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

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

MEETING OF:

**STATE BOARD OF CERTIFIED  
REAL ESTATE APPRAISERS**

TIME: 10:41 A.M.

Held at

**PENNSYLVANIA DEPARTMENT OF STATE**

2525 North 7th Street

CoPA HUB, Eaton Conference Room

Harrisburg, Pennsylvania 17110

as well as

**VIA MICROSOFT TEAMS**

Thursday, April 11, 2024



State Board of Certified  
Real Estate Appraisers  
April 11, 2024

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ALSO PRESENT: (cont.)

- Dan Bradley, Appraisal Curriculum and Content Director, McKissock
- Michelle Czekalski Bradley, Chair, Appraisal Standards Board, CGA, Appraiser Qualifications Board-Certified USPAP Instructor
- Randy Waggoner, CPE, Assessors' Association of Pennsylvania/Chief Assessor, Perry County
- Emme Reiser, Political Programs Manager, Pennsylvania Association of Realtors
- Teresa Cochran, Executive Director, Assessors' Association of Pennsylvania
- Carmine Bellini, Owner/Agent, Whyte/Stone Realty LLC
- Charles "JR" Hardester, CPE, Chief Assessor, Lawrence County
- Paul Davis, Appraisal Institute, Keystone Chapter
- Jennifer Papula
- Derek Richmond, Sargent's Court Reporting Service, Inc.

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2 State Board of Certified

3 Real Estate Appraisers

4 April 11, 2024

5 \*\*\*

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

12 \*\*\*

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

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

24 \*\*\*

25 The regularly scheduled meeting of the State

1 Board of Certified Real Estate Appraisers was held on  
2 Thursday, April 11, 2024. Mark V. Smeltzer Sr.,  
3 Chairman, Professional Member, officially called the  
4 meeting to order at 10:41 a.m.

5 \*\*\*

6 Roll Call

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

10 \*\*\*

11 Introduction of Attendees

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

14 \*\*\*

15 Approval of minutes of the February 29, 2024 meeting

16 CHAIRMAN SMELTZER:

17 Approval of the minutes from the last  
18 meeting. Has everyone had a chance to  
19 look over them? Any questions or any  
20 discussion?

21 MR. AUSERMAN:

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

24 MR. STOERRLE:

25 Second.

1 CHAIRMAN SMELTZER:

2                   Could we have a vote?

3

4                   Mark Smeltzer, aye; William Stoerrle,  
5                   aye; Michael McFarlane, aye; John  
6                   Ausherman, aye; Chandra Mast, abstain;  
7                   Jonathan Schuck, abstain; Scott  
8                   Hartman, abstain; Martha Brown, aye;  
9                   Paul Edger, aye; Paul Wentzel, aye.

10 [The motion carried. Chandra Mast, Jonathan Schuck,  
11 and Scott Hartman abstained from voting on the  
12 motion.]

13

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14 Report of Prosecutorial Division

15 [Timothy A. Fritsch, Esquire, Board Prosecutor,  
16 presented the Consent Agreement and Order for Case  
17 No. 23-70-013005.]

18 MR. ROUSE:

19                   Regarding the Consent Agreement at item  
20                   2 on the agenda at Case No. 23-70-  
21                   013005, after discussion in Executive  
22                   Session, I believe the Chair would  
23                   entertain a motion to adopt the Consent  
24                   Agreement.

25 CHAIRMAN SMELTZER:

1                   Would anyone like to make that motion?

2 MR. STOERRLE:

3                   I make a motion.

4 MR. AUSERMAN:

5                   I second.

6 CHAIRMAN SMELTZER:

7                   Could we have a roll call?

8

9                   Mark Smeltzer, aye; William Stoerrle,  
10                   aye; Michael McFarlane, aye; John  
11                   Auserman, aye; Chandra Mast, abstain;  
12                   Jonathan Schuck, abstain; Scott  
13                   Hartman, abstain; Martha Brown, aye;  
14                   Paul Edger, aye; Paul Wentzel, aye.

15 [The motion carried. Chandra Mast, Jonathan Schuck,  
16 and Scott Hartman abstained from voting on the  
17 motion. That is the Matter of BPOA v. Howard K.  
18 Beeco, Case No. 23-70-013005.]

19

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20 Applications for Review

21 MR. ROUSE:

22                   Item 11 on the agenda is the  
23                   Application of Rapid Appraisal  
24                   Management System, which is an  
25                   Appraisal Management Company

1 Application.

2 I believe the Chair would entertain  
3 a motion to grant the Appraisal  
4 Management Company Application of Rapid  
5 Appraisal Management System,  
6 Application No. AA0005221701.

