

<h1>Regulatory Analysis Form</h1> <p>(Completed by Promulgating Agency)</p> <p>(All Comments submitted on this regulation will appear on IRRC's website)</p>		<p>INDEPENDENT REGULATORY REVIEW COMMISSION</p> <p>RECEIVED</p> <p>Independent Regulatory Review Commission</p> <p>June 3, 2024</p>	
<p>(1) Agency Department of State, Bureau of Professional and Occupational Affairs, State Board Certified Real Estate Appraisers</p>		<p>IRRC Number: 3406</p>	
<p>(2) Agency Number: 16A Identification Number: 7029</p>			
<p>(3) PA Code Cite: 49 Pa. Code §§ 36.1, 36.11, 36.12, 36.12a, 36.13, 36.31, 36.42, 36.43, 36.45, 36.224, 36.262 and 36.263</p>			
<p>(4) Short Title: Distance Education and Practical Application of Real Estate Appraisal (PAREA)</p>			
<p>(5) Agency Contacts (List Telephone Number and Email Address): Primary Contact: Ronald K. Rouse, Board Counsel, State Board of Certified Real Estate Appraisers, P.O. Box 69523, Harrisburg, PA 17106-9523 (phone 717-783-7200) (fax 717-787-0251) rorouse@pa.gov. Secondary Contact: Jacqueline A. Wolfgang, Regulatory Counsel, Department of State, P.O. Box 69523, Harrisburg, PA 17106-9523 (phone 717-783-7200) (fax 787-0251) jawolfgang@pa.gov.</p>			
<p>6) Type of Rulemaking (check applicable box):</p> <p><input checked="" type="checkbox"/> Proposed Regulation <input type="checkbox"/> FINAL REGULATION <input type="checkbox"/> Final Omitted Regulation</p>		<p><input type="checkbox"/> Emergency Certification Regulation; <input type="checkbox"/> Certification by the Governor <input type="checkbox"/> Certification by the Attorney General</p>	
<p>(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)</p> <p>This rulemaking effectuates the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa. C.S. § 3107.1. This rulemaking will also bring the Board’s regulations into compliance with the Federal standards of the Appraiser Qualifications Board (AQB) regarding distance education for qualifying education and continuing education, as well as virtual supervision under Practical Application of Real Estate Appraisal (PAREA), as established in <i>The Real Property Appraiser Qualification Criteria</i>, effective January 1, 2022.</p>			
<p>(8) State the statutory authority for the regulation. Include <u>specific</u> statutory citation.</p> <p>Pursuant to section 3 of the Assessors Certification Act (ACA), 63 P.S. § 458.3, “[t]he board may promulgate rules and regulations consistent with the statutes of this Commonwealth to administer and enforce the provisions of this act.” Section 4(d) of ACA, 63 P.S. § 458.4(d), provides that continuing education is a condition of biennial renewal for Certified Pennsylvania Evaluators.</p>			

Section 5(1) of the Real Estate Appraisers Certification Act (act) (63 P.S. § 457.5(1)) authorizes the State Board of Certified Real Estate Appraisers (Board) to pass upon the qualifications and fitness of applicants for certification or licensure and to adopt and revise rules and regulations requiring applicants for certification to pass examinations relating to qualifications for certification. Section 5(2) of the act, 63 P.S. § 457.5 (2), states that the board is empowered “[t]o adopt and, from time to time, revise such rules and regulations as may be necessary to carry out the provisions of this act.” Under Section 10(b), (b.1), and (b.2) of the act (63 P.S. § 457.10(b), (b.1), (b.2)), continuing education is a condition of biennial renewal for certified residential and general appraisers, certified broker/appraisers, and licensed appraiser trainees if, and only to the minimum extent, required pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) (Pub. L. No. 101-73, 103 Stat. 183) (relating to Real Estate Reform Amendments), as amended, 12 U.S.C. §§ 3331-3356.

The Appraisal Subcommittee (ASC) was created as a result of Title XI of FIRREA. *See* 12 U.S.C. § 3310. Under 12 U.S.C. § 3346, the ASC provides Federal oversight for all appraiser programs of every state appraiser regulatory agency in the United States. *See* 12 U.S.C. § 3332 and 12 U.S.C. § 3347. As required by 12 U.S.C. § 3332(b), the ASC monitors and reviews the practices, procedures, activities, and organizational structure of the Appraisal Foundation. *The Appraisal Foundation* is an organization authorized by Congress to set standards and qualifications for real estate appraisers and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. The Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB) are independent boards that are under the umbrella of the Appraisal Foundation. Through the Appraisal Foundation, all state appraiser programs must meet the minimum Federal standards that are established by the AQB for appraiser education, experience, and examination, as well as Federal standards established by the ASB, for uniform standards of professional appraisal practice (USPAP). *See* 12 U.S.C. §§ 3345 and 3339. Under 12 U.S.C. § 3338(b)(4), ASC is authorized to use appropriated or collected funds to make grants to the Appraisal Foundation to defray costs related to AQB and ASB activities.

This proposed rulemaking is needed to comply with the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa. C.S. § 3107.1. Under 63 Pa. C.S. § 3107.1(c), “[e]ach licensing board... shall establish rules and regulations for continuing education that provides for distance education if continuing education is required for a license, certificate, registration or permit in a practice act.” In addition, 63 Pa. C.S. § 3107.1(d) requires each licensing board that has supervision requirements for licensure to “establish rules and regulations providing for virtual supervision in a manner that meets the requirements for licensure, certification, registration or permit and is acceptable to the licensing board...”

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Yes. Under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (Public Law 101-73, 103 Stat. 183), certified residential and general real estate appraisers and licensed appraiser trainees must meet minimum qualification criteria, including education, experience, and examination, established by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. *See* 12 U.S.C. § 3345. The AQB publishes the minimum Federal standards for the qualification of appraisers in *The Real Property Appraiser Qualification Criteria (AQB Qualification Criteria)*, which is available on the Appraisal Foundation website at www.appraisallfoundation.org. In the January 1, 2022 edition of the AQB Qualification Criteria, pages 8, 9 and 11, the AQB established new standards regarding

synchronous, asynchronous and hybrid distance education for qualifying and continuing education. In addition, the AQB established the minimum requirements for states that choose to offer an alternative to the traditional supervisory appraiser/appraiser trainee model of training appraiser candidates; that alternative model is called Practical Applications of Real Estate Appraisal (PAREA). *See* AQB Qualification Criteria, pages 13, 14, 30 – 36. PAREA is the concept of using simulated computer-based, virtual training to fulfill the experience requirement to become a certified real estate appraiser. PAREA participants meet virtually with certified real estate appraisers (i.e., mentors) who will provide guidance, advice, and counseling as the participant performs specific tasks and completes assigned work. While states are not required to adopt PAREA, if they do adopt it, they are required to comply with the AQB Criteria for PAREA.

As stated above in response to question (8), this proposed rulemaking is also needed to comply with the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa. C.S. § 3107.1. Under 63 Pa. C.S. § 3107.1(c), “Each licensing board... shall establish rules and regulations for continuing education that provides for distance education if continuing education is required for a license, certificate, registration or permit in a practice act.” In addition, 63 Pa. C.S. § 3107.1(d) requires each licensing board that has supervision requirements for licensure to “establish rules and regulations providing for virtual supervision in a manner that meets the requirements for licensure, certification, registration or permit and is acceptable to the licensing board...”

