

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 REAL ESTATE COMMISSION**

TIME: 10:00 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**

January 8, 2025

State Real Estate Commission  
January 8, 2025

COMMISSION MEMBERS:

Kyle Sampson, Chair, Public Member  
Annie Hanna Cestra, Vice Chair, Industry Member  
Guy Saxton, Secretary, Cemetery Member  
Joseph Tarantino, Industry Member - Absent  
Jeffrey J. Johnson, Industry Member  
Anne M. Rubin, Industry Member  
Armand N. Ferrara Jr., Industry Member  
Gaetano P. Piccirilli, Esquire, Public Member -  
Absent  
Jennifer Thomson, Esquire, Attorney General designee  
Arion R. Claggett, Acting Commissioner, Bureau of  
Professional and Occupational Affairs

COMMISSION PERSONNEL:

Dean F. Picarella, Esquire, Commission Counsel  
Ray J. Michalowski, Esquire, Senior Commission  
Prosecutor  
Timothy A. Fritsch, Esquire, Commission Prosecution  
Liaison  
Angela L. Solomon, Esquire, Commission Prosecutor  
Tyesha C. Miley, Esquire, Commission Prosecution  
Ashley P. Murphy, Esquire, Commission Prosecutor  
Caroline A. Bailey, Esquire, Commission Prosecutor  
Deon Bowers, Commission Administrator  
Marc Farrell, Esquire, Regulatory Counsel,  
Office of Chief Counsel, Department of State  
Michael Merten, Esquire, Board Counsel, State Board  
of Barber Examiners  
Deena Parmelee, Legal Office Administrator 1,  
Department of State  
Jessica Zukoski, Senior Legal Analyst, Department of  
State  
Elle Thompson, Law Clerk, PA Department of State  
Carlton Smith, Esquire, Deputy Chief Counsel,  
Prosecution Division  
Amanda Richards, Fiscal Supervisor, Bureau of Finance  
and Procurement, Department of State  
Marcedes Newby, Fiscal Management Specialist 1,  
Bureau of Finance and Procurement, Department of  
State

State Real Estate Commission  
January 8, 2025

COMMISSION PERSONNEL: (cont.)

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

Tamie Laudenslager, Fiscal Management Specialist,  
Bureau of Finance and Procurement, Department of  
State

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

ALSO PRESENT:

Emme Reiser, Political Programs Manager, Pennsylvania  
Association of Realtors

Francesca Tracy, Compliance Analyst, The CE Shop

Dawn Parasolick, Leader in Workforce Education,  
Talent Development, Instructional Design, Realtors  
Association of Metropolitan Pittsburgh

Michael McGee, CAE, RCE, Chief Executive Officer,  
Pennsylvania Association of Realtors

Lisa Aaron, Professional Standards & Education  
Manager, Pennsylvania Association of Realtors

Amy McGee, Real Estate Agent, Compass

Ashlee Nicole Stutzman, Bering Real Estate

Linda Purcell

Steven Gorman

Jeremy Darab Hakimi

Ian Weeber, Sargent's Court Reporting Service, Inc.

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State Real Estate Commission

January 8, 2025

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[Pursuant to Section 708(a)(5) of the Sunshine Act, at 9:00 a.m. the Commission entered into Executive Session with Dean F. Picarella, Esquire, Commission Counsel, for the purpose of conducting quasi-judicial deliberations on matters currently pending before the Commission that are listed on the agenda. The Commission returned to open session at 9:47 a.m.]

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[Dean F. Picarella, Esquire, Commission Counsel, informed everyone that the meeting was being recorded, and voluntary participation constituted consent to be recorded.

Mr. Picarella also noted the Commission entered into Executive Session for the purpose of conducting quasi-judicial deliberations on a number of matters currently pending before the Commission and to receive the advice of Counsel.]

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The regularly scheduled meeting of the State Real Estate Commission was held on Wednesday, January 8, 2025. Kyle Sampson, Chair, Public Member, officially

1 called the meeting to order at 10:00 a.m.

2 \*\*\*

3 Roll Call/Introduction of Attendees

4 [Deon Bowers, Commission Administrator, provided a  
5 roll call of Commission members and introduction of  
6 attendees. A quorum of Commission members was  
7 present.]

8 \*\*\*

9 Pledge of Allegiance

10 [The Pledge of Allegiance was recited.]

11 \*\*\*

12 Approval of minutes of the October 28, 2024 meeting

13 CHAIR SAMPSON:

14 We'll move now to approval of the  
15 minutes from October 28, 2024. Mr.  
16 Ferrara was not present, so he will  
17 abstain.

