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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
VIA VIDEOCONFERENCE**

TIME: 10:32 A.M.

Thursday, April 8, 2021

1 ***

2 State Board of Certified

3 Real Estate Appraisers

4 April 8, 2021

5 ***

6 [Ronald K. Rouse, Esquire, Board Counsel, informed
7 everyone that the meeting of the State Board of
8 Certified Real Estate Appraisers was being held by
9 teleconference pursuant to Governor Wolf's March 16,
10 2020 waiver of the physical presence requirement in
11 Section 4(i) of the Real Estate Appraisers
12 Certification Act. He also noted the teleconference
13 was being recorded, and those continuing to
14 participate in the meeting were giving their consent
15 to be recorded.]

16 ***

17 [Pursuant to Section 708(a)(5) of the Sunshine Act, at
18 9:00 a.m. the Board entered into executive session
19 with Ronald K. Rouse, Esquire, Board Counsel, to have
20 attorney-client consultations and for the purpose of
21 conducting quasi-judicial deliberations. The Board
22 returned to open session at 10:30 a.m.]

23 ***

24 The regularly scheduled meeting of the State
25 Board of Certified Real Estate Appraisers was held on

1 Thursday, April 8, 2021. Joseph D. Pasquarella,
2 Chairman, Professional Member, officially called the
3 meeting to order at 10:32 a.m. Paul H. Wentzel Jr.,
4 Senior Legislative Director, Department of Banking and
5 Securities, was not present at the commencement of the
6 meeting.

7 ***

8 Roll Call

9 [Joseph D. Pasquarella, Chairman, Professional Member,
10 requested a roll call of Board members.]

11 ***

12 [Paul H. Wentzel Jr., Senior Legislative Director,
13 Department of Banking and Securities, entered the
14 meeting at 10:34 a.m.]

15 ***

16 Approval of minutes of the January 14, 2021 meeting

17 CHAIRMAN PASQUARELLA:

18 Approval of the meeting minutes from the
19 January 14, 2021 Board meeting.

20 Do I have approval?

21 MR. AUSHERMAN:

22 I make a motion that the minutes are
23 approved.

24 CHAIRMAN PASQUARELLA:

25 Do I have a second?

1 MR. WALTERS:

2 Second.

3 CHAIRMAN PASQUARELLA:

4 All in favor of approving the minutes of
5 January 14, 2021? Any opposed? Any
6 nay?

7 [The motion carried. Mark Smeltzer abstained from
8 voting on the motion.]

9 ***

10 Approval of minutes of the February 25, 2021 meeting

11 CHAIRMAN PASQUARELLA:

12 Do I have a motion to approve the Board
13 meeting minutes of February 25, 2021?

14 MR. STOERRLE:

15 I make a motion.

16 CHAIRMAN PASQUARELLA:

17 Is there a second?

18 MR. AUSHERMAN:

19 Second.

20 CHAIRMAN PASQUARELLA:

21 All in favor of approving the minutes as
22 transcribed as of February 25, 2021?
23 Any opposed, please say nay. Any
24 abstentions?

25 [The motion carried. Mark Smeltzer abstained from

1 voting on the motion.]

2 ***

3 Report of Prosecutorial Division

4 [Caroline A. Bailey, Esquire, Board Prosecutor,

5 presented the Consent Agreement for Case No. 20-70-

6 000036.]

7 MR. ROUSE:

8 Regarding the Consent Agreement at Item
9 No. 3 of the agenda, Case No. 20-70-
10 000036, I believe the Board would
11 entertain a motion to adopt the Consent
12 Agreement.

13 Is there such a motion?

14 MR. STOERRLE:

15 I make the motion.

16 MR. ROUSE:

17 Is there a second?

18 MR. SMELTZER:

19 Second.

20 MR. ROUSE:

21 Any discussion? All those in favor, say
22 aye. All those opposed, say nay.

23 [The motion carried unanimously. Case No. 20-70-
24 000036 is the matter of BPOA v. Carl C. Kidwiler.]

25 ***

1 Report of Board Counsel

2 [Ronald K. Rouse, Esquire, Board Counsel, addressed
3 the Real Estate Valuation Fairness and Improvement Act
4 of 2021. He noted a discussion draft that was
5 included in a United States House Committee on
6 Financial Services hearing, entitled "Justice for All:
7 Achieving Racial Equity Through Fair Access Housing
8 and Financial Services." He mentioned that the
9 proposed federal legislation would have a significant
10 impact on the Appraisal Subcommittee if passed.