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

This rulemaking effectuates the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa. C.S. § 3107.1. Section 3107.1(c) of Title 63 of the Pennsylvania Consolidated Statutes requires the Board to establish rules and regulations regarding continuing education that provides for distance education. In Pennsylvania, under section 6(c)(4) of the act, all applicants for licensure as an appraiser trainee or certification as a residential or general real estate appraiser must satisfy the requirements of the act, the Board’s regulations, and the Appraiser Qualification Criteria of the AQB of the Appraisal Foundation. *See* 63 P.S. § 457.6(c)(4)(i)-(iii). In addition, continuing education is a condition of biennial renewal for certified residential and general appraisers, certified broker/appraisers, and licensed appraiser trainees to the minimum extent required pursuant to FIRREA. *See* 63 P.S. § 457.10(b), (b.1), (b.2).

During the COVID-19 pandemic, the use of online platforms for qualifying and continuing education courses increased significantly. As a result of lessons learned during the pandemic, the AQB refined the Federal distance education standards in a number of ways. First, distance education is now divided into three distinct categories: synchronous, asynchronous, and hybrid. Synchronous is a distance education offering where the instructor and the learner are in separate locations but have live, simultaneous interaction on an online platform. Asynchronous is a distance education offering where the instructor and learner do not have simultaneous interaction; computer-based learning is used. Hybrid is an educational offering that uses both in-person and online synchronous or asynchronous interaction.

Second, the AQB considers synchronous distance education to be substantially the same as a traditional, in-person course. *See* AQB Qualification Criteria, page 9. Providers of synchronous distance education will have to meet the same classroom hour requirements as a traditional, in-person course. The classroom hour requirement mandates that a class hour is defined as 60 minutes, of which at least 50 minutes must be instruction. The prescribed number of class hours includes time for examinations. The classroom hour

requirement also mandates that course credits are obtained from certain types of education providers, including, colleges or universities, real estate appraisal or real estate-related organizations, state or Federal agencies or commissions, proprietary schools, and the Appraisal Foundation or its Boards (AQB and ASB). *See* AQB Qualification Criteria, III.A. and III.B., pages 8-9. In order to meet the classroom hour requirement, synchronous distance education does not require the education provider to seek additional approval from a certifying entity for course design and course delivery mechanism. *See* AQB Qualification Criteria, page 9. The International Distance Education Certification Center (IDECC) is an example of an entity that certifies the design and delivery mechanism of distance education courses.

Third, unlike synchronous distance education, asynchronous distance education will require additional approval for course design and course delivery mechanism as part of the classroom requirement. *See* AQB Qualification Criteria, III.A., III.B., and III.D.1-3, pages 8-9. The AQB has determined, however, that entities other than IDECC can also provide approval of course design and delivery mechanism for an asynchronous distance education course. The AQB established a list of the additional approval sources. *See* AQB Qualification Criteria, page 9. The AQB did not eliminate IDECC as a valid delivery mechanism approval entity for distance education courses. *See* AQB Qualification Criteria Q&As, effective September 8, 2023, page 5.

Fourth, hybrid courses must meet the classroom hour requirements of its component parts; whether the components parts are comprised of in-person education, synchronous distance education, or asynchronous distance education. *See*, AQB Qualification Criteria, pages 8-9.

Finally, remote proctoring of an examination, including biometric proctoring, is acceptable. Biometric proctoring provides that student identity is continually verified through processes, such as facial recognition, consistency in keystroke cadence, and the observation of activity in the testing location so that aberrant behavior or activity can be readily observed. *See* AQB Qualification Criteria, footnote 1, page 10.

The distance education requirements contained in this proposed rulemaking reflect the minimum Federal standards as adopted by the AQB. *See*, AQB Qualification Criteria, pages 9-11. This proposed rulemaking provides AQB-compliant distance education standards for continuing education for certified real estate appraisers, certified broker/appraisers, and licensed appraiser trainees. It also provides AQB-compliant distance education standards for qualifying education for certified real estate appraisers, and licensed appraiser trainees. Although assessor/evaluator programs are not subject to the Federal oversight of the ASC, Certified Pennsylvania Evaluator stakeholders expressed support for complying with the same distance education standards as appraisers and the Board agreed with this approach. Currently, § 36.224 of the regulations regarding distance education for Certified Pennsylvania Evaluators requires that a distance education course provider must receive approval for course design and delivery mechanism from the IDECC. Appraiser and assessor stakeholders have considered the IDECC approval process to be lengthy and, consequently, burdensome. The AQB's Federal distance education standards, however, would provide welcome relief to Certified Pennsylvania Evaluator course providers because synchronous distance education does not require additional approval for course design and delivery mechanism. Also, approval for course design and delivery mechanism for asynchronous distance education can be obtained from a number of different sources; not just IDECC. Therefore, in uniformity with appraiser requirements, this proposed rulemaking provides AQB-compliant distance education standards for Certified Pennsylvania Evaluator qualifying and continuing education courses.

In addition, 63 Pa.C.S. § 3107.1(d) requires the Board to establish rules and regulations providing for virtual supervision in a manner that meets the requirements for licensure and certification. In the AQB Qualification Criteria, effective January 1, 2022, the AQB established Federal standards for PAREA as an alternative to the traditional supervisory appraiser/appraiser trainee model of experience training.

Under the traditional supervisory appraiser/appraiser trainee model, the trainee conducts onsite physical inspections of the interior and exterior of subject properties to fulfill the experience requirement for certified residential or general real estate appraiser. The trainee assists in the performance of appraisals that are within their supervisory appraiser’s scope of practice. Appraiser trainees often have supervisory appraisers whose scope of practice is limited to a certain geographic location where certain types of properties are more common than others. PAREA is the concept of using simulated computer-based, virtual training and mentoring to fulfill the experience requirement to become a certified real estate appraiser. The PAREA program must be approved by the AQB and follow all AQB requirements. A participant in the PAREA program meets virtually with a mentor, who is a certified real estate appraiser. The PAREA program allows a participant to learn how to conduct virtual inspections of various types of properties that may have been unavailable to an appraiser candidate under the traditional supervisory appraiser/appraiser trainee model, such as condominiums. A virtual inspection is an interior and exterior inspection that takes place remotely without the appraiser candidate being physically present at the property. The mentor provides the PAREA participant with guidance, advice, and counseling as the participant performs specific tasks and completes assigned work. *See*, Appraisal Qualifications Board (AQB) Real Property Appraiser Qualification Criteria Q & As, effective July 18, 2023, pages 67-68. PAREA provides the necessary experience for a candidate to be qualified to take the certified real estate appraiser examination.

PAREA is an important part of the national effort to promote diversity, equity and inclusion in the appraisal profession. Real estate appraising is an aging profession. In an article on [fanniemae.com](https://www.fanniemae.com) entitled, “Intriguing Future of Appraisal Careers,” it was noted that 49% of appraisers are between the ages of 51 – 65, and 13% are 66 years old or older. *See*, Fannie Mae Perspectives Blog, *Intriguing Future of Appraisal Careers* by Jacob Williamson, VP, Single-Family Credit Risk Collateral Management, Federal National Mortgage Association (FNMA aka Fannie Mae), June 3, 2019. The number one complaint that the AQB has received regarding entering the appraisal profession is that potential candidates cannot find a supervisory appraiser in order to complete the experience requirement for certification. Women, people of color, and people who live in rural areas have a particularly hard time finding a credentialed appraiser who will agree to supervise them. The goal is for PAREA to make the appraisal profession more accessible to diverse groups of people, which is necessary for the survival of the profession.