7 CHAIRMAN SMELTZER:

8 Would anyone like to entertain that  
9 motion?

10 MR. HARTMAN:

11 I make a motion.

12 MR. MCFARLANE:

13 I second.

14 MS. HENNESSY HEMLER:

15 Mark Smeltzer, aye; William Stoerrle,  
16 aye; Michael McFarlane, aye; John  
17 Ausherman, aye; Chandra Mast, aye;  
18 Jonathan Schuck, aye; Scott Hartman,  
19 aye; Martha Brown, aye; Paul Edger,  
20 aye; Paul Wentzel, aye.

21 [The motion carried unanimously.]

22 \*\*\*

23 MR. ROUSE:

24 The next item on the agenda is the  
25 Application for Certified General Real



1 Estate Appraiser of Carmine Bellini,  
2 Application No. AA0005202522.

3 Would the Chair entertain a motion  
4 to replace the application number with  
5 the case number, which is Case No. 24-  
6 70-003615?

7 CHAIRMAN SMELTZER:

8 Yes. The Chair would entertain that  
9 motion.

10 MR. ROUSE:

11 Is there a motion?

12 MR. MCFARLANE:

13 I make a motion.

14 MR. STOERRLE:

15 Second.

16 CHAIRMAN SMELTZER:

17 Roll call.

18  
19 Mark Smeltzer, aye; William Stoerrle,  
20 aye; Michael McFarlane, aye; John  
21 Ausherman, aye; Chandra Mast, aye;  
22 Jonathan Schuck, aye; Scott Hartman,  
23 aye; Martha Brown, aye; Paul Edger,  
24 aye; Paul Wentzel, aye.

25 [The motion carried unanimously.]

1 \*\*\*

2 MR. ROUSE:

3 Regarding the Application at item 12 on  
4 the agenda, I believe the Chair would  
5 entertain a motion to grant the  
6 Application for Certified General  
7 Appraiser of Carmine Bellini, Case No.  
8 24-70-003615.

9 CHAIRMAN SMELTZER:

10 The Chair would entertain that motion.

11 MR. AUSERMAN:

12 I so move.

13 MR. HARTMAN:

14 I second.

15 MS. HENNESSY HEMLER:

16 Mark Smeltzer, aye; William Stoerrle,  
17 aye; Michael McFarlane, aye; John  
18 Auserman, aye; Chandra Mast, aye;  
19 Jonathan Schuck, aye; Scott Hartman,  
20 aye; Martha Brown, aye; Paul Edger,  
21 aye; Paul Wentzel, aye.

22 [The motion carried unanimously.]

23 \*\*\*

24 [Martha H. Brown, Esquire, Secretary of the  
25 Commonwealth designee, exited the meeting at

1 10:55 a.m.]

2

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3 [Mark V. Smeltzer Sr., Chairman, Professional Member,  
4 and John D. Ausherman, Professional Member, exited  
5 the meeting for recusal purposes at 10:55 a.m.]

6

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7

VICE CHAIR STOERRLE ASSUMED THE CHAIR

8

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9 Report of Board Counsel - Matters for Deliberation

10 MR. ROUSE:

11 Item 3 on the agenda is the Motion for  
12 Reconsideration of the Final order in  
13 the Matter of BPOA v. Gino T. Pusateri,  
14 Case Nos. 23-70-010747 & 23-70-014550.

15 I believe the Chair would entertain  
16 a motion to table this matter of the  
17 Motion for Reconsideration of the Final  
18 Order making the Preliminary Order  
19 Final in the Matter of BPOA v. Gino T.  
20 Pusateri, Case Nos. 23-70-010747 & 23-  
21 70-014550 and bring this matter back to  
22 the Board at the next Board meeting.

23 VICE CHAIR STOERRLE:

24 I entertain a motion.

25 MR. WENTZEL:

1 I'll make that motion.

2 MR. HARTMAN:

3 I'll second the motion.

4 MS. HENNESSY HEMLER:

5 Roll call.

6

7 William Stoerrle, aye; Michael  
8 McFarlane, aye; Chandra Mast, aye;  
9 Jonathan Schuck, aye; Scott Hartman,  
10 aye; Paul Edger, aye; Paul Wentzel,  
11 aye.

12 [The motion carried. Mark Smeltzer, John Ausherman,  
13 and Martha Brown recused themselves from  
14 deliberations and voting on the motion.]

15 \*\*\*

16 [Mark V. Smeltzer Sr., Chairman, Professional Member,  
17 and John D. Ausherman, Professional Member, reentered  
18 the meeting at 10:57 a.m.]

19 \*\*\*

20 CHAIR SMELTZER RESUMED THE CHAIR

21 \*\*\*

22 Regulations/Statute - Regulation 16A-7025

23 [Amanda Richards, Fiscal Supervisor, Department of  
24 State, presented to the Board to provide a revised  
25 fee increase package.

