State Board of Certified Real Estate Appraisers January 23, 2025

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BOARD MEMBERS:

Mark V. Smeltzer Sr., Chairman, Professional Member William T. Stoerrle Jr., Vice Chairman, Professional Member

Michael McFarlane, Secretary, Professional Member - Absent

John D. Ausherman, Professional Member

Chandra Mast, Professional Member

Jonathan B. Schuck, Professional Member

Martha H. Brown, Esquire, Secretary of the Commonwealth Designee - Absent

Laura Pittini, Consumer Protection Agent, Office of Attorney General Designee

Paul H. Wentzel Jr., Senior Legislative Director, Department of Banking and Securities designee

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BUREAU PERSONNEL:

25 Ronald K. Rouse, Esquire, Board Counsel 26 Ray J. Michalowski, Esquire, Senior Boa

Ray J. Michalowski, Esquire, Senior Board Prosecutor and Prosecution Liaison

Timothy A. Fritsch, Esquire, Board Prosecutor Kristel Hennessy Hemler, Board Administrator Andrew LaFratte, MPA, Deputy Policy Director,

Department of State

Jennifer Jumper, Fiscal Management Specialist 2, Bureau of Finance and Procurement, Department of State

Amanda Richards, Fiscal Chief, Bureau of Finance and Operations, Department of State

Taylor Koch, Fiscal Management Specialist 3,
Bureau of Finance and Procurement, Department of
State

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ALSO PRESENT:

Emme Reiser, Political Programs Manager, Pennsylvania Association of Realtors

Terry Cochran, Executive Director, Assessors Association of Pennsylvania

Francesca Tracy, Compliance Analyst, The CE Shop Jacob Hill, Sargent's Court Reporting Service, Inc.

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2 State Board of Certified 3 Real Estate Appraisers

January 23, 2025

* * *

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

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

Mr. Rouse noted the meeting was being recorded and voluntary participation constituted consent to be recorded.

Mr. Rouse also noted the Board entered into executive session with Board counsel to have attorney-client consultations and for the purpose of

4 1 conducting quasi-judicial deliberations.] 2 3 The regularly scheduled meeting of the State 4 Board of Certified Real Estate Appraisers was held on 5 Thursday, January 23, 2025. Mark Smeltzer, Chairman, officially called the meeting to order at 10:32 a.m. 6 7 8 Roll Call [Mark Smeltzer, Chairman, requested a roll call of 10 Board members. A quorum of members was present.] 11 Introduction of Attendees 12 13 [Kristel Hennessy Hemler, Board Administrator, 14 provided an introduction of attendees.] 15 Approval of minutes of the December 5, 2024 meeting 16 17 CHAIRMAN SMELTZER: 18 If we could have an approval of the 19 minutes. Everyone has had a chance to 20 look these over. Any questions or discussion? 21 22 MR. AUSHERMAN: 23 I make a motion that the minutes be 24 approved. VICE CHAIRMAN STOERRLE: 25

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                  I second it.
   MS. HENNESSY HEMLER:
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                  Roll call.
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                  Mark Smeltzer, abstain; William
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                  Stoerrle, aye; John Ausherman, aye;
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                  Chandra Mast, aye; Jonathan Schuck,
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                  aye; Laura Pittini, aye; Paul Wentzel,
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                  aye.
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   [The motion carried. Mark Smeltzer abstained from
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   voting on the motion.]
                              * * *
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   Report of Prosecutorial Division
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   [Ray Michalowski, Esquire, Board Prosecutor, stated
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   the Prosecution Division's Annual Report was not able
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   to be scheduled for this meeting and therefore had no
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   report to present. He further noted that there were
18
   no consent agreements to be presented. He stated any
19
   questions could be sent over to the Board.]
                              * * *
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21
   Report of Board Counsel - Miscellaneous
22
   [Ronald Rouse, Esquire, Board Counsel, presented on
23
   Item No. 2, a proposed rule for Appraisal
24
   Subcommittee Enforcement Authority, State Appraiser
25
   and Appraisal Management Company Regulatory Programs.
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Specifically, Mr. Rouse spoke about the proposed rule for Appraisal Subcommittee (ASC) enforcement authority regarding the effectiveness of the AMC and the state appraiser programs.

Mr. Rouse stated the purpose of the proposed rule is to further strengthen the ASC's ability to enforce action against state appraiser regulatory agencies that do not have effective appraiser and AMC programs.