The proposed rulemaking adds PAREA as an alternative to the traditional supervisory appraiser/appraiser trainee model of experience training for certified real estate appraiser candidates. The Board proposes to allow 100% of the experience requirement for certified *residential* real estate appraiser candidates to be fulfilled through completion of an AQB-approved certified residential appraiser PAREA program. The proposed rulemaking allows 50% of the experience requirement for certified *general* real estate appraiser candidates to be fulfilled through completion of an AQB-approved certified residential appraiser PAREA program. The non-residential portion (50%) of the experience requirement for certified general appraiser candidates will have to be completed through the traditional supervisory appraiser/appraiser trainee model, because the AQB has not yet authorized the development of a certified general appraiser PAREA program that would cover commercial or non-residential experience.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

No. There are no provisions of this regulation that are more stringent than Federal standards.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

This regulation will not adversely affect Pennsylvania's ability to compete with other states. The Appraisal Subcommittee (ASC) was created as a result of Title XI of FIRREA. The ASC provides Federal oversight for all appraiser programs of every state appraiser regulatory agency in the United States. As a result, all state appraiser programs must meet the minimum Federal standards that are established by the Appraiser Qualifications Board (AQB), for appraiser education, experience, and examination, as well as Federal standards established by the Appraisal Standards Board (ASB), for uniform standards of professional appraisal practice.

Although assessor/evaluator programs are not subject to the Federal oversight of the ASC, Certified Pennsylvania Evaluator stakeholders expressed support for complying with the same distance education standards as appraisers and the Board agreed with this approach. Seven of the twelve surrounding states require certification of assessors/evaluators; Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey and New York. Specific standards for distance education could not be ascertained for assessor courses in Connecticut, Maine, Massachusetts, New Hampshire, or New Jersey. In Connecticut, the Certified Connecticut Municipal Assessor Committee approves continuing education courses. In Maine, the State Tax Assessor has the authority to establish training programs for assessors and to determine whether in-State or out-of-State training programs are acceptable. In Massachusetts, assessors are to meet continuing education standards as established by the Commissioner of Revenue. In New Hampshire, distance education is only available for recertification courses; the courses are subject to the approval of the New Hampshire Association of Assessing Officers Certification Committee. In New Jersey, continuing education for assessors must be approved by the Tax Assessor Continuing Education Eligibility Board of the New Jersey Appraisers Board.

Delaware's regulations require that the Delaware Council on Real Estate Appraisers approve the content of a distance education course for assessors after the delivery mechanism for the course has been approved by one of the following: AQB-approved organizations providing approval of course design and delivery, such as IDECC; a college that qualifies for content approval and awards academic credit for the distance education course; or a qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporates interactivity. *See* 24 DE Admin. Code § 10.8.5. Delaware's distance education standards are more stringent than Pennsylvania's proposed standards. Delaware does not distinguish between synchronous and asynchronous education. Thus, providers of synchronous distance education in Delaware must obtain approval for course design and delivery mechanism. In addition, Delaware does not have a provision for remote proctoring of assessor examinations. In New York, the New York State Office of Real Property Tax Services (ORPTS) certifies assessors. Continuing education course approval must be obtained by ORPTS, Department of Educational Services. New York allows continuing education courses to be delivered through live virtual distance education (synchronous), online distance education (asynchronous), or self-study (study materials only, no course). Online distance education courses and self-study require that an assessor pass an in-person examination, which is often administered in an ORPTS regional office. Unlike Pennsylvania's proposed regulations, New York does not have a provision for remote proctoring of the examination.

The inclusion of PAREA in this proposed rulemaking, as an alternative to the traditional supervisory appraiser/appraiser trainee model of training will help attract more people to the appraisal profession. Women, people of color, and people who live in rural areas have had a particularly hard time finding a credentialed appraiser who will agree to supervise them in order to complete the experience requirement of the appraiser certification process. PAREA will help to break down the barriers to entry into the

appraisal profession and thus will help make Pennsylvania more accessible to those seeking to enter the appraisal profession. As of February 7, 2024, according to tracking conducted by the Appraisal Foundation, thirty-one (31) states have adopted PAREA; those states include Arizona, California, Colorado, Connecticut, Delaware, Florida, Iowa, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and West Virginia. Besides Pennsylvania, sixteen (16) states and the District of Columbia are currently undergoing the rulemaking process to adopt PAREA; those states include Alabama, Alaska, Arkansas, Hawaii, Idaho, Illinois, Indiana, Kansas, Massachusetts, New Hampshire, Nevada, North Carolina, Oregon, Rhode Island, Wisconsin, and Wyoming. Two states are still in discussions regarding the adoption of PAREA; those states are New York and Georgia.

Based on this information, the Board believes the amendments will not put Pennsylvania at a competitive disadvantage, but rather, will keep Pennsylvania in line with the national trend of accepting PAREA as an alternative to the traditional supervisory appraiser/appraiser trainee model of experience training.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This rulemaking does not affect other regulations of the Board or other state agencies.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. (“Small business” is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

The Board began its discussions with stakeholders using two different annexes: one addressing distance education, and the other addressing virtual supervision. The Board discussed distance education at public meetings on January 20, 2022, March 2, 2022, April 14, 2022, May 26, 2022, July 7, 2022, and August 19, 2022. The Board discussed virtual supervision (including PAREA) at public meetings on April 14, 2022, May 26, 2022, July 7, 2022, and August 19, 2022. As a result of these discussions and because the statutory requirements set forth in Act 100 of 2021 address distance education and virtual supervision together, the proposed regulatory amendments were merged into one proposed annex. The merger of the regulatory amendments was discussed at the September 29, 2022 public meeting.

Prior to the merger, at the April 14, 2022 Board meeting, the Board reviewed and discussed the three written comments that had been received from stakeholders regarding the distance education annex. In attendance at the April 2022 meeting were the manager of State and Industry Affairs at the Appraisal Institute; the Public Policy Manager of the Pennsylvania Association of Realtors; and the Executive Director of the AAP. One written comment submitted on March 10, 2022 by an AQB Certified USPAP Instructor, stated, “...Upon review, I can find nothing constructive to offer that would enhance or clarify this document as written...” The Executive Director of the AAP commented that the proposed distance education regulations were great and coincided with previous Board discussions.

At the May 26, 2022 public meeting, the Board voted to amend § 36.31 (relating to provider registration/appraisal courses) of the distance education annex to address a question that frequently

presents itself, especially at the time of biennial license renewal. Licensees often ask whether the Board will accept continuing education course credits for courses that were not submitted for approval in Pennsylvania yet were approved by another state appraiser regulatory agency. Since all state appraiser regulatory agencies must comply with Federal AQB standards for qualifying and continuing education courses, the Board determined that course credit from a Pennsylvania Board-approved education provider will be accepted for an appraisal course that was approved by another state appraiser regulatory agency.

The Board also discussed the virtual supervision annex and made a number of amendments to the annex based on stakeholder engagement.

At the August 19, 2022 regularly scheduled public meeting, the Appraisal Institute expressed their support for the proposed regulatory changes regarding distance education. The Appraisal Institute made one suggestion regarding the definition of “asynchronous.” Where the Annex read that asynchronous education consisted of “pre-recorded lectures, webinars or videos for instruction,” the Appraisal Institute suggested the following language:

Using computer-based learning, pre-recorded lectures, webinars or videos for instruction, students progress at their own pace and follow a structured course content and quiz/exam format.

The Appraisal Institute expressed its belief that the inclusion of “computer-based learning” would more broadly cover the types of asynchronous learning options that may be offered. The Board agreed with the Appraisal Institute’s assessment and voted to adopt this suggested amendment.