1 Ms. Richards referred to the Board's projected  
2 biennial revenue and expenses for FY23-24 and FY24-  
3 25. She reported an actual biennial revenue of  
4 nearly \$1.2 million with projected biennial budget  
5 expenses of approximately \$1.5 million, leaving the  
6 Board in a deficit for a projected biennial balance  
7 of (\$231,000.)

8 Ms. Richards referred to the licensed population  
9 for the last seven years. She noted the classes for  
10 FY20-21, FY21-22, FY22-23, and FY23-24. She reported  
11 the biennial licensee population for FY20-21 and  
12 FY21-22 would be 4,341 and FY22-23 and FY23-24 at  
13 4,314. She noted the decrease or increase between  
14 the two biennial years by the number of licensees and  
15 percentage.

16 Mr. Hartman referred to the projection for  
17 certified residential and asked whether Ms. Richards  
18 was aware that the government-sponsored enterprises  
19 (GSEs) Fannie Mae and Freddie Mac were changing their  
20 reporting form for the residential space in 2024 and  
21 beginning of 2025.

22 Mr. Hartman stated it is anticipated by national  
23 appraiser organizations that 10% or 15% of  
24 residential appraisers may be lost that are typically  
25 older and will retire, because the new reporting

1 format is exceptionally complex. He asked whether  
2 that was considered in her numbers as well. Ms.  
3 Richards noted not being aware of that issue.

4 Ms. Wolfgang stated the page is outlining the  
5 current status of the number of licensees, but the  
6 proposal does have projections discussing a 5% or 10%  
7 decrease in population as mentioned later in the  
8 report.

9 Chair Smeltzer asked whether the National  
10 Association of Appraisers (NAA) conducted any  
11 surveys.

12 Mr. Hartman stated NAA completed a survey. The  
13 Appraisal Institute (AI) completed an informal survey  
14 projecting a decrease. He reported GSEs are actually  
15 expecting the population count of GSE-approved  
16 appraisers to drop by as much as 15%.

17 Chair Smeltzer mentioned prior discussion  
18 concerning an expected drop because of moving toward  
19 desktop and hybrid.

20 Mr. Hartman explained that Form 1004 and the  
21 other four major forms will be rolled into one form,  
22 which is going to be complicated. He stated the  
23 average age on the residential side is in their 60s.  
24 GSEs are anticipating appraisers in their 70s will  
25 retire. He mentioned that he is building training

1 for it and believed GSEs are correct because it will  
2 not be easy.

3 Mr. Ausherman stated there will be less demand  
4 for residential appraisers, because Fannie Mae now  
5 has an exception and hybrid data collection is taking  
6 place.

7 Mr. Hartman noted using the appraisal waiver  
8 exception dropped from 41% to 11%, noting it is still  
9 10% of the market rate but not as significant as it  
10 was two years ago. He expressed a concern that they  
11 do not budget for something that would not be there,  
12 because they would not collect fees from retired  
13 appraisers.

14 Ms. Richards addressed expenses and revenue over  
15 the past eight years and referred to the breakdown of  
16 the expenses, noting increases and decreases in  
17 expenses. She referred to the breakdown of revenue  
18 categories.

19 Ms. Richards provided a list of current license  
20 and application fees. She explained fee increases  
21 are determined by examining whether expenses are  
22 exceeding revenue. She reported expenses started  
23 exceeding revenue in FY22-23 and is projected to  
24 continue until FY31-32.

25 Ms. Richards provided two proposals with an

1 increase in renewal fees. She referred to renewals  
2 and proposed a 23% increase for the first renewal of  
3 June 2027, an 8% increase in June 2029, and a 10%  
4 increase in June 2031 based on a 5% decrease in the  
5 licensee population biennially.

6 Ms. Richards noted applications would increase  
7 by 4.5% across the board due to contractual raises  
8 for the Bureau of Professional and Occupational  
9 Affairs (BPOA) staff. She explained that the cost of  
10 the applications is based on the amount of time  
11 utilized by the BPOA staff to process an application  
12 from start to finish.

13 Ms. Richards referred to the breakdown of  
14 renewal, nonrenewal, and biennial expenses, showing  
15 revenue and expenses for each biennial year. She  
16 noted a projection of the Board being in the red for  
17 FY22-23 and FY24-25, but revenue starting to exceed  
18 expenses in FY26-27 when the first increase would go  
19 into effect. She reported on the projected amounts  
20 at the end of the first renewal cycle, with the  
21 second increase of 8% in the next renewal cycle, and  
22 with the final renewal cycle.

23 Mr. Rouse wanted to confirm that the proposal  
24 included the projection of a 5% decrease biennially  
25 in the licensed population, and Ms. Richards noted



1 that to be correct.

2 Mr. Ausherman asked how the 5% number was  
3 determined.

4 Ms. Richards explained the need to keep the  
5 renewal fees as low as possible for licensees and  
6 have the 5% decrease, because of the inability to  
7 confirm there would be a 10% decrease in population.