Mr. Rouse continued with noting three specific forms of enforcement actions that the rule would allow the ASC to impose upon state regulatory agencies: Interim actions, suspensions or non-recognition of a state appraiser regulatory agency, with the non-recognition of a state appraiser regulatory agency being the most serious of the actions. He noted there could be a type of progressive enforcement as well, meaning a lesser type of penalty enforced in the form of written warnings, et cetera.

Mr. Rouse informed the Board that the Appraisal Subcommittee requested written comments about this proposed rule no later than February 4, 2025.

After asking the Board if anyone had questions about the proposed rule thus far, Chairman Smeltzer

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commented that the ASC would be ranking the state
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   agencies as either being effective, moderately
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   effective, slightly effective or ineffective.
                                                   The
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   last review given them by the ASC resulted in
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   Pennsylvania receiving a rating of "good." He
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   reiterated, after reading many comments from
7
   individuals regarding the ASC, this was not what the
   current proposal was about, but instead how the ASC
   reviews the work done by the state agencies.
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        Chairman Smeltzer then noted he had attended a
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   class on the ASC's requirements, and this class would
12
   be offered again on February 5, 2025. Ms. Hennessy
13
   Hemler stated Board Counsel and she had been approved
14
   by the Governor's Office to attend the virtual
15
   training on February 5, 2025 given by the ASC.
                                                    Other
16
   Board members noted that they may attend as well.]
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18
   Report of Board Counsel - Regulations/Statute
19
   [Ronald Rouse, Esquire, Board Counsel, presented on
20
   Item No. 3, Regulation 16A-7029 Distance Education
21
   and PAREA, (Practical Applications of Real Estate
22
   Appraisal).
23
        Mr. Rouse began by stating that the Board had a
24
   copy of the final annex and final preamble for the
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rulemaking regarding distance education and PAREA.

He suggested the Board could discuss and potentially vote that day on whether or not to adopt the final rulemaking.

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He noted that one of the changes between the proposed regulation and the final regulation was the AQB's (Appraisal Qualifications Board) having determined that the accepted definition of a Mentor was "any individual that was either a state certified residential appraiser or a general real estate appraiser that was certified within any jurisdiction that met the AQB for teaching PAREA program participants," (Annex, pg. 3, Sec.36.1). Mr. Rouse stated that clarification of the definition of PAREA was also amended to state "any approved AQB simulated experience training program that was offered as an alternate path for licensed appraiser trainees to obtain appraiser certification," (Sec. 36.11-E). Additional requested changes to the Annex of the regulation were amended as well.

Mr. Rouse suggested, if a motion by the Board and a vote to approve the final regulation were to occur, regulatory counsel and he would prepare the package for the legislature and the IRRC (Independent Regulatory Review Commission).

Chairman Smeltzer then suggested that the Board

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1
   first open the issue up to the public for comments or
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   questions about this regulation before the Board
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   voted on it. The question was asked of the public,
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   but there were no forthcoming comments or questions
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   from same. 1
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   CHAIRMAN SMELTZER:
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                  The Chair would entertain a motion to
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                  accept the final regulation proposal.
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   VICE CHAIRMAN STOERRLE:
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                  Make that motion.
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   MR. AUSHERMAN:
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                  I second.
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   MS. HENNESSY HEMLER:
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                  Roll call.
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                  Mark Smeltzer, aye; William Stoerrle,
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                  aye; John Ausherman, aye; Chandra Mast,
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                  aye; Jonathan Schuck, aye; Laura
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                  Pittini, aye; Paul Wentzel, aye.
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   [The motion passed unanimously.]
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22
   Appointment - Bureau of Finance and Operations
23
   [Jennifer Jumper, Fiscal Management Specialist 2,
24
   Bureau of Finance and Procurement, Department of
25
   State presented the Annual Budget Report.
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Ms. Jumper began by showing the Board their 1 2 seven-year history of renewable license counts, 3 (licenses that need to be renewed soon), which had decreased by 0.2%. Ms. Jumper explained that 4 5 licensure renewal fees for this Board renew in June of odd years and contain the fees for the following 6 7 licensed classes: Certified Residential Appraiser, Certified General Appraiser, Certified Pennsylvania Evaluator and the Certified Broker/Appraiser, all 10 being at a current renewal rate of \$225. Appraisal 11 Management Companies (AMC) are paying \$1000, and 12 licensed appraiser trainees are paying \$150 to renew. 13 She further noted that renewal fees will go up 23% 14 in June of 2027, 8% in June of 2029, and 10% in June, 15 2031.