The Appraisal Institute also suggested, for the virtual supervision annex, that the phrase “an AQB-approved PAREA program” should be modified to read “an AQB-approved Certified Residential PAREA Program” in sections 36.11, 36.12, and 36.13 of the regulations. This modification clarifies that completion of the Licensed Residential PAREA Program alone will not be acceptable in Pennsylvania since the Commonwealth does not have a licensed residential real estate appraiser classification. The Board agreed with the Appraisal Institute’s recommendation and voted to adopt this suggested amendment.

As stated above, the proposed regulatory amendments were merged into one proposed annex and discussed at the September 29, 2022 public meeting. There was no opposition to merging the regulations.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

Licensees have the option of taking qualifying and continuing education courses in person or through distance education. As a condition of biennial renewal of licensure, approximately 4,025 licensees will have to comply with the distance education requirements for continuing education courses unless the courses are taken in person, consisting of 1,617 certified residential real estate appraisers, 1,324 certified general real estate appraisers, 534 Certified Pennsylvania Evaluators, 248 certified broker/appraisers, and 302 licensed appraiser trainees. An applicant for licensure as a certified residential or general real estate appraiser, licensed appraiser trainee, or Certified Pennsylvania Evaluator will have to comply with the distance education requirements for qualifying education courses unless the courses are taken-in person. The Board estimates approximately 195 applicants per year will be taking qualifying education courses, including 76 certified residential real estate appraiser applicants, 23 certified general real estate appraiser applicants, 56 Certified Pennsylvania Evaluator applicants, and 40 licensed appraiser trainee applicants.

Applicants for licensure as a certified residential or general real estate appraiser will have to comply with the PAREA provisions should they choose to use this alternative to the traditional supervisory appraiser/appraiser trainee model. The Board estimates approximately 139 applicants per year will have the option to participate in PAREA per year, which includes 76 certified residential appraiser applicants, 23 certified general real estate appraiser applicants, and 40 licensed appraiser trainee applicants.

Education providers will have to comply with the registration provisions of this regulation. The Board estimates approximately 160 education providers will be applying for course approval per year.

The Board also reviewed how this regulation would affect small businesses. According to the U.S. Department of Labor, in 2020 (the most recent year for which data is available), property appraisers and assessors provide their services for a variety of private and public sector employers: 30% work in local government, excluding education and hospitals; 32 % are self-employed; 25% work in real estate; and 8% work in the finance and insurance.

For the business entities listed above, small businesses are defined in Section 3 of Act 76 of 2012, which provides that a small business is defined by the U.S. Small Business Administration's (SBA) Small Business Size Regulations under 13 CFR Ch. 1 Part 121. Specifically, the SBA has established these size standards at 13 CFR § 121.201 for types of businesses under the North American Industry Classification System (NAICS). In applying the NAICS standards to the types of businesses where many real estate appraisers and assessors work, small businesses in the category of "offices of real estate appraisers" (code 531320) hold 1,500 employees and make up .268% of the industry's employment. This category has \$8 million or less in average annual receipts, which also includes self-employed professionals who obviously work in small businesses.

In considering all of the small business thresholds set by NAICS for the businesses in which real estate appraisers and assessors work, it is probable that, outside of public sector positions with governmental entities, most of certified real estate appraisers and assessors work in small businesses. The Board does not collect information on the size of the businesses where its licensees are employed. However, for purposes of determining the economic impact on small businesses, the Board must assume that a large number of its licensees who do not work in government either are or work for small businesses as that term is defined by the SBA and Pennsylvania's Regulatory Review Act.

This regulation will have a positive impact on small businesses as it will make it easier for education providers to meet the approval requirements for distance education. The new approval requirements will result in the availability of more qualifying and continuing education courses through distance education. This will provide the regulated community with easier access to education for initial licensure and professional development. This regulation does not impose a new financial burden on education providers for the provision of qualifying and continuing education through distance education.

Concerning PAREA, there is a cost associated with participating in a PAREA program. According to the Appraisal Institute, the estimated cost for a person to participate in a Certified Residential PAREA program is \$10,000. The Appraisal Foundation and the Appraisal Institute Education Relief Fund (AIERF) are developing scholarships for PAREA. It is anticipated that additional appraiser organizations will offer scholarships and education discounts for the PAREA program to encourage participation and as part of the national effort to promote diversity in the appraisal profession. The benefit of the PAREA program outweighs the financial costs. First, an individual does not have to find a supervisory appraiser in order to complete the experience requirement for certification; the PAREA program provides mentors. This

will help open the profession to women, people of color, and people who live in rural areas. Second, since PAREA is a virtual program, it makes appraisal training more accessible to people. Third, since the program is virtual, an individual can complete the program at their own pace and in a way that fits their schedule. This flexibility allows an individual to work a full-time job, whether or not the job is in the appraisal profession, while participating in the PAREA program. Full-time employment would provide the individual with the ability to pay for the program. If a candidate does not want to pay the financial cost of participating in the PAREA program, they can avoid that cost by participating in the traditional supervisory appraiser/appraiser trainee model of experience training. The regulation should not have a negative fiscal impact on the small businesses related to the candidates or licensees who work there as there are no direct costs that would be passed on to the employer, unless the employer voluntarily assumes those costs. It would, therefore, be up to the business to determine the benefit of paying employee licensing fees, including the costs of distance education courses or PAREA.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

Licensees who are certified residential and general real estate appraisers, certified broker/appraisers, licensed appraiser trainees, and Certified Pennsylvania Evaluators will have to comply with the distance education requirements for continuing education as a condition of biennial licensure renewal unless the courses are taken in-person. The Board estimates approximately 4,025 licensees per biennium will have to comply with distance education requirements for continuing education courses, including 1,617 certified residential real estate appraisers, 1,324 certified general real estate appraisers, 534 Certified Pennsylvania Evaluators, 248 certified broker/appraisers, and 302 licensed appraiser trainees.

Applicants for licensure as a certified residential and general real estate appraiser, licensed appraiser trainee, and Certified Pennsylvania Evaluator will have to comply with the distance education requirements for qualifying education courses unless the courses are taken in-person. The Board estimates approximately 195 applicants per year will be taking qualifying education courses, including 76 certified residential real estate appraiser applicants, 23 certified general real estate appraiser applicants, 56 Certified Pennsylvania Evaluator applicants, and 40 licensed appraiser trainee applicants. Applicants for licensure as a certified residential or general real estate appraiser will have to comply with the PAREA provisions should they choose to use this alternative to the traditional supervisory appraiser/appraiser trainee model.

The Board estimates approximately 139 applicants per year will have the option to participate in PAREA per year, including 76 certified residential appraiser applicants, 23 certified general real estate appraiser applicants, and 40 licensed appraiser trainee applicants. Education providers will have to comply with the registration provisions of this regulation.

Small businesses will be impacted to the extent they voluntarily pay for qualifying education or continuing education fees and other costs for applicants or licensees. In addition, education providers who are small businesses will be impacted by the \$85 application fee to register with the Board as an education provider as well as the \$85 application fee for each qualifying and/or continuing education course they wish to provide in Pennsylvania. There are approximately 160 education provider applications per year submitted to the Board. Approximately 128 of the education provider applications are for distance education, for a combined total cost of \$10,880 per year. The cost of education provider applications is an existing cost for any provider who wants to offer a new course, whether or not it is through distance education. Therefore, since the cost of an education provider application is the same whether the course is through

distance education or in-person, there is no negative fiscal impact to the regulated community and small businesses.