18 MR. SAXTON:

19 Second.

20 CHAIR SAMPSON:

21 Madam administrator, please call the  
22 roll.

23

24 Kyle Sampson, aye; Annie Hanna Cestra,  
25 aye; Guy Saxton, aye; Jeffrey Johnson,

1                   aye; Anne Rubin, aye; Armand Ferrara,  
2                   abstain; Jennifer Thomson, aye; Arion  
3                   Claggett, aye.

4 [The motion carried. Armand Ferrara abstained from  
5 voting on the motion.]

6   \*\*\*

7 Approval of minutes of the November 20, 2024 meeting

8 CHAIR SAMPSON:

9                   We'll also do approval of the minutes  
10                  for November 20, 2024. Mr. Claggett  
11                  was absent, and he will abstain.

12 MR. SAXTON:

13                  Second.

14 CHAIR SAMPSON:

15                  Madam administrator, please call the  
16                  roll.

17  
18                  Kyle Sampson, aye; Annie Hanna Cestra,  
19                  aye; Guy Saxton, aye; Jeffrey Johnson,  
20                  aye; Anne Rubin, aye; Armand Ferrara,  
21                  aye; Jennifer Thomson, aye; Arion  
22                  Claggett, abstain.

23 [The motion carried. Arion Claggett abstained from  
24 voting on the motion.]

25   \*\*\*

1 Report of Prosecutorial Division

2 [Caroline A. Bailey, Esquire, Commission Prosecutor,  
3 presented the Consent Agreements for Case No. 23-56-  
4 016810 and Case Nos. 23-56-017924 & 24056-011844.]

5 \*\*\*

6 [Timothy A. Fritsch, Esquire, Commission Prosecution  
7 Liaison, presented the Consent Agreements for Case  
8 Nos. 22-56-011610 & 22-56-0174376 and Case No. 20-56-  
9 009894.]

10 \*\*\*

11 [Ashley P. Murphy, Esquire, Commission Prosecutor,  
12 presented the Consent Agreement for Case Nos. 20-56-  
13 003828, 20-56-003834, 21-56-013368, & 20-56-003837.

14 Anne Rubin was recused from this matter and did  
15 not participate in deliberations.]

16 MR. PICARELLA:

17 Noting that Anne Rubin did not take  
18 part in deliberations on this matter, I  
19 believed based upon discussions in  
20 Executive Session that the Commission  
21 Chair would entertain a motion to  
22 reject the Consent Agreements at Case  
23 Nos. 20-56-003828, 20-56-003834, 21-56-  
24 013368, & 20-56-003837 as being too  
25 lenient.

1 CHAIR SAMPSON:

2 Is there a motion?

3 MR. FERRARA:

4 So moved.

5 CHAIR SAMPSON:

6 Is there a second?

7 MR. JOHNSON:

8 Second.

9 CHAIR SAMPSON:

10 Madam administrator, please call the  
11 roll.

12  
13 Kyle Sampson, aye; Annie Hanna Cestra,  
14 aye; Guy Saxton, aye; Jeffrey Johnson,  
15 aye; Armand Ferrara, aye; Jennifer  
16 Thomson, aye; Arion Claggett, aye.

17 [The motion carried. Anne Rubin recused herself from  
18 deliberations and voting on the motion.]

19 \*\*\*

20 MR. PICARELLA:

21 Item 2 on the agenda, Case No. 23-56-  
22 016810; item 3 on the agenda, Case Nos.  
23 23-56-017924 & 24-56-011844; item 4 on  
24 the agenda, Case Nos. 22-56-011610 &  
25 Case No. 22-56-017436; item 5 on the

1 agenda, Case No. 20-56-009894.

2 Based upon discussions in Executive  
3 Session, I believe the Commission Chair  
4 would entertain a motion to adopt and  
5 approve the Consent Agreements at items  
6 2, 3, 4, and 5 on the agenda.

7 CHAIR SAMPSON:

8 Is there a motion?

9 MR. JOHNSON:

10 So moved.

11 CHAIR SAMPSON:

12 Is there a second?

13 MS. CESTRA:

14 Second.

15 CHAIR SAMPSON:

16 Madam administrator, please call the  
17 roll.

18  
19 Kyle Sampson, aye; Annie Hanna Cestra,  
20 aye; Guy Saxton, aye; Jeffrey Johnson,  
21 aye; Anne Rubin, aye; Armand Ferrara,  
22 aye; Jennifer Thomson, aye; Arion  
23 Claggett, aye.