Ms. Jumper also stated the total biennial revenue for the Board was 1.23 million with 92.2% of that revenue coming from renewal and application fees.

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Moving on to expenses, Ms. Jumper then defined the different cost categories as follows: Timesheet based expenses, direct charge expenses and licensee population expenses, which are different for every state Board. Budgeted expenses were expected to increase from 1.63 million to 1.81 million. The major item causing the increase in expenses is the

- 1 updating of the PALS (Pennsylvania Licensing System).
- 2 It was additionally noted that the Board has an upcoming state inspection this year.

- Ms. Jumper presented an overview of the Board's revenues and expenses to reflect the overall financial standing of same. She noted their current monetary balance, with expenses already exceeding revenues, and projected to continue onward.
 - It was further clarified by Amanda Richards,
 Fiscal Chief, Bureau of Finance and Operations,
 Department of State, that the PALS modernization
 numbers were not included in the current/prior fee
 package that was approved because there was
 uncertainty as to what those numbers would be.
 However, she stated, there was now a better idea of
 the numbers, and they would be included in the next
 fee review.
 - Ms. Jumper recommended that the Board do another fee increase and advised that they would return in the Spring with a new fee package for the Board to review.
 - Mr. Stoerrle suggested that the Office of Procurement should consider the fact that the percentage of residential appraisers was predicted to go down by 20-25% and should therefore be considered

1 | when formulating a new fee package. It was noted

- 2 | that AMC's, their largest source of revenue from
- 3 renewals, were projected to be down 10%. A graduated
- 4 fee increase cost of 5% over each of the next three
- 5 biennial periods would be in addition to the 23%, 8%
- 6 and 10% increase for same in 2027, 2029, 2031.
- 7 Discussion continued between Board members regarding
- 8 | the following: Investigative hourly costs, consumer
- 9 complaints on appraisals, miswording in
- 10 certifications and attestation. The ASC's
- 11 enforcement requirements, DEI, (Diversity, Equity and
- 12 Inclusion), and investigations were noted.]
- 13
- 14 | Report of Board Counsel Regulations/Statute (Cont.)
- 15 [Ronald Rouse, Esquire, Board Counsel, advised the
- 16 | Board, since the budget presentation would determine
- 17 the new fee regulation costs, Regulation 16A-7025
- 18 (Fees) would be on hold until the Bureau of Finance
- 19 and Procurement (BFP) returned in the Spring with an
- 20 updated proposed fee package.]
- 21 ***
- 22 Report of Board Chairman
- 23 [Mark V. Smeltzer Sr., Chairman, Professional Member,
- 24 stated that the Association of Appraiser Regulatory
- 25 Officials (AARO) meetings would be held twice a year

1 | with one virtual meeting and one in person meeting.

- 2 | The next meeting in April or May would be a virtual
- 3 meeting and therefore less expensive for those who
- 4 | wanted to attend. He questioned the Board on the
- 5 possibility of sending more than three members to the
- 6 | upcoming virtual meeting.
- 7 Mr. Rouse suggested that a vote would have to be
- 8 taken on this question once the cost of attendance
- 9 and dates of the meeting were known. He reiterated
- 10 that documentation was needed first.
- Details of the upcoming AARO meeting and other
- 12 AARO meeting dates were discussed.
- 13 It was decided by the Board that a motion and
- 14 | vote on same could be put on the March meeting agenda
- 15 provided the documentation for cost and dates had
- 16 been received by the Board.]
- 17
- 18 Report of Board Administrator No Report
- 19 *
- 20 | Conference Reports No Report
- 21 ***
- 22 Report of Committees
- 23 Revisions to Experience Logs, Supervisor Application
- 24 and Trainee Checklist
- 25 | [Mr. Rouse stated, for the benefit of Chairman
- 26 Smeltzer, that the last meeting consisted of

discussion on revisions and amendments to certain
licensee forms, "Resources and Documents from the
State Board of Certified Real Estate Appraisers",
specifically, the experience logs, supervisor
application and trainee checklist. He also noted
that the Board was reviewing the changes to these
forms from the last meeting and, on that day, could

decide whether to adopt the updated forms.

Chairman Smeltzer then asked for the forms to be put up of the screen again and shown, in case there were any additional comments. Sections E and F were where the revisions were made. Mr. Rouse proceeded to read the revisions from these sections.

Ms. Hennessy-Hemler noted that there were also changes to section I, subsections P, C and R as well.

