State Board of Certified Real Estate Appraisers November 30, 2023

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BOARD MEMBERS:

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

John D. Ausherman, Professional Member

Martha H. Brown, Esquire, Secretary of the Commonwealth designee

Paul Edger, Esquire, Office of Attorney General designee

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

19 20 21

BUREAU PERSONNEL:

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Shana M. Walter, Esquire, Acting Senior Counsel Ronald K. Rouse, Esquire, Board Counsel Jacqueline A. Wolfgang, Esquire, Regulatory Counsel

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

Timothy A. Fritsch, Esquire, Board Prosecutor Ashley P. Murphy, Esquire, Board Prosecutor Kristel Hennessy Hemler, Board Administrator Andrew LaFratte, MPA, Deputy Policy Director, Department of State

Jessica Zukoski, Senior Legal Analyst, Department of State

ALSO PRESENT:

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Emme Reiser, Political Programs Manager, Pennsylvania Association of Realtors

Randy Waggoner, CPE, Assessors' Association of Pennsylvania/Chief Assessor, Perry County

Chandra Mast, General Commercial Appraiser, Red Rose Appraisals

Derek Richmond

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2 State Board of Certified

Real Estate Appraisers

November 30, 2023

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[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.]

12 **

[Ronald K. Rouse, Esquire, Board Counsel, informed everyone that the meeting of the State Board of Certified Real Estate Appraisers was being held in a hybrid format, both 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 also noted that the Board entered into Executive Session with Board Counsel to have attorney-client consultations and for the purpose of conducting quasi-judicial deliberations.]

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The regularly scheduled meeting of the State

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   Board of Certified Real Estate Appraisers was held on
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   Thursday, November 30, 2023. Mark V. Smeltzer Sr.,
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   Chairman, Professional Member, officially called the
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   meeting to order at 10:30 a.m.
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   Roll Call
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   [Mark V. Smeltzer Sr., Chairman, Professional Member,
   requested a roll call of Board members.
                                              There was a
9
   quorum.]
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   Introduction of Attendees
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   [Mark V. Smeltzer Sr., Chairman, Professional Member,
   also requested an introduction of attendees.]
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   Approval of minutes of the October 19, 2023 meeting
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   CHAIRMAN SMELTZER:
                  The next Board business is the minutes
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18
                  from the October 19 meeting. Has
19
                  everyone had a chance to look over
20
                  those? Is there any discussion?
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   [The Board discussed corrections to the minutes.]
22
   CHAIRMAN SMELTZER:
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                  There is a proposal to amend the
24
                  minutes. Any discussion?
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                       Could I get a motion to accept the
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5 1 minutes as amended? 2 MR. STOERRLE: 3 I make a motion. 4 MR. MCFARLANE: 5 Second. 6 CHAIRMAN SMELTZER: 7 Roll call vote. 8 9 Mark Smeltzer, aye; William Stoerrle, 10 aye; Michael McFarlane, aye; John 11 Ausherman, abstain; Martha Brown, aye; 12 Paul Edger, aye; Paul Wentzel, aye. 13 [The motion carried. John Ausherman abstained from 14 voting on the motion.] 15 16 Report of Prosecutorial Division [Timothy A. Fritsch, Esquire, Board Prosecutor, 17 18 presented the Consent Agreement and Order for Case No. 23-70-011715. 19 MR. ROUSE: 20 21 Regarding the Consent Agreement at item 22 2 on the agenda at Case No. 23-70-23 011715, after discussion in Executive 24 Session, I believe the Chair would 25 entertain a motion to adopt the Consent

1 Agreement.

2 MS. BROWN:

I make a motion.

4 MR. EDGER:

5 Second.

6 MS. HENNESSY HEMLER:

7 Mark Smeltzer, aye; William Stoerrle,

aye; Michael McFarlane, aye; John

9 Ausherman, aye; Martha Brown, aye; Paul

10 Edger, aye; Paul Wentzel, aye.

11 [The motion carried unanimously. This is the Matter

12 of BPOA v. Garrett James Divins, Case No. 23-70-

13 011715.1

14

15 Report of Prosecutorial Division

16 | [Ray J. Michalowski, Esquire, Senior Board Prosecutor

17 and Prosecution Liaison, offered to answer any

18 | general questions from Board members.