24 [The motion carried unanimously. The Respondent's  
25 name at item 2 on the agenda, Case No. 23-56-016810

1 is Steven C. Gorman; item 3, Case Nos. 23-56-017924 &  
2 24-56-011844, Jeremy Darab Hakimi; item 4, Case Nos.  
3 22-56-011610 & Case No. 22-56-017436, YRG Property  
4 Service LLC & Ashlee Nicole Stutzman; and item 5,  
5 Case No. 20-56-009894, American Heritage Property  
6 Management LLC.]

7 \*\*\*

8 Report of Commission Counsel

9 MR. PICARELLA:

10 Item 7 is Tyrone Robert Taylor, Case  
11 No. 24-56-008947.

12 Based upon discussions in Executive  
13 Session, I believe the Chair would  
14 entertain a motion to adopt the  
15 findings of fact, conclusions of law,  
16 and discussion of the hearing examiner  
17 in this matter and to direct Counsel to  
18 substitute a Final Order drafted by  
19 Counsel and issue that as the Final  
20 Order in this matter.

21 CHAIR SAMPSON:

22 Is there a motion?

23 MR. FERRARA:

24 So moved.

25 CHAIR SAMPSON:

1 Is there a second?

2 MR. JOHNSON:

3 Second.

4 CHAIR SAMPSON:

5 Madam administrator, please call the  
6 roll.

7

8 Kyle Sampson, aye; Annie Hanna Cestra,  
9 aye; Guy Saxton, aye; Jeffrey Johnson,  
10 aye; Anne Rubin, aye; Armand Ferrara,  
11 aye; Jennifer Thomson, aye; Arion  
12 Claggett, aye.

13 [The motion carried unanimously.]

14 \*\*\*

15 MR. PICARELLA:

16 Item 8 on the agenda, Ewa Zaba, Daniel  
17 L. DeLucca, Donald M. Jordan & Pocono  
18 Home Show Incorporated, Case Nos. 22-  
19 56-015438, 22-56-015439, 22-56-015440,  
20 22-56-018102, 22-56-018103, and 22-56-  
21 018104; and item 9, Michelle Lee  
22 Kaluanine Muradyan aka Michel Cercone,  
23 Case No. 20-56-000060.

24 Based upon discussions in Executive  
25 Session, I believe the Chair would

1                   entertain a motion to approve the Final  
2                   Adjudication and Order in these two  
3                   matters and direct Counsel to issue  
4                   them as the Final Orders of the  
5                   Commission.

6 CHAIR SAMPSON:

7                   Is there a motion?

8 MR. SAXTON:

9                   Motion.

10 CHAIR SAMPSON:

11                   Is there a second?

12 MR. FERRARA:

13                   Second.

14 CHAIR SAMPSON:

15                   Madam administrator, please call the  
16                   roll.

17  
18                   Kyle Sampson, aye; Annie Hanna Cestra,  
19                   aye; Guy Saxton, aye; Jeffrey Johnson,  
20                   aye; Anne Rubin, aye; Armand Ferrara,  
21                   aye; Jennifer Thomson, aye; Arion  
22                   Claggett, aye.

23 [The motion carried unanimously.]

24                   \*\*\*

25 Report of Commission Counsel - Motion to Deem Facts

1 Admitted

2 MR. PICARELLA:

3 Item 10 on the agenda, Christopher  
4 Brian Wyman & White Chestnut Property  
5 Management LLC, Case Nos. 22-56-010777,  
6 22-56-017947, 24-56-003065, 24-56-  
7 003747, 24-56-006694, 24-56-009443, 24-  
8 56-010296, 24-56-010297, and 24-56-  
9 014262.

10 Based upon deliberations in  
11 Executive Session, I believe the Chair  
12 would entertain a motion to grant the  
13 Commonwealth's Motion to Deem Facts  
14 Admitted in this matter and direct  
15 Commission Counsel to draft a Final A&O  
16 in accordance with discussions in  
17 Executive Session.

18 CHAIR SAMPSON:

19 Is there a motion?

20 MR. FERRARA:

21 So moved.

22 CHAIR SAMPSON:

23 Is there a second?

24 MS. CESTRA:

25 Second.

1 CHAIR SAMPSON:

2 Madam administrator, please call the  
3 roll.

4  
5 Kyle Sampson, aye; Annie Hanna Cestra,  
6 aye; Guy Saxton, aye; Jeffrey Johnson,  
7 aye; Anne Rubin, aye; Armand Ferrara,  
8 aye; Jennifer Thomson, aye; Arion  
9 Claggett, aye.

10 [The motion carried unanimously.]