Mr. Rouse proceeded to read aloud the definitions given for these form subsections. There was additional review of other changes made to certain form documents, including, experience logs, registry for supervisor, and trainee checklist.

It was decided that a motion to approve the changes be taken.]

23 MR. ROUSE:

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Would the Chair entertain a motion to adopt the experience logs, supervisor

15 application and trainee checklist as 1 2 the approved documents of the Board? 3 VICE CHAIRMAN STOERRLE: 4 Bill Stoerrle, make that motion. 5 MR. AUSHERMAN: Second. 6 7 MS. HENNESSY HEMLER: 8 Roll Call. 9 10 Mark Smeltzer, aye: Bill Stoerrle, aye; 11 John Ausherman, aye; Chandra Mast, aye; 12 Jonathan Schuck, aye; Laura Pittini, 13 aye; Paul Wentzel, aye. 14 [The motion carried unanimously.] 15 16 Applications for Review MR. ROUSE: 17 18 Item No. 6 on the agenda is Laurence Gluckman, Reactivation Application No. 19 20 AA0005905673. After discussion in Executive Session, I believe the Chair 21 22 would entertain a motion to 23 provisionally deny the reactivation 24 application of Laurence Gluckman.

CHAIRMAN SMELTZER:

25

Sargent's Court Reporting Service, Inc. (814) 536-8908

16 The Chair would entertain that motion. 1 2 MR. AUSHERMAN: 3 I so move. 4 MS. MAST: 5 I second. MS. HENNESSY HEMLER: 6 7 Roll call. 8 9 Mark Smeltzer, aye; Bill Stoerrle, aye; 10 John Ausherman, aye; Chandra Mast, aye; Jonathan Schuck, aye; Laura Pittini, 11 12 aye; Paul Wentzel, aye. 13 [The motion carried unanimously.] 14 15 Review of Requests MR. ROUSE: 16 I believe the Chair would entertain a 17 18 motion to grant the licensed appraiser trainee renewal extension of Toni 19 20 Pagano Snively, LAT000711 at Item No. 7 21 on the agenda. 22 CHAIRMAN SMELTZER: 23 The Chair would entertain that motion. 24 MR. AUSHERMAN: 25 I so move.

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   MS. MAST:
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                  I second.
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   MS. HENNESSY HEMLER:
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                  Roll call.
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                  Mark Smeltzer, aye; Bill Stoerrle, aye;
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                  John Ausherman, aye; Chandra Mast, aye;
                  Jonathan Schuck, aye; Laura Pittini,
9
                  aye; Paul Wentzel, aye.
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   [The motion carried unanimously.]
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   MR. ROUSE:
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                  Item No. 8 on the agenda. I believe the
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                  Chair would entertain a motion to grant
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                  the licensed appraiser trainee renewal
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                  extension request of Carrie Gallo,
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                  LAT000787.
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   CHAIRMAN SMELTZER:
                  I would entertain such a motion.
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   MR. STOERRLE:
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                  I'd make that motion.
22
   MS. MAST:
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                  I second.
24
   MS. HENNESSY HEMLER:
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                  Roll call.
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2 Mark Smeltzer, aye; Bill Stoerrle, aye; 3 John Ausherman, aye; Chandra Mast, aye;

Jonathan Schuck, aye; Laura Pittini,

5 aye; Paul Wentzel, aye.

6 [The motion carried unanimously.]

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8 Miscellaneous - The Appraisal Foundation and Farm

9 Credit System

10 | [Chairman Smeltzer notified the Board that on January

* * *

11 | 6, 2025 the Appraisal Foundation released a press

12 statement acknowledging their collaboration with the

13 Farm Credit System to build a rural appraisal

14 practicum model. He also stated that this project

15 will create a structured, hands-on model tailored for

16 rural and agricultural property appraisers.

17 Chairman Smeltzer then asked if there was any

18 discussion from the Board needed on this issue,

19 | specifically, if the Board could accept practicums.

20 Mr. Rouse advised that the Board's regulations

21 allow them to accept practicums.]