11 Mr. Rouse stated the legislation would establish
12 an interagency task force facilitated by the Appraisal
13 Subcommittee to analyze federal collateral
14 underwriting standards and guidance and provide
15 resources for promoting diversity in the real estate
16 appraisal profession.

17 Mr. Smeltzer suggested changing the requirement
18 for supervisors from 5 years of certified appraisal
19 experience before they can supervise someone to 3
20 years, which is keeping with the Appraiser
21 Qualifications Board's requirement. He noted that
22 would help facilitate diversity by opening up more
23 training positions because of more trainers.

24 Mr. Smeltzer stated Pennsylvania is the only
25 state that requires 5 years and was in existence

1 before the Appraiser Qualifications Board (AQB) set a
2 requirement of 3 years nationally.

3 Chairman Pasquarella agreed with Mr. Smeltzer,
4 noting it would assist with the topic of diversity
5 within the appraisal profession and suggested further
6 discussion at the next meeting.

7 Mr. Rouse addressed the first exposure draft of
8 proposed changes to real property appraiser
9 qualification certification for 2021. He noted that
10 The Appraisal Foundation and the AQB had a virtual
11 discussion of the first exposure draft of the proposed
12 changes to the real estate appraiser qualification
13 criteria for 2021.

14 Mr. Rouse mentioned the first amendment is to the
15 distance education requirement to allow synchronous,
16 asynchronous, and hybrid distance education. He
17 stated the additional course delivery approval
18 mechanisms would include the AQB or AQB-approved
19 organizations providing approval of course design and
20 delivery that could include The Appraisal Foundation
21 or other independent approved entity.

22 Mr. Rouse stated the International Distance
23 Education Certification Center (IDECC) currently does
24 the approval of distance education, and IDECC approval
25 would not be required if the changes were adopted.

1 Mr. Rouse stated the second amendment would be to
2 the criteria specific to continuing education and
3 would include valuation bias, fair housing, and/or
4 equal opportunity as a continuing education course
5 topic for which appraisers can receive continuing
6 education credit.

7 Mr. Rouse noted the third amendment would be to
8 AQB Guide Note 4 of the criteria, which would remove
9 the 50% limitation on nontraditional experience and
10 allow experience gained through work without the
11 traditional client to meet any portion of the total
12 experience requirement.

13 Mr. Rouse commented that since the Practical
14 Applications of Real Estate Appraisal (PAREA) is a
15 nontraditional training tool, it could be used for
16 100% of the experience requirement if the state
17 regulatory body chooses; however, at the last Board
18 meeting, the Board made a decision regarding the
19 percentages allowed regarding PAREA in Pennsylvania.

20 Mr. Rouse informed everyone that a copy of the
21 first exposure draft was on The Appraisal Foundation
22 website. He stated the regulatory agencies and other
23 stakeholders were encouraged to send written comments
24 about those changes to the AQB by April 23, 2021. He
25 noted comments may be sent by email to AQB at

1 appraisalfoundation.org and comments will be discussed
2 at a virtual public meeting on April 30, 2021.

3 Mr. Rouse informed everyone that the Bureau of
4 Professional and Occupational Affairs (BPOA) received
5 reports that persons pretending to be from one of the
6 health-related boards are contacting licensees by
7 phone and mail about the status of their licenses. He
8 stated the scammers are altering their information
9 that shows on the caller ID to appear as though they
10 are from the Commonwealth of Pennsylvania.

11 Mr. Rouse commented that the scammers are
12 threatening license suspension for failure to act and
13 falsely claiming involvement with the Federal Bureau
14 of Investigation (FBI) and the Drug Enforcement
15 Administration (DEA). He provided reminders from BPOA
16 concerning contact and personal information for
17 licensees and applicants to follow.

18 Mr. Rouse mentioned that those who are the
19 subject of an investigation or disciplinary action
20 will receive notice by certified mail and/or personal
21 service and are provided with a contact name and phone
22 number. He informed everyone to contact their local
23 police department or the state police if they have
24 been a victim of the scam.]

25

1 Regulations to Discuss - 16A-7024

2 [Ronald K. Rouse, Esquire, Board Counsel, referred to
3 16A-7024 regarding licensure by endorsement for
4 certified Pennsylvania evaluators. He noted prior
5 Board discussion regarding the preamble and the
6 appropriate fee for the licensure by endorsement
7 application.

8 Mr. Rouse addressed licensure by endorsement
9 examination, noting applicant can demonstrate
10 competency by active engagement in the practice of the
11 profession for at least 2 of the 5 years immediately
12 preceding the date of the application and obtaining a
13 passing score on a Board-approved skills examination
14 or completion of 28 continuing education hours and
15 obtaining a passing score on a Board-approved skills
16 examination.