11 \*\*\*

12 Report of Committees - Education/Examination

13 Committee

14 MR. PICARELLA:

15 Item 14 on the agenda, the Broker's  
16 Examination of Dawn M. Parasolick.

17 Based upon discussions in Executive  
18 Session, I believe the Commission Chair  
19 would entertain a motion to  
20 provisionally deny the Application of  
21 Dawn M. Parasolick to sit for the  
22 Broker-Sole Proprietor Licensure by  
23 Examination and direct Counsel to draft  
24 a letter to the applicant in accordance  
25 with the discussions in Executive

1 Session.

2 CHAIR SAMPSON:

3 Is there a motion?

4 MS. CESTRA:

5 So moved.

6 CHAIR SAMPSON:

7 Is there a second on the motion?

8 MR. SAXTON:

9 Second.

10 CHAIR SAMPSON:

11 Madam administrator, please call the  
12 roll.

13

14 Kyle Sampson, no; Annie Hanna Cestra,  
15 aye; Guy Saxton, aye; Jeffrey Johnson,  
16 aye; Anne Rubin, aye; Armand Ferrara,  
17 aye; Jennifer Thomson, aye; Arion  
18 Claggett, aye.

19 [The motion carried. Kyle Sampson opposed the  
20 motion.]

21

\*\*\*

22 Appointment - Annual Prosecution Report

23 [Carlton Smith, Esquire, Deputy Chief Counsel,  
24 Prosecution Division, presented the Annual

25 Prosecution Report for 2024. He noted the total

1 number of complaints received and processed by the  
2 Bureau of Professional and Occupational Affairs  
3 (BPOA) is up from around 19,000 to 22,931 in 2024.

4 Mr. Smith reported over 71,000 active licensees.  
5 He noted 1,652 cases were opened in 2024, which is up  
6 about 400 cases from 2023. He noted just over 1,000  
7 open cases and 1,569 closed cases. He mentioned the  
8 goal is to dispose of a case within one year, and  
9 prosecution is meeting their goal at 253 days.

10 Mr. Smith addressed the disposition of closed  
11 cases and disciplines, noting 67 fines were imposed.  
12 He reported 89 fines under Act 48, and most of the  
13 citations were associated with advertising and lapsed  
14 licenses. He noted 36 fines relative to cost  
15 associated with prosecution. He reported 27  
16 revocations and 16 suspensions.

17 Mr. Smith addressed cases where there is no  
18 discipline, noting 895 prosecution not warranted  
19 cases. He stated prosecution considers the strength  
20 of the evidence, witnesses, disciplinary history, and  
21 experts to determine whether they have a viable case  
22 when determining whether prosecution is warranted.

23 Mr. Smith reported 221 warning letters were  
24 issued in 2024, noting prosecution also looks at the  
25 strength of the case, expert opinion, and

1 disciplinary history. He explained that warning  
2 letters are not formal discipline but that a record  
3 is kept in their office and available to the public.

4 Chair Sampson requested information concerning  
5 expert witnesses and whether they are realtors.

6 Ray J. Michalowski, Esquire, Senior Commission  
7 Prosecutor, stated prosecution has a couple of  
8 licensed real estate broker experts under contract  
9 but no in-house experts.]

10 \*\*\*

11 Report of Commission Counsel - Other - Annual

12 Sunshine Act/Recusal Presentation

13 [Dean F. Picarella, Esquire, Commission Counsel,  
14 provided a presentation on the Pennsylvania Sunshine  
15 Act and Recusal Guidelines. He stated the purpose of  
16 the Sunshine Act is the right of the public to be  
17 present at all meetings of agencies and to witness  
18 deliberations, policy, formulation, and decision-  
19 making, which is vital to the democratic process. He  
20 noted secrecy undermines the faith of public in  
21 government, and hybrid meetings make it more  
22 transparent.

23 Mr. Picarella explained that meetings must be  
24 open to the public after notice when deliberations or  
25 official action takes place. He provided definitions

1 of agency, deliberations, and official action.

2 Mr. Picarella addressed public notice, where an  
3 agency shall give public notice of its first regular  
4 meeting of each calendar year, not less than three  
5 days in advance of the meeting, and shall give public  
6 notice of the schedule of the remaining regular  
7 meetings.

8 Mr. Picarella discussed special meetings, where  
9 an agency shall give public notice of each special  
10 meeting at least 24 hours in advance. He noted  
11 public notice is not required in the case of an  
12 emergency meeting or a conference.