8 Kimberly A. Mattis, Director, Bureau of Finance  
9 and Operations, Department of State, pointed out that  
10 changing fees is utilized across many boards. The  
11 percentage between 3% and 5% is customary depending  
12 on the type of occupation.

13 Ms. Mattis referred to the earlier discussion  
14 regarding a possible change to a particular licensure  
15 class, noting that class could be handled  
16 differently, but 5% is pretty standard.

17 Ms. Wolfgang stated the proposal accounted for  
18 the possibility of a more significant decrease in  
19 population, which is where the 5% or 10% fee package  
20 comes in. She asked whether a 5% decrease in  
21 population for each biennium was being considered, so  
22 that the fee package is actually projecting an  
23 overall 15% decrease.

24 Ms. Richards noted Ms. Wolfgang to be correct.

25 Ms. Wolfgang recommended the Board consider

1 examining the population of the certified residential  
2 appraiser, which is currently 1,629, where a 10%  
3 decrease would be 162 and somewhere between a 5% and  
4 10% decrease around 800. She believed the Board  
5 should not consider a 10% decrease for residential  
6 appraisers and then having a 10% increase overall.

7 Mr. Rouse referred to FY26-27 and FY27-28, where  
8 it reflects a 5% decrease, and then the next biennium  
9 showing the numbers decrease by another 5% and then  
10 another 5% in the final biennium. He believed it  
11 captured the Board's desire and gets them to where  
12 10% was kind of the targeted projected decrease in  
13 population.

14 Ms. Richards addressed the second option, which  
15 would be a 30% increase in renewal fees for FY26-27,  
16 13% increase for FY28-29, and 15% in FY30-31 with a  
17 10% decrease every biennial year for all licensees.  
18 She noted it projected an overall 30% decrease in  
19 their licensee population within the  
20 next three renewal cycles.

21 Chair Smeltzer commented on accounting for  
22 aging, along with all of the other upcoming changes.  
23 He believed it to be the worst-case scenario, but 30%  
24 would be a reasonable number. He hoped it would not  
25 get that bad, noting the Board was still showing a

1 positive in the last three renewals.

2 Ms. Richards stated the applications would stay  
3 the same at 4.5% starting in FY26-27 and going  
4 through the next three renewal cycles after that.  
5 She noted expenses would still be exceeding revenue  
6 for the FY22-23 and FY23-24 renewal cycle and the  
7 FY24-25 and FY25-26 renewal cycle, but then revenue  
8 starts exceeding expenses in FY26-27.

9 Ms. Richards noted the final fees would be \$326  
10 and then \$381.

11 Mr. Ausherman commented that the number of  
12 certified broker/appraisers seemed high.

13 Mr. Michalowski mentioned that many of those are  
14 also certified residential appraisers.

15 Michelle Czekalski Bradley, Chair, Appraisal  
16 Standards Board; CGA, AQB-certified USPAP Instructor,  
17 stated the Appraisal Subcommittee has well over \$30  
18 million available in state grant money, which is 100%  
19 funded by appraiser registry fees and appraisal  
20 management company (AMC) registry fees.

21 Ms. Czekalski Bradley asked whether the Board  
22 considered exploring grant money from the state and  
23 how the Board would respond to appraisers in the  
24 Commonwealth when appraiser renewal fees increase,  
25 but the Board did not take any of the available \$30

1 million.

2           Mr. McFarlane noted that the Pennsylvania State  
3 Board of Certified Real Estate Appraisers is pursuing  
4 Appraisal Subcommittee (ASC) grant money. He  
5 mentioned a number of restrictions, and ASC's funding  
6 window just recently opened. He stated the deadline  
7 for the first round of grant monies is due by June  
8 2024, and the Board was in the process of submitting  
9 a package to pursue grant monies.

10           Mr. McFarlane did not believe there were any  
11 specific requests to offset any licensure or  
12 administrative fees, but would certainly take that  
13 into consideration.

14           Chair Smeltzer mentioned that the grant money is  
15 not for ongoing expenses but can be used for  
16 additional staffing, programs, and technology.

17           Ms. Czekalski Bradley noted that there has to be  
18 a way to get some of that money into the states and  
19 believed the grants are in \$150,000 increments. She  
20 mentioned that it would be a hard sell to be  
21 increasing fees when the appraisers are aware of all  
22 that money. She encouraged Board members attending  
23 the Association of Appraiser Regulatory Officials  
24 (AARO) Meeting in May 2027 to meet with the ASC at  
25 that meeting and ask for specific information as far

1 as the use of the grant money.

2 Chair Smeltzer stated the Board has been  
3 actively looking into the grant money for the past 18  
4 months, and there have been issues with ASC grant  
5 staff leaving.