Small business will be impacted to the extent that they voluntarily pay for employees to participate in PAREA. The estimated cost of a Certified Residential PAREA program is \$10,000. The Board anticipates that approximately 55 applicants will participate in a PAREA program; the financial impact would be approximately \$550,000 annually.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

There are no new costs concerning distance education, as all appraiser and assessor applicants are already required to complete qualifying education courses. Applicants who take qualifying education courses through distance education will have to pay the registration fee for those courses. There is no difference in the registration fee of a qualifying education course, whether taken in person or through distance education. Similarly, all appraiser and assessor licensees must complete continuing education courses. Licensees who take continuing education courses through distance education will have to pay the registration fee for these courses. There is no difference in the registration fee of a continuing education course, whether taken in person or through distance education.

Applicants who choose to participate in a PAREA program will have to pay any registration fees associated with the program. It is estimated that a Certified Residential PAREA program will cost \$10,000. It is anticipated that appraiser organizations, including the Appraisal Institute, will offer scholarships and education discounts for the PAREA program to encourage participation and as part of the national effort to promote diversity in the appraisal profession. If a candidate does not want to pay the fee to participate in the PAREA program, they can avoid that cost by participating in the traditional supervisory appraiser/appraiser trainee model of experience training.

The inclusion of PAREA in the regulations as an alternative to the traditional supervisory appraiser/appraiser trainee model of training will help attract more people to the appraisal profession. PAREA is the concept of using simulated computer-based, virtual training to fulfill the experience requirement to become a certified real estate appraiser. Candidates meet virtually with certified real estate appraisers (i.e., mentors) who provide guidance, advice, and counseling as the candidates perform specific tasks and complete assigned work. Real estate appraisers are an integral part of a thriving economy because they provide an opinion of value of real property. The accurate valuation of real property is especially important for banks as mortgage lenders, home buyers who want to obtain a mortgage to buy a home, and home sellers who want to obtain a fair price for their property. Real estate appraising, however, is an aging profession. As noted in a June 2019 article on fanniemae.com entitled, "Intriguing Future of Appraisal Careers," 49% of appraisers are between the ages of 51 – 65, and 13% are 66 years old or older. The number one complaint that the AQB has received regarding entering the appraisal profession is that potential candidates cannot find a supervisory appraiser in order to complete the experience requirement for certification. Women, people of color, and people who live in rural areas have had a particularly hard time finding a credentialed appraiser who will agree to supervise them in order to complete the experience requirement of the appraiser certification process. PAREA will help to break down the barriers to entry into the appraisal profession. The goal is for PAREA to make the appraisal profession more accessible to diverse groups of people, which is necessary for the survival of the profession.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

This regulation does not impose a new financial burden on education providers for the provision of qualifying and continuing education through distance education. The benefits of making qualifying and continuing education more accessible to applicants and licensees through distance education will outweigh any risk of adverse effects.

There is an \$10,000 cost associated with participating in a Certified Residential PAREA program. It is anticipated that appraiser organizations, including the Appraisal Institute, will offer scholarships and education discounts for the PAREA program to encourage participation and as part of the national effort to promote diversity in the appraisal profession. The benefit of the PAREA program outweighs the financial costs. First, an individual does not have to find a supervisory appraiser in order to complete the experience requirement for certification; the PAREA program provides mentors. This will help open the profession to women, people of color, and people who live in rural areas. Second, since PAREA is a virtual program, it makes appraisal training more accessible to people. Third, since the program is virtual, an individual can complete the program at their own pace and in a way that fits their schedule. This flexibility allows an individual to work a full-time job, whether or not the job is in the appraisal profession, while participating in the PAREA program. Full-time employment would provide the individual with the ability to pay for the program. If a candidate does not want to pay the fee to participate in the PAREA program, they can avoid that cost by participating in the traditional supervisory appraiser/appraiser trainee model of experience training.

The probable effect of this regulation on impacted small businesses will be positive because PAREA will break down the barriers to entering the appraisal profession, thus supplying a new labor force for small businesses. Also, the distance education provisions will provide appraisers and assessors with more access to continuing and qualifying education courses

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board estimates approximately 139 applicants per year will have the option to participate in PAREA, including 76 certified residential appraiser applicants, 23 certified general real estate appraiser applicants, and 40 licensed appraiser trainee applicants. Of the 139 potential applicants, the Board anticipates that approximately 55 applicants will participate in a PAREA program. The estimated cost of a Certified Residential PAREA program is \$10,000; financial impact of PAREA to the regulated community is approximately \$550,000 annually. It is anticipated that appraiser organizations, including the Appraisal Institute, will offer scholarships and education discounts for the PAREA program to encourage participation and as part of the national effort to promote diversity in the appraisal profession. If a candidate does not want to pay the financial cost of participating in the PAREA program, they can avoid that cost by participating in the traditional supervisory appraiser/appraiser trainee model of experience training.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The regulation would not result in costs or savings to local governments.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board’s operational costs associated with distance education are recouped in the form of fees from education providers for registration applications and course approval applications. Fees are not changing in this rulemaking.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

There should be no legal, accounting or consulting procedures associated with this rulemaking. Like all other applicants under the Board, education providers will be required to submit an application for the registration of education providers and the approval of qualifying and continuing education courses accompanied by required documentation.

(22a) Are forms required for implementation of the regulation?

Yes, education provider applicants are required to submit a paper application to the Board. On the forms, the education provider must identify whether they are requesting course approval for a continuing education course or a qualifying (initial) education course. Further, the applicant must indicate whether they are requesting approval to provide the course in-person or through distance education as a synchronous, asynchronous, or hybrid course.

Regarding PAREA, the electronic applications for certified residential and certified general real estate appraiser will have to be amended to include a question asking whether the applicant completed a Certified Residential PAREA Program. There will be an area on the application for the applicant to upload an electronic copy of their certificate of completion from the PAREA program.

(22b) If forms are required for implementation of the regulation, **attach copies of the forms here**. If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. **Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.**

The agency uses a paper application for the registration of education providers and the approval of qualifying and continuing education courses. A sample education provider application form is attached. *See* Attachment “A.” The agency uses electronic applications for certified residential and certified general real estate appraisers which will need to be amended to include PAREA. A sample application checklist for certified residential and certified general appraisers is attached. *See* Attachment B.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY 23-24	FY +1 24-25	FY +2 25-26	FY +3 26-27	FY +4 27-28	FY +5 28-29
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SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government						
State Government						
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Local Government						
State Government						
Total Costs	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

(23a) Provide the past three-year expenditure history for programs affected by the regulation.

Program	FY -3 (actual) 20-21	FY -2 (actual) 21-22	FY -1 (actual) 22-23	Current FY (estimated) 23-24
State Board of Certified Real Estate Appraisers	\$553,112.87	\$665,465.78	\$664,000	\$685,000

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
- (c) A statement of probable effect on impacted small businesses.
- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

(a) This rulemaking will not have an adverse impact on small businesses unless small businesses voluntarily pay for their employees' continuing and qualifying education courses or any costs

associated with PAREA program registration. Because continuing and qualifying education fees are often incurred by individuals, any business (small or otherwise) could avoid these costs by requiring employees to pay for their own courses. Education providers who are small businesses, however, will be impacted by the cost associated with the \$85 application fee to register with the Board as an education provider as well as the \$85 application fee for each qualifying and/or continuing education course they wish to provide in Pennsylvania. There are approximately 160 education provider applications per year submitted to the Board. Approximately 128 of the education provider applications are for distance education, at a cost of \$10,880 per year. Since the cost of an education provider application is an existing cost which is the same whether the course is through distance education or in-person, there is no negative fiscal impact to the regulated community and small businesses.