13 Mr. Picarella stated public notice includes the  
14 place, date, and time of the meeting in a newspaper  
15 of general circulation in a political subdivision of  
16 where the meeting is being held and posted at the  
17 principal offices of the agency holding the meeting  
18 or public building in which the meeting is being  
19 held. He also mentioned that a notice is sent to  
20 interested parties. He provided an overview of Act  
21 65 of 2021 concerning public notice.

22 Mr. Picarella addressed the recording of votes  
23 and requirement of minutes for all open meetings. He  
24 mentioned that the only applicable exceptions to open  
25 meeting requirements are Executive Sessions and

1 conferences, noting agency business may not occur at  
2 a conference. He explained that Executive Session  
3 may be held to discuss personnel issues, consulting  
4 with an attorney or professional advisor, and  
5 reviewing and discussing agency business that would  
6 violate a lawful privilege or lead to disclosure of  
7 information or confidentiality protected by law if  
8 held in public.

9 Mr. Picarella further explained that official  
10 actions on matters discussed in executive session  
11 shall be taken at the open meeting.

12 Mr. Picarella addressed legal challenges, noting  
13 anyone can challenge a meeting based on a violation  
14 of the Sunshine Act but must be filed within 30 days  
15 of the date of the meeting or discovery of any action  
16 in which the Sunshine Act was violated. He also  
17 discussed penalties for violating the Sunshine Act.

18 Mr. Picarella stated all board business,  
19 deliberations, and official action should be  
20 conducted in open meetings, and board members should  
21 not discuss agency business, especially executive  
22 session matters, outside of an official board  
23 meeting.

24 Mr. Picarella noted regulations, policies, etc.,  
25 delegated to a committee, should take place in an

1 open meeting with appropriate public notice. He  
2 mentioned that administrative functions,  
3 prosecutorial functions, and reviewing applications  
4 are not subject to open meeting requirements.

5 Mr. Picarella addressed mandatory recusals, where  
6 a board member may have a prosecutorial role or  
7 direct personal or financial interest in the outcome  
8 of the matter.

9 Mr. Picarella addressed strongly suggested  
10 recusals, where a board member has a personal  
11 affection or outside knowledge and cannot make a fair  
12 and unbiased determination.

13 Mr. Picarella noted that discretionary recusals  
14 are when a board member cannot hear and dispose of  
15 the case or participate in a decision on a subject  
16 fairly and without prejudice. He encouraged  
17 Commission members who are uncertain whether to  
18 recuse themselves to discuss the matter with Counsel  
19 privately.

20 Mr. Picarella addressed abstention, noting  
21 abstention means someone is withholding their vote  
22 but does not affect quorum requirements. He noted  
23 the board member is unable to vote with recusal and  
24 can affect the quorum requirement.

25 Mr. Picarella discussed conflicts of interests,

1 where no member of any professional examining or  
2 licensing board shall at the same time be an officer  
3 or an agent of any statewide association or  
4 organization representing the profession or the  
5 occupation subject to the board's actions.

6 Mr. Picarella further explained that a member of  
7 the licensing board or commission designated as  
8 representing the public at large shall be a private  
9 citizen and shall not be a member of any profession  
10 or occupation regulated by the licensing board,  
11 commission, or Bureau of Professional and  
12 Occupational Affairs. He noted they cannot be  
13 related to or part of an immediate family of any  
14 member of the profession or occupation to be licensed  
15 or regulated by that particular board or commission.

16 Mr. Picarella stated board members may not be  
17 affiliated in any way with the profession or  
18 occupation to be licensed or regulated or hold any  
19 other appointed or elected public office or position  
20 within the Commonwealth, another state, or the United  
21 States government during their appointed terms. He  
22 noted that any person not meeting the standard shall  
23 be ineligible for membership on the board or  
24 commission as a public member.]

25 \*\*\*

1 Report of Commission Counsel - Regulatory Report

2 [Marc Farrell, Esquire, Regulatory Counsel, Office of  
3 Chief Counsel, Department of State, addressed 16A-  
4 5626 regarding broker price opinions. He noted the  
5 proposed rulemaking package was delivered in 2024 to  
6 the Independent Regulatory Review Commission (IRRC),  
7 House and Senate Professional Licensure Committees,  
8 and the Legislative Reference Bureau.

9 Mr. Farrell stated the proposed rulemaking was  
10 published in the *Pennsylvania Bulletin* and started a  
11 30-day window for public comments, followed by a 30-  
12 day comment period for IRRC. He explained that the  
13 next step is for the agency to consider the comments  
14 made on the proposed rulemaking, determine whether  
15 any of the comments warrant changes to the  
16 rulemaking, and then prepare the final rulemaking  
17 package.