6 Mr. McFarlane further noted meeting separately  
7 with the grant funding administrator and recently  
8 with the policy committee representative for the ASC.  
9 He mentioned that some of the requirements are very  
10 specific and would investigate whether funding is  
11 available to offset licensure costs.

12 Chair Smeltzer thanked Ms. Richards for the  
13 information.

14 Ms. Wolfgang requested Board members adopt and  
15 vote on one of the packages. She noted the  
16 regulations go through the regulatory process, and  
17 the Independent Regulatory Review Commission (IRRC)  
18 would want justification for the fee increase.

19 Ms. Wolfgang underscored the 30% increase  
20 package and would need information from the Board to  
21 justify the higher package when the projected  
22 decrease is specific to just the residential  
23 appraisers at 10%. She noted it to be part of the  
24 natural graying of the professions, but the decrease  
25 of their appraisers would be at a slower pace than

1 other states. She mentioned that choosing the higher  
2 decrease in population would require more discussion  
3 so the reasons could be included in their regulatory  
4 package.

5 Mr. McFarlane noted Pennsylvania's Board fees as  
6 a percentage rank is in the 20th percentile in a  
7 survey of all 50 states. He mentioned that the  
8 difference between the median fee and Pennsylvania  
9 fees is about 40% with Pennsylvania being on the low  
10 side of that.

11 Mr. McFarlane noted Pennsylvania is historically  
12 and currently low from a quantitative standpoint.  
13 Perhaps that would be a good rationale. He also  
14 added there is the expectation of attrition in the  
15 industry and lack of renewal applications.

16 Dan Bradley, Appraisal Curriculum and Content  
17 Director, McKissock, mentioned that it was true that  
18 residential appraisers can do only residential  
19 properties, but also noted general appraisers also  
20 appraise residential properties. He stated an  
21 individual who is a general appraiser is not only  
22 appraising nonresidential properties, noting a lot of  
23 general appraisers specialize in residential  
24 properties. He agreed with Mr. Hartman's point  
25 concerning age and the new forms, where he also heard

1 from many appraisers that they are done when the new  
2 forms come out because they do not have the patience  
3 or the time to go through that learning curve.

4 Mr. Rouse explained that one proposal anticipates  
5 a 5% decrease biennially in the licensee population  
6 and would be a 23% increase in biennial fees in the  
7 first biennium, 8% increase in the next biennium, and  
8 then 10% increase in the next biennium. He noted it  
9 would be a decrease over the span of six years of 5-  
10 15% in terms of the decrease in the licensee  
11 population.

12 Mr. Rouse noted the other proposal is the 10%  
13 decrease biennially, where there would be a 30%  
14 increase in the first biennium, 13% increase in the  
15 second biennium, and 15% increase in the third  
16 biennium as if the licensee population was decreasing  
17 by 10-30% over a period of six years.

18 Mr. Rouse asked whether Board members considered  
19 the 5-15% decrease appropriate versus the 10-30%  
20 decrease, noting past discussions targeting 10%.

21 Mr. Stoerrle asked what the average age is for  
22 licensees in the state of Pennsylvania.

23 Mr. Hartman mentioned seeing numbers from the  
24 Appraisal Institute in the middle 60s, but the  
25 numbers were four years old the last time he saw

1 numbers. He noted the general appraisers coming in  
2 are significantly younger.

3 Mr. Rouse referred to information from the ASC  
4 discussing how the majority of appraisers come from  
5 14 states, including Pennsylvania, which also has to  
6 do with reciprocity.

7 Mr. Hartman stated the 10% number is very real  
8 from the perspective of GSEs and Federal  
9 Housing Administration (FHA). He mentioned being in  
10 several meetings, where they were talking at least  
11 10%. He noted that one of the reasons the hybrid  
12 product was developed was as a backstop against what  
13 happens if more than 10% is lost and there are not  
14 enough appraisers in certain markets to conduct  
15 appraisals.

16 Chair Smeltzer pointed out that it was not so  
17 much the average age of an appraiser as a big  
18 concern, but was the proportion of appraisers who are  
19 between 65 and older, because as they age out over  
20 the next six years, they may be getting up to where  
21 they may be called matriculated.

22 Mr. Ausherman suggested looking at how many new  
23 appraisers have come into the business in the last  
24 year to provide an indication of the numbers.

25 Mr. Hartman referred to having 350 trainees,



1 where almost 10% of the population is trainees,  
2 noting the trainees are typically much younger than  
3 the average population. He referred to what AI did  
4 in their distribution, where there is a drop in the  
5 group from 50-60. He noted the rest of the groups  
6 from 20-35, 35-45, and 45-55 are fairly evenly split.