- (b) This rulemaking will not impose additional reporting, recordkeeping or other administrative costs on small businesses.
- (c) The probable effect on impacted small businesses would be positive because PAREA will break down the barriers to entering the appraisal profession, thus supplying a new labor force for small business. Also, the distance education provisions will provide appraisers and assessors with more access to continuing and qualifying education courses.
- (d) The Board could discern no less costly or less intrusive alternative methods to effectuate the purpose of Act 100 of 2021, which is to provide standards for distance education and virtual supervision. The Board is required to at least meet the minimum Federal standards for distance education and virtual supervision for appraisers. Certified Pennsylvania Evaluator stakeholders have expressed support for meeting the same distance education standards as appraisers.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

No special provisions have been developed for any affected groups or persons.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

Other than the previous exposure drafts discussed in Question 14, no alternative regulatory provisions were considered and rejected. The Board believes this proposal represents the least burdensome acceptable alternative.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;

- d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation; and
 - e) The exemption of small businesses from all or any part of the requirements contained in the regulation.
- a) & b) The Board did not consider less stringent reporting requirements or deadlines for small businesses or for applicants that intend to work for small businesses. All applicants for licensure are treated equally.
- c) There are no compliance or reporting requirements that could be consolidated or simplified. The application process is the same whether a particular licensee is employed by a small business or a large business.
- d) The regulations do not contain design or operational standards that need to be altered for small businesses.
- e) To exclude any applicant from the requirements of PAREA based upon the size of employers would not be consistent with FIRREA.

Education providers must comply with the distance education requirements of this regulation if they choose to provide online qualifying or continuing education courses. The distance education requirements in this proposed rulemaking reflect the minimum Federal standards as adopted by the AQB. An education provider is exempt from the distance education requirements of this proposed rulemaking if their qualifying and continuing education courses are only conducted in person.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

No data, studies or references were used to justify the regulation.

(29) Include a schedule for review of the regulation including:

- A. The length of the public comment period: 30 days.
- B. The date or dates on which public meetings or hearings will be held:

No public hearings were scheduled or held. The Board discusses its regulatory proposals at regularly scheduled public meetings. This rulemaking was discussed at public board meetings on January 20, 2022, March 2, 2022, April 14, 2022, May 26, 2022, July 7, 2022,

August 19, 2022, and September 29, 2022.

- C. The expected date of promulgation of the proposed regulation as a final-form regulation: Winter 2025
- D. The expected effective date of the final-form regulation: Upon publication as final.
- E. The date by which compliance with the final-form regulation will be required: Upon publication as final.
- F. The date by which required permits, licenses or other approvals must be obtained: N/A

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

The Board continually reviews the efficacy of its regulations, as part of its annual review process under Executive Order 1996-1. The Board reviews its regulatory proposals at regularly scheduled public meetings. The Board is scheduled to meet on the following dates in 2024: April 11, May 23, June 27, August 1, September 12, October 24, and December 5. More information can be found on the Board's website (www.dos.pa.gov/real).

ATTACHMENT “A”



STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

P.O. Box 2649
Harrisburg, PA 17105-2649

Courier Address:
HARRISBURG UPTOWN BUILDING (HUB)
2525 N. 7th Street
Harrisburg, PA 17110

Telephone: 717-783-4866
Fax: 717-705-5540
E-mail: st-appraise@pa.gov
Website: www.dos.pa.gov/real

CONTINUING EDUCATION AND INITIAL EDUCATION PROGRAM APPROVAL APPLICATION

INSTRUCTIONS:

- a. Submit one application for each continuing education program. Please print or type.
- b. **Submit \$85.00 application fee.** Make check or money order payable to "Commonwealth of PA." **Application fees are not refundable.** If you do not receive the Board's approval of the continuing education program within one year from the date the application is received, you will be required to submit another application fee. A processing fee of \$20.00 will be charged for any check or money order returned unpaid by your bank, regardless of the reason for non-payment.
- c. If your course has been approved by AQB, please attach your approval letter.
- d. Program Schedule: Attach detailed time schedule, hour by hour, of subject matter.
- e. Certificate of Attendance: Providers must provide a Certificate of Attendance sample form. An example is attached. **The approval number and the number of approved credit hours must be listed on certificates of attendance given to attendees of your program.**
- f. Submit applications for approval of programs to this Board 30 days in advance of presentation.
- g. Your continuing education course for appraisers must fall under the subject matter in accordance with the Board's regulations. See 49 Pa. Code § 36.42. You may access the Board's regulations at www.dos.pa.gov/real
- h. Your continuing education course for evaluators must fall under the subject matter in accordance with the Board's regulations. See 49 Pa. Code § 36.262.
- i. Asynchronous distance education providers must meet the course content and course delivery mechanism requirements of 49 Pa. Code § 36.45.
- j. The Continuing Education Committee will review your application for continuing education approval. **If the program was previously approved, please note the continuing education approval number, the number of approved credit hours, and the expiration date when you received your approval letter.**
- k. For more information regarding distance education requirements, please review the following Board's regulations:
 - For initial/qualifying education (appraisers): 49 Pa. Code §§ 36.11(b)(3), 36.12(b)(3), 36.12a(b)(4)
 - For initial/qualifying education (evaluators): 49 Pa. Code § 36.224
 - For continuing education ((appraisers): 49 Pa. Code § 36.43
 - For continuing education (evaluators): 49 Pa. Code § 36.263
- l. Identify type of course application and delivery method.
- m. Submit a course outline and summary of faculty qualifications for each appraisal course proposed to be offered.



STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

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2525 N. 7th Street
Harrisburg, PA 17110

Telephone: 717-783-4866
Fax: 717-705-5540
E-mail: st-appraise@pa.gov
Website: www.dos.pa.gov/real

CONTINUING EDUCATION AND INITIAL EDUCATION PROGRAM APPROVAL APPLICATION

SUBMIT APPLICATION AT LEAST 30 DAYS PRIOR TO COURSE PRESENTATION
COURSE MAY NOT BE PRESENTED PRIOR TO RECEIPT OF BOARD APPROVAL

FEES: \$85.00 NON-REFUNDABLE APPLICATION FEE. MAKE CHECK OR MONEY ORDER PAYABLE TO THE "COMMONWEALTH OF PENNSYLVANIA." FEE IS NON-REFUNDABLE, NON-TRANSFERABLE AND SUBJECT TO CHANGE. APPLICANTS WILL BE CHARGED \$20.00 FOR ALL CHECKS RETURNED "NOT PAID" REGARDLESS OF THE REASON FOR NON-PAYMENT. IF A PENDING APPLICATION IS OLDER THAN ONE YEAR FROM THE DATE SUBMITTED AND THE APPLICANT WISHES TO CONTINUE THE APPLICATION PROCESS, THE BOARD SHALL REQUIRE THE APPLICANT TO SUBMIT A NEW APPLICATION INCLUDING THE REQUIRED FEE. IN ORDER TO COMPLETE THE APPLICATION PROCESS, MANY OF THE SUPPORTING DOCUMENTS ASSOCIATED WITH THE APPLICATION CANNOT BE MORE THAN SIX MONTHS FROM THE DATE OF ISSUANCE.