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23 Public Comments/Discussion - None

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25 | Matters for Discussion - Election of Officers

19 MR. ROUSE: 1 2 Item No. 10 on the agenda. Is there a 3 nomination for Chair of the State Board of Certified Real Estate Appraisers? 4 5 MR. STOERRLE: 6 I'd like to nominate Mark Smeltzer. 7 MR. AUSHERMAN: 8 Second. 9 MR. ROUSE: 10 Are there any other nominations for the Chair of the State Board of Certified 11 12 Real Estate Appraisers? 13 Then is there a motion to elect Mark 14 Smeltzer as the Chair of the State 15 Board of Certified Real Estate 16 Appraisers? 17 MS. MAST: 18 I make a motion. MR. AUSHERMAN: 19 20 Second. 21 MS. HENNESSY HEMLER: 22 Roll call. 23 24 Mark Smeltzer, abstain; Bill Stoerrle, 25 aye; John Ausherman, aye; Chandra Mast,

20 1 aye; Jonathan Schuck, aye; Laura 2 Pittini, aye; Paul Wentzel, aye. 3 [The motion carried unanimously.] 4 MR. ROUSE: 5 Is there a motion for Vice Chair for the 6 7 State Board of Certified Real Estate 8 Appraisers? 9 MR. AUSHERMAN: 10 I nominate William Stoerrle. 11 MS. MAST: I second. 12 MR. ROUSE: 13 14 Are there any other nominations for 15 Vice Chair of the State Board of 16 Certified Real Estate Appraisers? Then is there a motion to elect Bill 17 18 Stoerrle as the Vice Chair of the State Board of Certified Real Estate 19 20 Appraisers? 21 MR. AUSHERMAN: 22 I so move. 23 MS. MAST: 24 I second. 25 MS. HENNESSY HEMLER:

21 Roll call. 1 2 3 Mark Smeltzer, aye; Bill Stoerrle, 4 abstain; John Ausherman, aye; Chandra 5 Mast, aye; Jonathan Schuck, aye; Laura Pittini, aye; Paul Wentzel, aye. 6 7 [The motion carried unanimously.] 8 9 MR. ROUSE: 10 Is there a nomination for Secretary for the State Board of Certified Real 11 12 Estate Appraisers? 13 CHAIRMAN SMELTZER: This is Mark Smeltzer. I'm going to 14 15 nominate Chandra Mast. 16 MS. PITTINI: I second. 17 18 MR. ROUSE: 19 Are there any other nominations for 20 Secretary of the State Board of 21 Certified Real Estate Appraisers? 22 Hearing none, then is there a motion 23 to elect Chandra Mast as the Secretary 24 of the State Board of Certified Real 25 Estate Appraisers?

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   MR. STOERRLE:
                  I'd like to make that motion.
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   MR. AUSHERMAN:
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                  I second.
   MR. ROUSE:
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                  Any discussion? Roll call please.
7
                  Mark Smeltzer, aye; Bill Stoerrle, aye;
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                  John Ausherman, aye; Chandra Mast,
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                  abstain; Jonathan Schuck, aye; Laura
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                  Pittini, aye; Paul Wentzel, aye.
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   [The motion carried unanimously.]
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   Hearings - No report
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   Adjournment
   CHAIRMAN SMELTZER:
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                  Is there any other discussion or
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                  anything anyone needed to talk about
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                  anything else?
                      Then the Chair would entertain a
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22
                  motion to adjourn.
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   MR. WENTZEL:
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                      So moved.
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   MR AUSHERMAN:
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23
                      Second.
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   CHAIRMAN SMELTZER:
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                      We are adjourned.
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   [It was noted the next Board meeting will be held
   virtually and in person on March 13th, 2025.]
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                                * * *
   [There being no further business, the State Board of
   Certified Real Estate Appraisers Meeting adjourned at
   11:52 a.m.]
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CERTIFICATE

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

Jacob Hill,

Minute Clerk

Sargent's Court Reporting Service, Inc.

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1 2 3 4 5 6 7 8 9 10 11 21 3 4 14 5 16 17 18 19 20 21 22 22 22 22 23 33 33 33 33 33 33 34 34 35 35 36 36 36 36 36 36 36 36 36 36 36 36 36		STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS REFERENCE INDEX January 23, 2025	
	TIME	AGENDA	
	9:00 10:30	Executive Session Return to Open Session	
	10:32	Official Call to Order	
	10:32	Roll Call	
	10:32	Introduction of Attendees	
	10:34	Approval of Minutes	
	10:36	Report of Prosecutorial Division	
	10:36	Report of Board Counsel	
	10:38	Regulations/Statute	
	10:30	Report of Board Administrator	
	11:00	Appointment	
	11:31	Report of Committees	
	11:46	Miscellaneous	
	11:48	Public Comments/Discussion	
36 37	11:52	Adjournment	
38 39 40 41 42 43 44 45 46 47 48 49 50			