19 Mr. Michalowski reported the multiple listing

20 service (MLS) membership for the state has not gone

21 | well. He explained that it is not a problem in the

22 eastern half of the state where they have one very

23 large MLS but more of a problem in the western half

24 because of smaller multiple listing services. He

25 mentioned that he would be discussing the issue again

with contract counsel to review the responses received through emails.

Mr. Michalowski referred to a question Chair Smeltzer previously asked about whether they could have more folks reviewing appraisals. He stated one of the issues that comes up a lot with appraisal complaints is whether or not a residential appraiser should be doing the appraisal or should they have at least reached out to a general appraiser. He noted trying to contract with appraisal firms that have more than one appraiser on their rolls approved so they could work with them.

Ms. Hennessy Hemler informed Board members that Carlton Smith would be presenting the annual prosecutorial report at the January Board meeting.]

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Regulations/Statute - Regulation 16A-7031
[Ronald K. Rouse, Esquire, Board Counsel, addressed Regulation 16A-7031 regarding federally mandated revisions and provided a copy of the final rulemaking packet. He stated the annex provides revisions to the Board's regulations for § 36.41 regarding continuing education requirements. He noted it would be continuing education for Valuation Bias and Fair Housing Laws and Regulations as a condition of

1 renewal of certification or licensure for appraisers 2 and licensed appraiser trainees.

Mr. Rouse also referred to § 36.51, which revises the name of the 7-Hour National Uniform Standards of Professional Appraiser Practice (USPAP) Update Course to the 7-Hour National USPAP Continuing Education Course. He noted § 36.412(b) of the Appraisal Management Company (AMC) regulations would be amended to comply with federal regulations.

Mr. Rouse stated the Board's current AMC regulations provide that an individual may not be an owner or key person of an AMC if the individual had a license or certificate refused, denied, canceled, suspended, or revoked or if they voluntarily surrender the license or certificate unless the license or certificate was subsequently granted or reinstated to the individual.

Mr. Rouse explained that it is inconsistent with federal requirements, so their regulations would be revised to be consistent with 12 CFR 34.215(b)(2), where an individual is not disqualified from becoming an owner or key person of an AMC if the Board determines that the individual's license or certificate was not revoked, suspended, refused, or surrendered for substantive cause and the

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individual's license or certificate was granted or reinstated by the state in which the individual was licensed or certified.
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Mr. McFarlane requested an update on whether certified Pennsylvania evaluators would also be subject to the requirement of mandatory fair housing and valuation bias coursework.

Mr. Rouse explained that it is a separate
package under Regulation 16A-7032 because
Pennsylvania certified evaluators are not federally
required to comply with valuation bias training and,

12 therefore, it could not come under the 16A-7031

13 package.]

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14 MR. ROUSE:

Regarding Regulation 16A-7031, would
the Chair entertain a motion to adopt
the Final Rulemaking for Regulation
16A-7031?

19 MR. AUSHERMAN:

I so move.

