 after receiving a
11 provisional denial letter on December 7 that became
12 an appeal. He offered additional documents and
13 attachments and wanted confirmation that the
14 application would be reviewed as opposed to an
15 appeal.

16 Mr. Rouse informed Mr. Green that the matter
17 would be on the next Board agenda.

18 Mr. Green noted being eager to become certified
19 and asked whether the Board could review his
20 documents Soon.

21 Mr. Rouse explained that the Board would not be
22 able to review the matter today because it was not on
23 the agenda and the Board would need the entire
24 application. He further explained that the Board did
25 not have Mr. Green's items for review, but they will

1 be on the next agenda.

2 Mr. Bourland commented that the initial
3 application was sent in May of last year and
4 continues to be pushed back. He asked what Mr. Green
5 could be doing now to prepare for the next meeting,
6 so he is in a position to give the Board whatever
7 they need to decide.

8 Mr. Rouse explained that the Board would have to
9 review additional documents that the applicant
10 provided for them to even know if there are any
11 issues. He stated any issues would be communicated
12 in writing. He noted Mr. Green is welcome to attend
13 the next Board meeting in person or virtually in case
14 there are any questions the Board may have upon
15 reviewing any issues.

16 Ms. Brown recommended Mr. Green leave any
17 additional documents or attachments that support the
18 letter with the Board administrator.]

19

20 Report of Board Chairman

21 [Mark V. Smeltzer Sr., Chairman, Professional Member,
22 thanked Mr. Rouse for all of his work getting
23 regulations and legislative issues through. He
24 commented that the actions of the Board have been
25 addressing almost every issue that came from the

1 correspondence from Senator Haywood and shows the
2 Board is moving in a direction that everyone can
3 appreciate.

4 Mr. Rouse acknowledged Board Regulatory Counsel,
5 Jacqueline Wolfgang, for her support in helping move
6 the regulations along as well.

7 Chair Smelter also noted appreciation for Ms.
8 Wolfgang's work as well.]

9

10 Report of Board Administrator - No Report

11

12 Conference Reports - No Report

13 [Mark V. Smeltzer Sr., Chairman, Professional Member,
14 noted receiving notification that his application for
15 the Association of Appraiser Regulatory Officials
16 Conference was approved.

17 Ms. Hennessy Hemler informed Chair Smeltzer that
18 the Commonwealth out-of-state travel has been
19 approved, but she awaits the agenda for the final
20 approval and will send that to the Governor's Office
21 once she receives that.

22 Mr. Wentzel addressed Board appointments, noting
23 the Senate Executive Nominations Calendar for
24 February 5, 2024, has an appointment but looks to be
25 a placeholder. He reported that to be the case with

1 other boards and believed that meant someone had been
2 named, but the paperwork had not gone to the Senate
3 yet and the process had not started.

4 Chair Smeltzer reported four professional
5 openings and two public member openings and
6 encouraged any qualified people to join the Board.

7 Mr. Wentzel noted the Senate convenes again on
8 February 5, but it did not look like a name had
9 actually been advanced. He explained that all of the
10 paperwork has to go to the Senate and the Governor's
11 Office.

12 Mr. Stoerrle mentioned that AARO announced their
13 fall conference in Boston, MA, October 28-30.

14 Ms. Hennessy Hemler suggested waiting until the
15 actual itinerary agenda comes out for the spring
16 conference, so she can get the final approval first
17 and then put that one onto the agenda for a vote in
18 the summer.

19 Mr. Rouse informed everyone that any conferences
20 Board members want to attend have to be on an agenda
21 and requires a vote of the Board.

22 Mr. Ausherman asked how many 2024 USPAP books
23 the Board would be receiving.

24 Ms. Hennessy Hemler noted everyone on the Board
25 would receive a 2024 USPAP book, and they may be

1 available at the February 29 Board meeting or the
2 following one.

3 Mr. Michalowski referred to previous Board
4 discussions over the last couple of meetings
5 regarding multiple listing service (MLS) access. He
6 noted contract individuals reached out and were told
7 "no" by all of the MLSs. He believed there was a
8 misunderstanding on their behalf that they are a
9 taxing authority that might use that to raise taxes
10 on newly sold homes. He also noted a number of
11 national MLS lawsuits also involved in litigation in
12 various sorts in the civil courts.

13 Mr. Michalowski believed there may be some
14 changes in the entire industry and suggested just
15 working around it at this point.]

16 ***

17 Adjournment

18 CHAIRMAN SMELTZER:

19 I entertain a motion to adjourn.

20 MR. WENTZEL:

21 So moved.

22 MR. AUSHERMAN:

23 Second.

24 ***

25 [There being no further business, the State Board of

1 Certified Real Estate Appraisers Meeting adjourned at
2 12:20 p.m.]

3 ***

4
5 CERTIFICATE

6
7 I hereby certify that the foregoing summary
8 minutes of the State Board of Certified Real Estate
9 Appraisers meeting, was reduced to writing by me or
10 under my supervision, and that
11 the minutes accurately summarize the substance of
12 the State Board of Certified Real Estate Appraisers
13 meeting.

14
15
16 

17 Matthew Ford,

18 Minute Clerk

19 Sargent's Court Reporting

20 Service, Inc.
21
22
23
24
25
26

STATE BOARD OF CERTIFIED
REAL ESTATE APPRAISERS
REFERENCE INDEX

January 18, 2024

	TIME	AGENDA
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	9:00	Executive Session
11	10:30	Return to Open Session
12		
13	10:30	Official Call to Order
14		
15	10:31	Roll Call
16		
17	10:31	Introduction of Attendees
18		
19	10:33	Approval of Minutes
20		
21	10:34	Report of Board Counsel
22		
23	10:59	Report of Prosecutorial Division
24		
25	11:05	Appointment - Carlton Smith, Deputy Chief Counsel, Annual Prosecution Division Report
26		
27		
28		
29	11:20	Report of Board Counsel (cont.)
30		
31	11:27	Regulations/Statute
32		
33	11:37	Exploratory Committee
34		
35	11:38	Applications for Review
36		
37	11:39	Miscellaneous
38		
39	12:04	Public Comment/Discussion
40		
41	12:11	Report of Board Chairman
42		
43	12:12	Conference Report
44		
45	12:20	Adjournment
46		
47		
48		
49		
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