17 Mr. Rouse mentioned prior Board discussion, where
18 the Board wanted to have a Board-approved skills exam
19 that is shorter than the current full exam on
20 assessment issues unique to Pennsylvania. He stated
21 the full exam for a Pennsylvania evaluator is a 3-hour
22 exam with 100 questions that covers 7 different
23 assessment competencies and requires a score of 75% or
24 more to pass. He questioned what the Board would like
25 the endorsement exam to consist of other than the

1 topics specific to Pennsylvania law and regulations.

2 Chairman Pasquarella wanted to know whether
3 questions would be in multiple choice fashion and
4 recommended including assessment practices where the
5 valuation should be of the leased fee interest of a
6 property that is encumbered by a long-term lease to
7 make it clear how to value the property, whether from
8 the leased fee estate or fee simple.

9 Mr. Smeltzer agreed with Chairman Pasquarella but
10 also suggested it be a multiple choice exam with
11 application-based questions, not just definition
12 recognition questions. He noted the importance of
13 understanding terms and definitions but also
14 understanding application.

15 Teresa Cochran, Executive Director, Assessors'
16 Association of Pennsylvania, noted sitting through
17 certified Pennsylvania evaluator (CPE) classes as a
18 monitor and staff member, where the application of all
19 of those concepts are put into practice. She
20 mentioned that AAP is cognizant of the fact that
21 individuals have to be able to apply all those
22 concepts and formulas in the field and feel AAP is
23 covering those bases and would be for having those
24 types of questions on the exam.

25 Randy L. Waggoner, CPE, Assessors' Association of

1 Pennsylvania, noted Pennsylvania-specific information
2 should be part of the exam and provided an example,
3 where an individual cannot use a conveyance deed to
4 form what is known as spot reassessing and must employ
5 the methodology established at the last countywide
6 reassessment for every property you value.

7 Mr. Waggoner commented that AAP would be happy to
8 develop some questions for consideration on the exam,
9 noting Pennsylvania-specific assessment items unique
10 to Pennsylvania should be part of it.

11 Mr. Waggoner addressed AAP's four basic courses
12 that have been approved to meet the minimum education
13 requirement before a candidate could even sit for the
14 CPE exam. He noted four 5-day courses with a 3-hour
15 exam at the end of each course containing around 100
16 questions.

17 Mr. Waggoner also addressed the state's CPE exam
18 through PSI Services LLC (PSI), where individuals have
19 3 hours to complete the exam consisting of 100
20 questions and must score 75% or above to pass. He
21 mentioned AAP has no involvement in that process.

22 Mr. Rouse commented that the Board does not
23 create any questions for the exam but would approach
24 PSI to start having discussions of what an endorsement
25 exam would look like once the Board decides what they

1 want on the exam.

2 Mr. Waggoner addressed the process of being able
3 to sit for the CPE, where an individual must take a
4 minimum of 90 hours of education involving the
5 assessment and appraisal process. He stated AAP's
6 classes with the test and everything totals somewhere
7 around 123 hours, which is over the minimum
8 educational requirements.

9 Mr. Waggoner stated an individual becomes an
10 evaluator in Pennsylvania upon passing the CPE exam.
11 He noted individuals must notify the State Board of
12 their successful passing and wanting to activate their
13 license. He mentioned that those who take their exam
14 and pass prior to January 1 and activate their license
15 have to obtain 28 hours of continuing education
16 between January 1, 2021, and June 30, 2021.

17 Mr. Waggoner mentioned that some individuals also
18 pass the exam but will not active their license until
19 mid-January, so they are considered licensed but do
20 not need to meet any continuing education requirements
21 until the next cycle starts.

22 Chairman Pasquarella questioned whether the
23 courses could be used by certified general appraisers
24 and residential appraisers as continuing education
25 classes.

1 Mr. Rouse explained that the courses would have
2 to comply with what AQB says allows and is acceptable
3 for appraisers.

4 Mr. Smeltzer stated there were different things
5 checked in different places depending on its
6 submission and the information being submitted to be
7 approved. The Board will review the application to
8 make sure the criteria is met for continuing education
9 for appraisers.

10 Mr. Smeltzer desired to see some questions
11 regarding Uniform Standards of Professional Appraiser
12 Practice (USPAP) on the endorsement exam since they
13 are subject to USPAP in the state of Pennsylvania.