PLEASE NOTE: BOARD APPROVED COURSES EXPIRE THREE (3) YEARS FROM DATE OF APPROVAL. AQB OR IDECC APPROVED COURSES HAVE A SET EXPIRATION DATE. YOUR BOARD APPROVAL LETTER WILL STATE THE EXPIRATION DATE OF THIS COURSE. IN ORDER TO CONTINUE OFFERING THE COURSE AFTER THE EXPIRATION DATE, YOU MUST SUBMIT A NEW APPLICATION AND FEE.

INDICATE WHICH TYPE OF APPROVAL YOU ARE REQUESTING:

Existing Provider Number: _____	<input type="checkbox"/> New Course
<input type="checkbox"/> New Education Provider	<input type="checkbox"/> Resubmission of course previously approved; Expiration date _____
<input type="checkbox"/> Secondary Provider (must attach letter from original provider granting permission to offer their course.	
<input type="checkbox"/> Changes to Existing Course (Highlight Changes)	

SECTION 1 – Provider Information

	PRINT OR TYPE	
PROVIDER NAME:		
PROVIDER PA LICENSE NUMBER, IF APPLICABLE:		
MAILING ADDRESS:		
TELEPHONE:	Office:	Fax:
WEBSITE ADDRESS:		
CONTACT PERSON:		
ADDRESS:		
TELEPHONE:	Office:	Fax:
E-MAIL ADDRESS:		
TYPE OF PROVIDER:	<input type="checkbox"/> GOVERNMENT AGENCY (STATE, LOCAL, OR FEDERAL) <input type="checkbox"/> APPRAISAL ORGANIZATION <input type="checkbox"/> REAL ESTATE ORGANIZATION <input type="checkbox"/> OTHER: _____	

TYPE OF COURSE AND DELIVERY METHOD:

Distance education courses may be provided in the form of synchronous, asynchronous, or hybrid educational course offerings as defined below:

- **Synchronous-** A distance education offering where the instructor and learners are in separate locations but have live, simultaneous interaction using an online platform.

- **Asynchronous-** A distance education offering where the learner and instructor are in separate locations and their interaction is not simultaneous. Using computer-based learning, learners progress at their own pace and follow a structured course content and quiz or exam schedule.

- **Hybrid-** An educational offering that uses both in-person and online synchronous or asynchronous interaction.

Type of Course and Delivery Method:

Initial/Qualifying Education

MUST be at least 15 hours in length.

Check all that apply:

- In-Person**
MUST be at least 15 hours in length.
Examination **REQUIRED**

- Synchronous Distance Education**
MUST be at least 15 hours in length.
Examination **REQUIRED**

- Asynchronous Distance Education**
MUST be at least 15 hours in length.
Examination **REQUIRED**

- Hybrid Distance Education**
MUST be at least 15 hours in length.
Examination **REQUIRED**

Continuing Education

MUST be at least 2 hours in length.

Check all that apply:

- In-Person**
MUST be at least 2 hours in length.
No Examination required

- Synchronous Distance Education**
MUST be at least 2 hours in length.
No Examination required

- Asynchronous Distance Education**
MUST be at least 2 hours in length.
Examination **REQUIRED**

- Hybrid Distance Education**
MUST be at least 2 hours in length.
Examination **REQUIRED only if providing asynchronous distance education**

SECTION 2

CERTIFIED RESIDENTIAL AND GENERAL APPRAISERS AND LICENSED APPRAISER TRAINEES:

Submit the following information:

INITIAL EDUCATION:

1. **ATTACH A SAMPLE EXAMINATION** that will be used to evaluate attendee performance.

INITIAL EDUCATION AND CONTINUING EDUCATION:

1. **Course description, objectives, and course content outline**
2. **Detailed time schedule, hour by hour, of subject matter. Classroom hour is defined as 50 minutes for each 60-minute segment.**
3. **Attach a description of the method to be used to verify attendance and satisfactory completion of the course/seminar.**
4. **Instructor AQB certification or recertification course.**
5. **Faculty (Instructor) qualifications for each course proposed to be offered.**
6. **If you are applying to provide asynchronous distance education, also submit the following (See 49 Pa. Code § 36.45):**
 - a. **A description of how the instructor and learner will interact. (e.g., phone, email, etc.)**
 - b. **Documentation of course content approval from the AQB; the Board or another state regulatory agency; or an accredited college, university or community college that offers distance education programs.**
 - c. **Documentation of course delivery mechanism approval from the AQB; AQB-approved organizations; a college or university that qualifies for content approval and awards academic credit for the distance education course; a college or university that qualifies for content approval with a distance education program that approves the course design and delivery that incorporate interactivity; or IDECC.**
7. **For USPAP Courses: Provide the AQB letter granting permission to use their course (or AQB approval, if equivalent course)**
8. **If the course is approved by AQB, the expiration date of the AQB approval will be reflected on the Board's records. To continue offering the course after the expiration date, the provider must submit an approval letter from AQB indicating a current expiration date.**

Courses offered to CERTIFIED RESIDENTIAL, GENERAL APPRAISERS AND LICENSED APPRAISER TRAINEES:

TITLE OF COURSE/SEMINAR: _____

TOTAL NUMBER OF HOURS: _____ **NUMBER OF EXAM HOURS (if applicable)** _____

INSERT NUMBER OF HOURS COVERED IN EACH OF THE FOLLOWING SUBJECTS

INITIAL EDUCATION		CONTINUING EDUCATION	
	BASIC APPRAISAL PRINCIPLES		AD VALOREM TAXATION
	BASIC APPRAISAL PROCEDURES		ARBITRATION, DISPUTE RESOLUTION
	NATIONAL 15 HOUR USPAP OR EQUIVALENT		COURSES RELATED TO THE PRACTICE OF REAL ESTATE APPRAISAL OR CONSULTING
	RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE		DEVELOPMENT COST-ESTIMATING
	RESIDENTIAL APPRAISAL SITE VALUATION AND COST APPROACH		ETHICS & STANDARDS OF PROFESSIONAL PRACTICE, USPAP
	VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS		VALUATION BIAS AND FAIR HOUSING LAWS AND REGULATIONS
	RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES		LAND USE PLANNING, ZONING
	RESIDENTIAL REPORT WRITING AND CASE STUDIES		MANAGEMENT, LEASING, TIMESHARING
	STATISTICS, MODELING, AND FINANCE		PROPERTY DEVELOPMENT, PARTIAL INTERESTS
	ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES		REAL ESTATE LAW, EASEMENTS AND LEGAL INTERESTS
	GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE		REAL ESTATE LITIGATION, DAMAGES, CONDEMNATION
	GENERAL APPRAISER SALES COMPARISON APPROACH		REAL ESTATE FINANCING AND INVESTMENT
	GENERAL APPRAISER SITE VALUATION AND COST APPROACH		REAL ESTATE APPRAISAL RELATED COMPUTER APPLICATIONS
	GENERAL APPRAISER INCOME APPROACH		REAL ESTATE SECURITIES AND SYNDICATION
	GENERAL APPRAISER REPORT WRITING AND CASE STUDIES		DEVELOPING OPINIONS OF REAL PROPERTY VALUE IN APPRAISALS THAT ALSO INCLUDE PERSONAL PROPERTY AND/OR BUSINESS VALUE
	APPRAISAL SUBJECT MATTER ELECTIVES		SELLER CONCESSIONS AND IMPACT ON VALUE
			ENERGY EFFICIENT ITEMS AND "GREEN BUILDING" APPRAISALS

SECTION 2

CERTIFIED PENNSYLVANIA EVALUATORS

INITIAL EDUCATION:

1. Attach a sample examination that will be used to evaluate attendee performance.

INITIAL EDUCATION AND CONTINUING EDUCATION:

1. Course description, objectives, and course content outline
2. Faculty (Instructor) qualifications for each course proposed to be offered.
3. Detailed time schedule, hour by hour, of subject matter. Classroom hour is defined as 50 minutes for each 60-minute segment.
4. Attach a description of the method to be used to verify attendance and satisfactory completion of the course/seminar.
5. If you are applying to provide asynchronous distance education, also submit the following:
 - a. A description of how the instructor and learner will interact. (e.g., phone, email, etc.)
 - b. Documentation of course content approval from the AQB; the Board or another state regulatory agency; or an accredited college, university or community college that offers distance education programs.
 - c. Documentation of course delivery mechanism approval from the AQB; AQB-approved organizations; a college or university that qualifies for content approval and awards academic credit for the distance education course; a college or university that qualifies for content approval with a distance education program that approves the course design and delivery that incorporate interactivity; or IDECC.