7 Mr. Rouse informed Board members that they try to  
8 make the least financial impact on the licensee when  
9 creating the fee proposal, which is the reason for  
10 the graduated fee increase. He again noted that the  
11 10% number has been coming up as reasonable in terms  
12 of being able to provide justification for Ms.  
13 Wolfgang and noted 5% biennially seems to get the  
14 Board where they need to be with the least impact to  
15 the licensee population.

16 Chair Smeltzer commented that he could see where  
17 Ms. Wolfgang would have trouble explaining the  
18 anticipated 30% drop in six years.

19 Mr. Hartman asked whether the Board would be able  
20 to come back in years five and six and increase the  
21 fees if they go with the low number and are wrong in  
22 the future.

23 Ms. Wolfgang explained that the Board could  
24 increase the fees if there was concern about the  
25 Board's financial well-being. She pointed out that

1 the Board currently has a remaining balance, and if  
2 there was a remaining balance and expenses exceeded  
3 revenue, the Board could rely on that remaining  
4 balance.

5 Ms. Wolfgang also noted the Board is part of the  
6 the Professional Licensure Augmentation Account  
7 (PLAA), noting it is where all of the Board's funds  
8 are housed. She mentioned that boards can dip into  
9 that fund and borrow money until a fee increase is  
10 implemented to recoup that money, but that would be a  
11 last-case scenario.

12 Chair Smeltzer commented that there would still  
13 be a cushion even in the final renewal period if the  
14 Board had more loss than expected.]

15 MR. ROUSE:

16 Is the Chair entertaining a motion to  
17 adopt the 23%, 8%, and 10% increase  
18 effective June 2025 with a 5% decrease  
19 biennially in the licensee population  
20 and to direct regulatory counsel to  
21 draft an annex?

22 CHAIRMAN SMELTZER:

23 Yes. I will entertain it.

24 MR. HARTMAN:

25 I so move.

1 MR. STOERRLE:

2 Second.

3 MS. HENNESSY HEMLER:

4 Mark Smeltzer, aye; William Stoerrle,  
5 aye; Michael McFarlane, aye; John  
6 Ausherman, aye; Chandra Mast, aye;  
7 Jonathan Schuck, nay; Scott Hartman,  
8 aye; Paul Edger, aye; Paul Wentzel,  
9 aye.

10 [The motion carried. Jonathan Schuck opposed the  
11 motion.]

12 \*\*\*

13 [Paul H. Wentzel Jr. Senior Legislative Director,  
14 Department of Banking and Securities designee,  
15 commented that the regulation would not get through  
16 the IRRC process in 2024 and asked how far it would  
17 be into 2025 until the regulation is approved and  
18 could be implemented. He mentioned that regulations  
19 usually take at least a year but does not include the  
20 down period at the end of the legislative session.

21 Ms. Wolfgang noted the regulation would have to  
22 be published by April 2027 if the renewal period is  
23 in June of odd years and then would go into effect in  
24 2027.]

25 \*\*\*

1 Regulations/Statute - Regulatory Report

2 [Ronald K. Rouse, Esquire, Board Counsel, provided an  
3 April Regulatory Report for the Board's review. He  
4 informed Board members that the Regulatory Analysis  
5 Form is being drafted for 16A-7032 regarding  
6 continuing education for certified Pennsylvania  
7 evaluators.

8 Mr. Rouse addressed the final-omitted revisions  
9 to 16A-7031, noting they were federally mandated  
10 revisions making Evaluation Bias and Fair Housing  
11 Laws and Regulations a requirement as well as AMC  
12 ownership limitations. He mentioned that the package  
13 had been withdrawn in January of 2024 but was  
14 redelivered on April 9, 2024. He noted the final-  
15 omitted regulation is scheduled for consideration  
16 before the Independent Regulatory Review Commission  
17 (IRRC) on May 16, 2024, and the Commission would be  
18 reviewing that package.

19 Mr. Rouse noted the proposed package for 16A-  
20 7029 regarding the Practical Applications of Real  
21 Estate Appraisal (PAREA) has been submitted to the  
22 main Office of General Counsel for review of  
23 responses to their questions.]

24 \*\*\*

25 Report of Board Counsel - Miscellaneous - Business

1 Valuation Resource Panel (BVRP)  
2 [Ronald K. Rouse, Esquire, Board Counsel, referred to  
3 the Business Valuation Resource Panel's first  
4 exposure draft of proposed changes to Valuation Brief  
5 #3: Professional Interactions Unique to Fair Value  
6 for Financial Reporting for the Board's review. He  
7 noted the comment period for the exposure draft ended  
8 on March 31, 2024, and a copy can be found on The  
9 Appraisal Foundation's website.