18 Mr. Farrell explained that once it is approved by  
19 the Commission that it would go through all of the  
20 required internal approvals again at the department  
21 level, the Governor's Office, and then delivered to  
22 IRRC. He further explained that if IRRC approves the  
23 final rulemaking and the Attorney General's Office  
24 gives the last required sign off that the final  
25 rulemaking will be published in the *Pennsylvania*

1 *Bulletin* as final regulations.

2       Mr. Farrell stated the Commission received one  
3 public comment and two pages of comments from IRRC.  
4 He referred to the public comment from the  
5 Pennsylvania Association of Realtors (PAR) concerning  
6 § 35.503(d) and (e), which they believed could be read  
7 to suggest that the preapproved broker courses are  
8 the only courses that would fulfill the education  
9 requirement and are concerned that future readers may  
10 understand the language to say that the list in  
11 subsection (e) is exclusive and are the only courses  
12 a licensee can take for initial approval.

13       Mr. Farrell explained that PAR believed the  
14 regulation should be clarified to reflect that the  
15 Commission can and will approve courses beyond the  
16 preapproved broker courses listed in the regulation.  
17 He mentioned that IRRC also raised comments. He  
18 referred to (e) and asked whether that the limit. He  
19 noted they have been approving others pursuant to the  
20 temporary regulations beyond just those four. He  
21 asked whether the Commission wished to continue that  
22 or put an end to that practice.

23       Ms. Rubin commented that this is the core of what  
24 they need in a BPO because it is about the valuation  
25 and understanding how to do that. She believed it is

1 what it should be, where a salesperson needed to take  
2 coursework in order to do these things as well as the  
3 broker.

4 Ms. Cestra agreed with Ms. Rubin and did not  
5 think they want to have a system where they are  
6 approving all different courses for the broker's  
7 price opinion because valuation and appraisal are  
8 things they need to know.

9 Michael McGee, CAE, Chief Executive Officer,  
10 Pennsylvania Association of Realtors, requested  
11 clarity on whether this moving forward is going to be  
12 it or whether there is any flexibility in how they  
13 review educational courses to go beyond those four  
14 topics.

15 Acting Commissioner Claggett asked Mr. McGee  
16 whether PAR is asking if the Commission could change  
17 the language to say they could approve more than the  
18 four courses and he agreed.

19 Ms. Cestra commented that it becomes a burden on  
20 staff to approve courses just because of this  
21 broker's price opinion when the current topics are  
22 the only topics.

23 Ms. Rubin explained that this is a very specific  
24 procedure and requires very specific coursework. She  
25 mentioned that licensees were jeopardizing their

1 license and is how this came to be.

2 Mr. Farrell addressed IRRC's comments concerning  
3 § 35.502(a)(2) in blue and section (b)(1) in red,  
4 noting IRRC is confused as to what is happening in  
5 the two provisions, asking whether the two things are  
6 contradictory and what is the difference between what  
7 the two provisions are accomplishing if they are not.

8 Ms. Rubin referred to the blue section and  
9 explained that a broker price opinion is being used  
10 to determine value when a lender or some other entity  
11 has taken back the property, so it is for the lender  
12 opposed to the red section, which is about the  
13 foreclosure, where it is the lender who is going to  
14 be giving a loan to an individual for a property.

15 Ms. Rubin further explained that when somebody  
16 when somebody wants to buy a property and utilize a  
17 mortgage for the funds for that property, the lender  
18 that they make a mortgage application with will have  
19 an appraisal done to determine the value before they  
20 lend the money to the individual, noting that is the  
21 red section.

22 Mr. Rubin also explained that the blue is saying  
23 they have given that loan, the person defaulted, and  
24 are now going to foreclosure sale on this and want to  
25 determine the current value of the property without

1 doing a full-blown appraisal. She noted the property  
2 then generally gets assigned to a real estate agent  
3 who is then asked to give the lender a broker price  
4 opinion, which is the blue section.

5 Mr. Ferrara also explained that (a)(2) is a  
6 modification of the first or junior mortgage, which  
7 means they already have a mortgage and are going to  
8 modify the mortgage and need a new price. He noted  
9 the foreclosure part is (a)(1), further noting that  
10 (a)(2) is strictly a modification of a mortgage that  
11 is already in existence in the blue. He stated the  
12 red is where someone is buying a home and needs it  
13 appraised, noting they cannot do a BPO for that.

14 Mr. Farrell commented that red is something that  
15 would have to be done by a licensed appraiser and  
16 would explain that to IRRC.

