



Executive Summary
State Board of Certified Real Estate Appraisers
2601 North Third Street, Harrisburg
February 25, 2016

Present at the regular meeting of the Board were: Chairman Tom Smith, John Abel (Office of Attorney General Designee), Kurt Brink, Martha Brown (Secretary of the Commonwealth Designee), Joseph Pasquarella, William Rothman, and Paul Wentzel (Secretary of Banking Designee). Also present were Board Counsel Jacqueline Wolfgang and Board Administrator Heidi Weirich.

The following key discussions/actions were taken:

1. The Board approved minutes from the December meeting.
2. Consent Agreement and Order, File 15-70-13913 (Suzanne M Fahien) – The respondent is a residential appraiser and a certified Pennsylvania evaluator. The continuing education audit found the respondent failed to complete five hours of education. Terms of the Agreement: \$250 civil penalty and 5-hrs continuing education. Board approved.
3. Consent Agreement and Order, File 15-70-14079 (Kelly Lynn Ralston) – The respondent is a residential appraiser. The continuing education audit found the respondent used a three hour law course that was not approved for continuing education in Pennsylvania. The respondent is charged with failure to complete three hours of education. Terms of the Agreement: \$150 civil penalty and 3-hrs continuing education. Board approved.
4. Consent Agreement and Order, File 15-70-14452 (Donald W Johnson) – The respondent is a residential appraiser. The continuing education audit found the respondent failed to complete 1.5 hours of education. Terms of the Agreement: \$75 civil penalty and 1.5-hrs continuing education. Board approved.
5. Consent Agreement and Order, File 15-70-14707 (Dennis James Carroll) – The respondent is a residential appraiser. The continuing education audit found the respondent failed to complete the Pennsylvania law course. Terms of the Agreement: \$250 civil penalty and 2-hr law course. Board approved.
6. Consent Agreement and Order, File 15-70-14711 (Appraisal Institute of Northwest PA) – The respondent is an education provider. The respondent offered one course in 2014 that had expired in October 2013. The Board cannot accept credits for any appraiser that took the course. The provider also offered the course under a provider name not registered with the Board. The Board cannot fine education providers. Terms of the Agreement: the provider agrees to offer the course before April 2016; the provider must notify those who attended the course and offer to attend the new course for free; and the provider must print the registered provider name on advertisements. Board approved.

7. Consent Agreement and Order, File 14-70-11643 (Scott M Karner) – The respondent is a residential appraiser. An expert reviewer with the Commonwealth reviewed the case and found that the respondent committed three violations of Standards Rule 2. Terms of the Agreement: \$5,000 civil penalty; \$1,380 costs of investigation; 45-hrs continuing education including 15-hrs USPAP and 30-hrs basic appraisal. Board approved.
8. Consent Agreement and Order, File 14-70-09379 (Novo Appraisal Management Corporation) – The respondent is an appraisal management company, registered in 2013. The case is a reciprocal matter. A federal order was issued by the U.S. Consumer Financial Protection Bureau against the AMC, a mortgage loan company and an individual who holds ownership in both companies. The mortgage company used the AMC for appraisals and marked up fees from third parties. The respondent violated 10(A)(7) of the AMC Act. Terms of the Agreement: \$10,000 costs of investigation. Board approved.
9. Consent Agreement and Order, File 15-70-03243 (David James Murphy) – The respondent is a general appraiser. The case is a criminal conviction where the respondent was found guilty of four counts of filing false U.S. income tax returns. Terms of the Agreement: 1-yr active suspension. Board approved.
10. The Board approved a motion to adopt as final the proposed adjudication and order in the matter of BPOA v Kathleen Borbonus (File 15-70-03388).
11. The Board provisionally denied the Appraiser Management Company owner registration application of Collin Lord.
12. Regulatory Report
 - Regulation 16A-7016 (Schedule of Civil Penalties) – The proposed rulemaking will codify and amend the Board’s current schedule of civil penalties statement of policy.
Status: The Board did not discuss the proposal.
 - Regulation 16A-7018 (Assessment Record Keeping and Reporting) – The proposed rulemaking would revise requirements for the use of certificate number and title for Certified Pennsylvania Evaluators to make the regulation consistent with standards of USPAP, the International Association of Assessment Officers and existing practices in county assessment offices.
Status: The Board did not discuss the proposal.
 - Regulation 16A-7020 (Renewal Fee for Appraiser Trainees) – The proposed rulemaking would adopt a biennial renewal fee for licensed appraiser trainees.
Status: Counsel indicated that final rulemaking was published in the January 23, 2016 edition of *The Pennsylvania Bulletin* and will be implemented in the 2017 renewal.
 - Regulation 16A-7021 (Appraisal Management Companies) – The proposed rulemaking defines the scope of the Board’s jurisdiction over Appraisal Management Companies.
Status: The Board did not discuss the proposal.

- Regulation 16A-7022 (Federally Mandated Revisions) – The proposed rulemaking adopts federally mandated standards from the Appraiser Qualifications Board.
Status: The rules and regulations committee met following the Board meeting to discuss draft regulations.

13. The chairman noted that the draft 2018-2019 Edition of USPAP contains no major changes. He also noted that the AQB has released potential changes to the Real Property Appraiser Qualifications Criteria. The changes are expected to address the downturn in appraisers entering the industry after the four-year college degree requirement was implemented.

14. Next Meeting – March 31, 2016

The foregoing represents the author's best interpretation of the significant actions and discussions of the Board. Aside from the meeting agenda, the author receives no supporting documentation or materials in advance or during the meeting, nor is the author present during any executive sessions of the Board. Therefore, this summary may not accurately reflect official actions or positions taken. Official minutes of the proceedings may be secured by contacting the Bureau of Professional & Occupational Affairs.

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For further information, contact Jennifer Shockley, Political and Community Services Manager