10 Mr. Rouse mentioned that it discusses the  
11 interaction between appraisers, auditors, and  
12 managers concerning financial reporting. He noted  
13 conclusions were that financial reporting takes place  
14 within a condensed time frame and involves multiple  
15 professional parties, each operating under separate  
16 but interrelated standards or requirements. He  
17 mentioned that the exposure draft is a bit specific  
18 to appraisers who deal with auditors.]

19 \*\*\*

20 Report of Board Chairman - No Report

21 \*\*\*

22 Report of Board Administrator - Pass/Fail Rate of  
23 Examinees

24 [Kristel Hennessy Hemler, Board Administrator,  
25 provided pass/fail rates of candidates who took the

1 examination in 2023. She reported 50 of 136  
2 candidates for certified Pennsylvania evaluators  
3 passed the exam, giving a 30% pass rate; 32  
4 candidates for certified general appraisers took the  
5 exam with 12% passing, giving a 38% pass rate; and 24  
6 of 48 candidates for certified residential appraisers  
7 passed the exam, giving a 50% pass rate.]

8

\*\*\*

9 Report of Board Administrator - Appraisal Management  
10 Company Annual National Registry Renewals  
11 [Kristel Hennessy Hemler, Board Administrator,  
12 addressed AMCs annual renewal. She noted the  
13 information was distributed on Tuesday, April 2,  
14 2024, along with an instructional sheet on renewing  
15 their national registry on the Pennsylvania Licensing  
16 System (PALS). She mentioned that the renewals are  
17 then manually uploaded to the Appraisal Subcommittee  
18 website.]

19

\*\*\*

20 Report of Committees

21 [Kristel Hennessy Hemler, Board Administrator,  
22 reviewed the current list of committees for new Board  
23 members. She noted the Applications Committee is  
24 responsible for reviewing applications if there are  
25 any questions from a reviewing officer or any

1 concerns, along with reviewing continuing education  
2 applications that are not certified by the Appraiser  
3 Qualifications Board (AQB).

4 Ms. Hennessy Hemler stated the Exploratory  
5 Committee is currently exploring available ASC grant  
6 monies.

7 Ms. Hennessy Hemler noted Martha Brown and John  
8 Ausherman are the current members of the Probable  
9 Cause Screening Committee.

10 Mr. Hartman and Ms. Mast wished to be members of  
11 the Applications Committee.

12 Mr. Stoerrle offered to join the Probable Cause  
13 Screening Committee as the alternate.]

14 MR. ROUSE:

15 Motion to approve the appointees to the  
16 Applications Committee, Exploratory  
17 Committee, and Probable Cause Screening  
18 Committee?

19 MR. AUSHERMAN:

20 I so move.

21 MR. WENTZEL:

22 Second.

23 MS. HENNESSY HEMLER:

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





1 especially on the residential side. He mentioned  
2 that the Q&A came out very quickly and encouraged  
3 everyone involved with appraising to read the  
4 document.

5 Ms. Czekalski Bradley informed Board members that  
6 the focus of the Appraisal Standards Board is now on  
7 guidance-related materials. She stated the 2024  
8 edition of USPAP is historic and the first edition of  
9 USPAP that has no ending date. She encouraged  
10 everyone to read and study the personal inspection  
11 definition.

12 Ms. Czekalski Bradley noted the ASB looks at the  
13 definition as a clarification and not a change as it  
14 is defined in USPAP, where the personal inspection is  
15 tied to the scope of work of a particular assignment.  
16 She mentioned that she is always available to answer  
17 any questions.]

18 \*\*\*

19 Public Comment/Discussion

20 [Ronald K. Rouse, Esquire, Board Counsel, suggested  
21 new Board members introduce themselves.

22 Chair Smeltzer mentioned that the Board has one  
23 professional opening and two public openings  
24 remaining on the Board. He noted appreciation for  
25 people getting involved and asked new members to

1 introduce themselves.

2 Mr. Schuck, Ms. Mast, and Mr. Hartman provided a  
3 brief summary of their professional background.

4 Chair Smeltzer welcomed new Board members.]

5 \*\*\*

6 [John D. Ausherman, Professional Member, exited the  
7 meeting at 12:11 p.m.]

8 \*\*\*

9 [Paul D. Edger, Esquire, Office of Attorney General  
10 designee, exited the meeting at 12:11 p.m.]

11 \*\*\*

12 Report of Board Counsel - Miscellaneous - Sunshine  
13 Act, Recusal, and Conflicts of Interest  
14 Presentation

15 [Ronald K. Rouse, Esquire, Board Counsel, explained  
16 that the purpose of the Sunshine Act is the right of  
17 the public to be present at all meetings of agencies  
18 and to witness the deliberations, policy formulation,  
19 and decision-making, which is vital to the  
20 enhancement and proper functioning of the democratic  
21 process.

22 Mr. Rouse stated meetings must be open to the  
23 public when deliberations or official action takes  
24 place. He provided a definition of agency,  
25 deliberation, and official action.