17 Mr. Farrell referred to § 35.503, noting the  
18 Commission requires 3 hours of continuing education  
19 (CE) in BPO topics every 2 years. He noted IRRC  
20 asked the Commission to clarify that somebody who  
21 applies for a BPO license at the end of a biennium is  
22 not required to do the 3 hours of CE and would be  
23 waived until their first full biennium.

24 Ms. Rubin clarified that it is not a BPO license,  
25 and there is no tracking of this.

1        Ms. Cestra agreed with Ms. Rubin, noting it was  
2 not going to be a separate license the way it was  
3 written, and the idea was when they want to get  
4 approval to do broker price opinions that they have  
5 to do the courses and not wait until the next renewal  
6 period because they would be doing them without the  
7 knowledge.

8        Ms. Rubin stated there is nothing they are doing  
9 in licensing or at the state level to even know who  
10 is taking the courses and allowed to do broker price  
11 opinions and would only come into play if somebody  
12 submits a complaint of a violation, where they would  
13 have to prove that they did all this stuff.

14       Ms. Rubin commented that it is really a fault of  
15 the whole thing and a lot of work for a lot of  
16 people, noting it is almost meaningless. She  
17 mentioned that they keep a record of qualified  
18 associations but do not have a record of who  
19 completed CE with broker price opinion.

20       Mr. Michalowski commented that if the Commission  
21 wanted to make this similar to other CE/licensure,  
22 even though it is not particular licensure, where  
23 someone who did their training in a last renewal  
24 period 6 months or less before the next renewal  
25 period would count for the next renewal period. He

1 suggested making it consistent with that, where  
2 someone who has done it within 6 months of the  
3 renewal period would not have to do the CE but would  
4 if it was more than 6 months.

5 Mr. Saxton commented that there is not a bright  
6 line between a broker price opinion and an appraisal.

7 Ms. Rubin stated the documentation is really the  
8 major difference, and the process of coming up with  
9 it should not be different. She noted that limiting  
10 the courses was important. She explained that the  
11 comparative market analysis (CMA) is a discussion and  
12 some research on the market, but a broker price  
13 opinion is using actual documentation being submitted  
14 to the bank and presents as an appraisal. She asked  
15 whether it is accurate that it cannot be a licensed  
16 category.

17 Mr. Farrell believed that to be correct.

18 Mr. Ferrara mentioned that appraisers have to  
19 fall under the Uniform Standards of Professional  
20 Appraiser Practice (USPAP) and BPOs do not.]

21 MR. FARRELL:

22 I entertain a motion to direct  
23 Regulatory Counsel to proceed with the  
24 final rulemaking in connection with  
25 Regulation 16A-5626 Broker Price

1 Opinions based on the discussion at the  
2 Commission's meeting today.

3 CHAIR SAMPSON:

4 Is there a motion?

5 MS. CESTRA:

6 So moved.

7 CHAIR SAMPSON:

8 Is there a second on the motion?

9 MR. FERRARA:

10 Second.

11 CHAIR SAMPSON:

12 Madam administrator, please call the  
13 roll.

14

15 Kyle Sampson, aye; Annie Hanna Cestra,  
16 aye; Guy Saxton, aye; Jeffrey Johnson,  
17 aye; Anne Rubin, aye; Armand Ferrara,  
18 aye; Jennifer Thomson, aye; Arion  
19 Claggett, aye.

20 [The motion carried unanimously.]

21 \*\*\*

22 Report of Commission Counsel - Regulatory Status

23 Report

24 [Marc Farrell, Esquire, Regulatory Counsel, Office of  
25 Chief Counsel, Department of State, informed

1 Commission members that he would have the final annex  
2 for 16A-5616 regarding general revisions at the next  
3 meeting. He mentioned that a legal analyst joined  
4 the regulatory team last month and would be working  
5 primarily on regulations with the goal of shifting  
6 the workload to him to free up Regulatory Counsel  
7 work to get the regulations moving.]

8 \*\*\*

9 Report of Commission Chairperson - No Report

10 \*\*\*

11 Report of Acting Commissioner - No Report

12 \*\*\*

13 Report of Commission Administrator

14 [Deon Bowers, Commission Administrator, reported  
15 promotional property renewals ended last week and all  
16 but one have completed the renewals this year.]

17 \*\*\*

18 Report of Committees - Education/Examination

19 Committee - No Report

20 \*\*\*

21 Report of Committees - Enforcement Committee - No  
22 Report

23 \*\*\*

24 Old/New Business - Discussion to Select Dates for  
25 Philadelphia and Pittsburgh Meetings

1 [Kyle Sampson, Chair, Public Member, noted the  
2 Commission decided to table the selection of dates  
3 for the Philadelphia and Pittsburgh meetings.]