14 Mr. Smeltzer commented that the exam would not
15 need as many questions if Pennsylvania-specific
16 application-based questions are on there. He
17 recommended a pass requirement of 75% and that the
18 exam include adding up the millage rates, applying
19 common level ratio and income approach, and how to
20 load the cap rate.

21 Mr. Rouse asked whether the Board is considering
22 a 50-question endorsement exam that covers
23 Pennsylvania law and regulation, application questions
24 with Pennsylvania-specific issues, and USPAP.

25 Chairman Pasquarella thanked Mr. Waggoner for his

1 great job and excellent input over the years.

2 Mr. Waggoner announced that his name had been
3 approved to be presented to the Governor's Office for
4 confirmation as the second seat on the State Board of
5 Real Estate Appraisers.

6 Mr. Rouse questioned whether the Board wanted to
7 continue discussion at another Board meeting or have
8 him talk with PSI based on today's discussion.

9 Mr. Smeltzer suggested presenting the framework
10 to PSI and Chairman Pasquarella agreed.]

11 MR. ROUSE:

12 Is there a motion directing Board
13 counsel to initiate the process for
14 implementing an endorsement exam?

15 MR. SMELTZER:

16 I make the motion that we endorse the
17 exam and approach PSI on putting this
18 together.

19 MR. ROUSE:

20 Is there a second?

21 MR. STOERRLE:

22 Second.

23 MR. ROUSE:

24 Any discussion? All those in favor, say
25 aye. All those opposed, say nay.

1 [The motion carried unanimously.]

2 ***

3 Regulations to Discuss - 16A-7026

4 [Ronald K. Rouse, Esquire, Board Counsel, addressed
5 16A-7026 regarding Act 88 of 2020 amendments. He
6 informed everyone that the annex for 16A-7026 was
7 released as an exposure draft by email to assessor and
8 appraiser stakeholders on March 12, 2021, and all
9 written comments will be discussed at the next Board
10 meeting on May 20, 2021. He noted receiving some
11 written comments and encouraged others to do the
12 same.]

13 ***

14 Report of Board Chairman - No Report

15 [Joseph D. Pasquarella, Chairman, Professional Member,
16 noted appreciation for the efforts of Mr. Rouse and
17 Ms. Hemler.]

18 ***

19 Report of Board Administrator - No Report

20 ***

21 Applications for Review

22 [Ronald K. Rouse, Esquire, Board Counsel, noted item 9
23 at Case No. 19-70-018583 regarding the application for
24 certified general real estate appraiser will be
25 reviewed at the next Board meeting upon submission of

1 a verification form.]

2

3 Correspondence

4 [Ronald K. Rouse, Esquire, Board Counsel, referred to
5 correspondence received from Jane and William Cowden
6 requesting information regarding who is able to get a
7 copy of appraisals.]

8 MR. ROUSE:

9 I believe there is a motion to direct
10 Board counsel to write a letter to the
11 Cowden's consistent with the discussions
12 in executive session.

13 Is there such a motion?

14 MR. AUSHERMAN:

15 I make a motion that counsel write a
16 letter.

17 MR. ROUSE:

18 Is there a second?

19 MR. WENTZEL:

20 I'll second that.

21 MR. ROUSE:

22 Any discussion? All those in favor, say
23 aye. All those opposed, say nay.

24 [The motion carried unanimously.]

25

1 [Ronald K. Rouse, Esquire, Board Counsel, referred to
2 an email from Teresa Cochran from the Assessors'
3 Association of Pennsylvania regarding distance
4 learning.

5 Ms. Cochran thanked the Board for allowing AAP to
6 hold classes through distance learning, noting it to
7 be a godsend for members and counties as far as being
8 able to keep individuals educated. She mentioned AAP
9 had an incredible response to the classes and was
10 holding them three times instead of two.

11 Ms. Cochran commented that AAP requested the
12 Board look at continuing to allow to offer courses
13 through Zoom past the December 31, 2021 deadline due
14 to the success of virtual education and consider
15 meeting with AAP to discuss continuing to offer
16 virtual education maybe indefinitely.

17 Mr. Smeltzer commented that the Board would need
18 to wait to see if the Appraisal subcommittee would
19 allow extension of the date. He noted that the Board
20 did not want more than one set of criteria, one for
21 the appraisers and one for the assessors on continuing
22 education. He suggested delaying the discussion until
23 after meeting with the Appraisal Subcommittee in June.

24 Ms. Cochran offered to provide the Board with any
25 numbers or information they may need before meeting

1 with the Appraisal Subcommittee.