1           Mr. Rouse noted public notice must include the  
2 place, date, and time of the meeting in a newspaper  
3 of general circulation, political subdivision, and  
4 office of the agency holding the meeting or public  
5 building in which the meeting is being held. He also  
6 noted the agenda is provided to stakeholders and  
7 Board members and is also posted on the Board's  
8 website. He discussed Act 65 of 2021 additions to  
9 the Sunshine Act.

10           Mr. Rouse addressed the recording of votes and  
11 requirement of minutes for all open meetings. He  
12 also addressed quorum requirements. He mentioned  
13 that the only applicable exceptions to open meeting  
14 requirements are executive sessions and conferences,  
15 noting agency business may not occur at a conference.  
16 He stated executive session may be held at any time  
17 during the meeting for personnel issues, consulting  
18 with an attorney or professional advisor, and  
19 reviewing and discussing agency business.

20           Mr. Rouse explained that legal challenges under  
21 the Sunshine Act must be filed within 30 days of the  
22 date of the meeting or discovery of any action in  
23 which the Sunshine Act was violated and discussed  
24 penalties for violating the Sunshine Act.

25           Mr. Rouse stated all Board business should be

1 conducted in open meetings, and Board members should  
2 not discuss agency business, especially executive  
3 session matters, outside of an official Board  
4 meeting.

5 Mr. Rouse noted regulations, policies, etc.,  
6 delegated to a committee should take place in an open  
7 meeting with appropriate public notice. He mentioned  
8 that administrative and prosecutorial functions are  
9 not subject to open meeting requirements.

10 Mr. Rouse addressed mandatory recusals, where a  
11 Board member may have a prosecutorial role or direct  
12 personal or financial interest in the outcome of the  
13 matter. He addressed strongly suggested recusals,  
14 where there is a personal affection or outside  
15 knowledge of a matter which may render a Board member  
16 unable to make a fair and unbiased determination.

17 Mr. Rouse noted that discretionary recusals are  
18 when a Board member cannot hear and dispose of the  
19 case or participate in a decision on a subject fairly  
20 and without prejudice. He encouraged Board members  
21 who are uncertain whether to recuse themselves to  
22 discuss the matter with Board Counsel privately.

23 Mr. Rouse addressed abstention versus recusal,  
24 noting abstention means someone is withholding their  
25 vote but does not affect quorum requirements. He

1 noted the Board member is unable to vote at all with  
2 recusal and can affect the quorum requirement.

3 Mr. Rouse addressed conflicts of interest, where  
4 no member of any professional examining and licensing  
5 board shall at the same time be an officer or agent  
6 of any statewide association or organization  
7 representing the profession or occupation subject to  
8 the board's actions.

9 Mr. Rouse noted public members of a licensing  
10 board or commission are designated as a  
11 representative of the public at large and shall be a  
12 private citizen and not be a member of any profession  
13 or occupation which is regulated or licensed by the  
14 board, commission, BPOA, or be related to or have  
15 part of their immediate family, someone who is a  
16 member of the profession or occupation to be licensed  
17 or regulated by a particular board or commission.

18 Mr. Rouse mentioned that public members may not  
19 be affiliated in any way with the profession or  
20 occupation to be licensed or regulated or hold any  
21 other appointed or elected public office or position  
22 within the Commonwealth. He noted that any person  
23 not meeting the standards are ineligible for  
24 membership on the Board as a public member.]

25

\*\*\*

1 CHAIRMAN SMELTZER:

2 I entertain a motion to adjourn.

3 MR. HARTMAN:

4 So moved.

5 MR. STOERRLE:

6 Second.

7 \*\*\*

8 [There being no further business, the State Board of  
9 Certified Real Estate Appraisers Meeting adjourned at  
10 12:34 p.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.



Derek Richmond,  
Minute Clerk  
Sargent's Court Reporting  
Service, Inc.

STATE BOARD OF CERTIFIED  
REAL ESTATE APPRAISERS  
REFERENCE INDEX

April 11, 2024

	TIME	AGENDA
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	9:00	Executive Session
11	10:30	Return to Open Session
12		
13	10:41	Official Call to Order
14		
15	10:41	Roll Call
16		
17	10:41	Introduction of Attendees
18		
19	10:45	Approval of Minutes
20		
21	10:45	Report of Prosecutorial Division
22		
23	10:50	Applications for Review
24		
25	10:54	Report of Board Counsel
26		
27	10:54	Regulations/Statute
28		
29	11:51	Report of Board Counsel (cont.)
30		
31	11:54	Report of Board Administrator
32		
33	11:58	Report of Committees
34		
35	12:01	Miscellaneous
36		
37	12:06	Public Comment/Discussion
38		
39	12:10	Report of Board Counsel (cont.)
40		
41	12:34	Adjournment
42		
43		
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