4 \*\*\*

5 Appointment - Bureau of Finance and Procurement  
6 Annual Budget Presentation

7 [Taylor Koch, Fiscal Chief, Bureau of Finance and  
8 Procurement, Department of State, presented the  
9 Annual Financial Report. He referred to the annual  
10 renewal licensee count showing a 7-year history and  
11 license population by class. He noted the population  
12 has increased by 1.5% or 953 licenses over the last  
13 two biennial periods.

14 Mr. Koch noted the Commission has 19 different  
15 classes with the majority of license counts from real  
16 estate salesperson licenses, noting an increase of  
17 1.8% or 884 licenses. He also noted the broker  
18 (Corp, LLC, Partner) class decreased by 8.4% or about  
19 70 licenses.

20 Mr. Koch stated the Commission renews their fees  
21 in May of even years, noting the bulk of the licenses  
22 are from \$96 to \$126. He informed Commission members  
23 that there are no changes projected out over the next  
24 several biennial periods, and their last fee increase  
25 was in 2005.

1        Mr. Koch addressed biennial revenue from each of  
2 the revenue sources and as a total. He again  
3 mentioned that renewals occur in May of even years,  
4 which is why there is such a difference between the  
5 FY22-23 and FY23-24. He reported a total biennial  
6 revenue of \$8.87 million with renewals and  
7 applications making up 94% of that revenue.

8        Mr. Koch referred to expenditures by category and  
9 the breakdown of actual costs from the prior biennial  
10 periods as well as year to date. He noted costs can  
11 occur through direct charges, timesheet-based  
12 charges, and licensee population. He also noted  
13 FY24-25 and FY25-26 budget numbers as well as  
14 expenses as of December 23, 2024.

15        Mr. Koch reported expenses are expected to  
16 increase from the prior biennial period to the  
17 current biennial period. He explained that the major  
18 item contributing to the increase is the  
19 modernization of the Pennsylvania Licensing System  
20 (PALS).

21        Mr. Koch addressed revenue and expenses, looking  
22 at whether expenses exceed revenue. He noted a  
23 restricted account balance in FY22-23 and FY23-24 and  
24 with additional money being added as revenue exceeded  
25 expenses, noting a surplus. He reported expenses are

1 exceeding revenue starting in the current biennial  
2 period and projected into future biennial periods.  
3 He recommended a fee increase and offered to return  
4 in the spring with a fee package for further  
5 Commission discussion.

6 Ms. Rubin commented that fines for the Commission  
7 are very low and asked how they could increase fines  
8 to bring in more money.

9 Mr. Koch informed Ms. Rubin that the Bureau of  
10 Finance and Procurement (BFP) looks at all of the  
11 different facets of revenue by source and would  
12 present different options in the spring.

13 Ms. Cestra mentioned that many of the expenses  
14 are allocated by the number of current licensees and  
15 asked whether the Commission has one of the largest  
16 number of individual licensees.

17 Mr. Koch reported that the Commission has over  
18 60,000 licensees and is considerably one of the  
19 higher ones, which is why the cost is higher.]

20 \*\*\*

21 Adjournment

22 CHAIR SAMPSON:

23 I entertain a motion to adjourn.

24 MR. SAXTON:

25 Motion.

1 CHAIR SAMPSON:

2 Thank you.

3 \*\*\*

4 [There being no further business, the State Real  
5 Estate Commission Meeting adjourned at 11:33 a.m.]

6 \*\*\*

7

8 CERTIFICATE

9

10 I hereby certify that the foregoing summary  
11 minutes of the State Real Estate Commission meeting,  
12 was reduced to writing by me or under my supervision,  
13 and that the minutes accurately summarize the  
14 substance of the State Real Estate Commission  
15 meeting.

16

17

18



19

Ian Weeber,

20

Minute Clerk

21

Sargent's Court Reporting

22

Service, Inc.

23

24

25

26

STATE REAL ESTATE COMMISSION  
REFERENCE INDEX

January 8, 2025

TIME	AGENDA
9:00	Executive Session
9:47	Return to Open Session
10:00	Official Call to Order
10:02	Roll Call/Introduction of Attendees
10:03	Pledge of Allegiance
10:03	Approval of Minutes
10:05	Report of Prosecutorial Division
10:23	Report of Commission Counsel
10:29	Report of Committees
10:31	Appointment - Annual Prosecution Report
10:41	Report of Commission Counsel (cont.)
11:22	Report of Commission Administrator
11:23	Old/New Business
11:24	Appointment - Bureau of Finance and Procurement Budget Office Annual Budget Report
11:33	Adjournment