2 Mr. Waggoner also offered to furnish guidelines
3 and restrictions and policies and procedures
4 pertaining to their education as well.]

5 MR. ROUSE:

6 Item 12 on the agenda, correspondence
7 from Jason Sheraw, Case No. 20-70-
8 008217. This was a matter that was
9 discussed in executive session. I
10 believe there is motion to direct Board
11 counsel to draft a letter to Mr. Sheraw
12 consistent with the discussions in
13 executive session.

14 Is there such a motion?

15 MR. SMELTZER:

16 I'll make that motion.

17 MR. ROUSE:

18 Is there a second?

19 MR. STOERRLE:

20 I'll second that motion.

21 MR. ROUSE:

22 Any discussion? All those in favor, say
23 aye. All those opposed, say nay.

24 [The motion carried unanimously.]

25

1 [Randy L. Waggoner, CPE, Assessors' Association of
2 Pennsylvania, informed the Board of a question he
3 received from a chief assessor prior to submitting
4 their application for recertification and asking
5 whether they could submit 1 file with the 10
6 certificates or whether each certificate had to be
7 submitted separately.

8 Ms. Hemler explained that their USPAP update
9 course certificate and the certificate for Act 28
10 separately should be scanned separately. She stated
11 the remaining certificates can be scanned separately
12 or made into one PDF and submitted altogether.

13 Ms. Brown informed the Board of a comment
14 received from Dan Bradley stating that the 5-year
15 requirement for supervisors was actually in the law at
16 Section 6(a)(1).

17 Chairman Pasquarella questioned how difficult it
18 would be to change the law.

19 Mr. Rouse commented that it would be problematic
20 for the Board to change the law, because it is a
21 legislative issue.

22 Chairman Pasquarella requested Ms. Hemler put the
23 Act on the agenda as a topic of discussion at the next
24 meeting, so the Board could start to identify
25 legislative issues that can be introduced that would

1 alleviate some of the issues and problems.]

2

3 Miscellaneous

4 [John D. Ausherman, Professional Member, requested
5 additional information regarding trainee education if
6 an individual obtained their license in December but
7 were not employed until after January 1.

8 Ms. Hemler explained that it is based on when the
9 individual is certified and actually have their
10 license. She stated a December trainee would need 28
11 hours, which would include the 7-hour USPAP update
12 course as well as 2 hours on the law in the Act.

13 Mr. Ausherman suggested the Board should look at
14 that issue in the future, noting it seemed to be heavy
15 duty for someone who obtained all of the education
16 prior to December 31.

17 Mr. Smeltzer noted prior discussion regarding
18 bifurcated appraisals and the inspections and
19 requirements for inspectors. He requested the matter
20 be placed on the agenda at the next meeting. He will
21 do research and provide information for discussion.

22 Chairman Pasquarella also requested the topic
23 raised by Mr. Ausherman be included on the agenda to
24 take another look at the regulation with the 28 credit
25 hours needed if someone got certified in December of

1 the preceding period.

2 Michelle Czekalski Bradley, Vice Chair, Appraisal
3 Standards Board, CGA, Appraiser Qualifications Board-
4 Certified USPAP Instructor, noted current discussions
5 regarding the convenience of virtual continuing
6 education on a national scale. She cautioned the
7 Board to not have two different tiers for CPEs and
8 appraisers and suggested keeping it uniformed.

9 Ms. Czekalski Bradley mentioned that she had done
10 a lot of lobbying in Harrisburg and in Washington and
11 also cautioned the Board on opening the Act for
12 legislative changes, noting the Board may not get what
13 they want but someone else may get something the Board
14 did not want.]

15 ***

16 Adjournment

17 CHAIRMAN PASQUARELLA:

18 I will entertain a motion to adjourn
19 this meeting.

20 MR. AUSERMAN:

21 I so move.

22 MR. WENTZEL:

23 Second.

24 CHAIRMAN PASQUARELLA:

25 All in favor of adjourning today's

1 meeting, say aye. Any opposed?

2 [The motion carried unanimously.]

3 ***

4 [There being no further business, the State Board of
5 Certified Real Estate Appraisers Meeting adjourned at
6 12:04 p.m.]

7 ***

8

9 CERTIFICATE

10

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

17

18

19



20

Samantha Sabatini,

21

Minute Clerk

22

Sargent's Court Reporting

23

Service, Inc.

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STATE BOARD OF CERTIFIED
REAL ESTATE APPRAISERS
REFERENCE INDEX

April 8, 2021

	TIME	AGENDA
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