21 MR. STOERRLE:

22 Second.

23 MS. HENNESSY HEMLER:

Mark Smeltzer, aye; William Stoerrle,

aye; Michael McFarlane, aye; John

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1
                  Ausherman, aye; Martha Brown, aye; Paul
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                  Edger, aye; Paul Wentzel, aye.
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   [The motion carried unanimously.]
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   Regulations/Statute - Regulatory Report
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   [Ronald K. Rouse, Esquire, Board Counsel, provided a
7
   Regulatory Report for the Board's review.
   mentioned that there has not been much change to the
   Regulatory Report but noted Regulation 16A-7025,
10
   Schedule of Fees, is on hold per the Policy Office
   and Bureau of Finance and Operations.]
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   Matters for Discussion - 2024 Association of
     Appraiser Regulatory Officials (AARO) Conference -
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     May 3-5, 2024 - Nashville, TN
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   CHAIRMAN SMELTZER:
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                  I believe that we have a proposal to
18
                  send people, at this time, to the
19
                  conference.
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   MS. BROWN:
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                  I make a motion that Mark Smeltzer,
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                  Bill Stoerrle, and Michael McFarlane
23
                  attend the 2024 Spring AARO Conference
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                  May 3-5, 2024, in Nashville, Tennessee.
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   MR. EDGER:
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1 I'll second.

2 MS. HENNESSY HEMLER:

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Mark Smeltzer, aye; William Stoerrle,

4 aye; Michael McFarlane, aye; John

5 Ausherman, aye; Martha Brown, aye; Paul

Edger, aye; Paul Wentzel, aye.

7 [The motion carried unanimously.]

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9 Report of Board Chairman - No Report

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11 Report of Board Administrator

12 [Kristel Hennessy Hemler, Board Administrator,

13 announced the boardroom at 2525 North 7th Street in

14 | Harrisburg is complete and the next meeting on

15 January 18, 2024, would be held at that location.

16 Ms. Hennessy Hemler instructed Board members to

17 park on the opposite side of the building and walk

18 across the street. She noted that others attending

19 in person could pull up to the building but to notify

20 the security guard that they are attending the

21 | Certified Real Estate Appraisers Board Meeting.]

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23 | Conference Report - No Report

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25 | Exploratory Committee - Committee Discussion - ASC

12 1 Grants 2 [Michael McFarlane, Professional Member, had nothing 3 new to report regarding the Appraisal Subcommittee 4 (ASC) grants. He noted ASC has not updated the grant 5 funding on their website but informed Board members that he would continue to monitor the status. 6 Не 7 mentioned the package is prepared and ready for submission and initial review. 1 8 9 10 Applications for Review 11 MR. ROUSE: 12 Regarding the Application for a 13 Certified Residential Real Estate 14 Appraiser of Jonathan Green at item 7 15 on the agenda, I believe the Chair 16 would entertain a motion to 17 provisionally deny the Application.

18 MS. BROWN:

So moved. 19

MR. MCFARLANE: 20

21 I second.

22 MS. HENNESSY HEMLER:

23 Mark Smeltzer, aye; William Stoerrle, 24 aye; Michael McFarlane, aye; John

25 Ausherman, aye; Martha Brown, aye; Paul

13 1 Edger, aye; Paul Wentzel, aye. 2 [The motion carried unanimously.] 3 MR. ROUSE: 4 5 Item 8 on the agenda. Regarding the 6 Application for a Certified Residential 7 Real Estate Appraiser of Brendan Grube, I believe the Chair would entertain a 8 9 motion to grant the Application. 10 MR. AUSHERMAN: 11 I so move. MR. STOERRLE: 12 13 Second. 14 MS. HENNESSY HEMLER: 15 Mark Smeltzer, aye; William Stoerrle, 16 aye; Michael McFarlane, aye; John 17 Ausherman, aye; Martha Brown, aye; Paul 18 Edger, aye; Paul Wentzel, aye. 19 [The motion carried unanimously.] * * * 20 21 Adjournment 22 CHAIRMAN SMELTZER: 23 Motion for adjournment? 24 MR. EDGER: 25 So moved.

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		November 30, 2023	
	TIME	AGENDA	
	9:00 10:30	Executive Session Return to Open Session	
	10:30	Official Call to Order	
	10:30	Roll Call	
	10:31	Introduction of Attendees	
	10:34	Approval of Minutes	
	10:34	Report of Prosecutorial Division	
	10:42	Report of Board Counsel	
	10:48	Regulations/Statute	
	10:49	Matters for Discussion	
	10:52	Report of Board Administrator	
	10:52	Exploratory Committee	
	10:53	Applications for Review	
	10:56	Adjournment	