Courses offered to CERTIFIED PENNSYLVANIA EVALUATORS:

TITLE OF COURSE/SEMINAR: _____

TOTAL NUMBER OF HOURS: _____ **NUMBER OF EXAM HOURS (if applicable)** _____

INSERT THE NUMBER OF HOURS COVERED IN EACH OF THE FOLLOWING CORE SUBJECTS:

INITIAL EDUCATION		CONTINUING EDUCATION	
	INFLUENCES IN REAL ESTATE VALUE		AD VALOREM TAXATION
	LEGAL CONSIDERATION IN APPRAISAL		ARBITRATION
	TYPES OF VALUE		BUSINESS COURSES RELATED TO THE PRACTICE OF REAL ESTATE APPRAISAL
	ECONOMIC PRINCIPLES		DEVELOPMENT COST-ESTIMATING
	REAL ESTATE MARKET AND ANALYSIS		NATIONAL 7 HOUR USPAP OR EQUIVALENT
	VALUATION PROCESS		ETHICS AND STANDARDS OF PROFESSIONAL PRACTICE
	PROPERTY DESCRIPTION		LAND USE PLANNING, ZONING AND TAXATION
	HIGHEST AND BEST USE ANALYSIS		MANAGEMENT, LEASING, BROKERAGE TIMESHARING
	APPRAISAL STATISTICAL CONCEPTS		PROPERTY DEVELOPMENT
	SALES COMPARISON APPROACH		REAL ESTATE APPRAISAL
	SITE VALUE		REAL ESTATE FINANCE AND INVESTMENT
	COST APPROACH		REAL ESTATE LAW
	INCOME APPROACH, INCLUDING DIRECT & YIELD CAPITALIZATION TECHNIQUES		REAL ESTATE LITIGATION
	VALUATION OF PARTIAL INTERESTS		REAL ESTATE APPRAISAL RELATED COMPUTER APPLICATIONS
	USPAP		REAL ESTATE SECURITIES AND SYNDICATION
	NARRATIVE REPORT WRITING		REAL PROPERTY EXCHANGE
	ASSESSMENT LAW AND PRACTICE		MASS APPRAISAL MODEL BUILDING
	MASS APPRAISAL SYSTEMS		MASS APPRAISAL MODEL CALIBRATION
	MAPPING		ASSESSMENT ADMINISTRATION
			MAPPING
			PENNSYLVANIA ASSESSORS' CERTIFICATION LAW AND RULES AND REGULATIONS

SECTION 3 – Standards for Providers

By signing this application, I certify that:

1. The provider has established a mechanism for measuring the quality of the course/continuing education program being offered.
2. The provider has established criteria for selecting and evaluating faculty.
3. The provider has established criteria for the evaluation of each course/continuing education program upon completion.
4. The provider shall provide adequate facilities and appropriate instructional materials to carry out the courses/continuing education programs.
5. The provider shall ensure that the instructors have suitable qualifications and are of good reputation and character.
6. The provider will not present the course until official approval has been received from the Board office.
7. Any transcripts/completion certificates provided to students will reflect the correct course title and provider as listed on this application.

SECTION 4 – Certification Statement

BY SIGNING BELOW, I VERIFY THAT THIS FORM IS IN THE ORIGINAL FORMAT AS SUPPLIED BY THE DEPARTMENT OF STATE AND HAS NOT BEEN ALTERED OR OTHERWISE MODIFIED IN ANY WAY. I AM AWARE OF THE CRIMINAL PENALTIES FOR TAMPERING WITH PUBLIC RECORDS OR INFORMATION PURSUANT TO 18 Pa. C.S. § 49.11.

ADDITIONALLY, I CERTIFY THAT THE STATEMENTS IN THIS APPLICATION ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF. I UNDERSTAND THAT ANY FALSE STATEMENT MADE IS SUBJECT TO THE PENALTIES OF 18 Pa. C.S. § 4904 RELATING TO UNSWORN FALSIFICATION TO AUTHORITIES AND MAY RESULT IN THE SUSPENSION OR REVOCATION OF MY LICENSE OR CERTIFICATE.

PROVIDER REPRESENTATIVE SIGNATURE _____ DATE _____



Commonwealth of Pennsylvania

DEPARTMENT OF STATE
 BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
 PO Box 2649
 HARRISBURG, PA 17105-2649

**STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS
 CERTIFICATE OF COMPLETION**

THIS FORM IS FOR USE IN REPORTING CONTINUING EDUCATION CREDITS.

CERTIFICATE HOLDER: This form must be completed properly. **YOU MUST RETAIN A COPY OF THIS FORM FOR SUBMISSION TO THE BOARD.** You must submit a separate form for each program attended. Continuing education hours shall be applied to ONLY one renewal period. The same continuing education hours cannot be applied to a subsequent renewal.

SECTION A – To be completed by Program Provider

Name of Participant & Certificate # →	
Number of Program Hours →	
Provider →	
Provider # →	
Title of Program →	
Date(s) of Program →	
Instructor(s) /Presenter(s) →	

SIGNATURE OF INSTRUCTOR/PRESENTER: _____ **DATE:** _____

SECTION B – TO BE COMPLETED BY CERTIFICATE HOLDER

I certify that I have read and understand the information contained in the instructions and completed the program described in Section A. I am aware that any misrepresentations by me may be subject to appropriate disciplinary action. I further understand that any false statement made is subject to the penalties of 18 PA C.S. Section 4904 relating to unsworn falsification to authorities and may result to the suspension or revocation of my license or certificate.

Signature: _____ **Date:** _____
Printed Name: _____ **PA Certificate #** _____

ATTACHMENT “B”

Certified Residential Appraiser Application Checklist

Certified Residential Appraiser Application Evaluation Checklist v.3/2023

Applicant's Name: _____

CHRC (List State(s)): _____

Yes response to Legal/Rap Sheet action required? No Yes (Give to Board Admin)

Signed Statement Charging Docs Sentencing Docs Proof of Completion of Sentencing Req.

DEGREE REQUIREMENT:

Transcript is issued under a prior name? Yes No (If Yes, list type of name change doc): _____

Which Option for Education:

Option 1 – Bachelor's degree in any subject

Option 2 – Associate's degree in business administration, accounting, finance, economics, or real estate

Option 3 – Completion of 30 semester hours of college courses that cover each of the following:

English Composition (3 semester hours)

Microeconomics (3 semester hours)

Macroeconomics (3 semester hours)

Finance (3 semester hours)

Algebra, Geometry, or high mathematics (3 semester hours)

Statistics (3 semester hours)

Computer Science (3 semester hours)

Business or Real Estate Law (3 semester hours)

Two Elective Course, in any topic listed above, or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each)

Option 4 – Completion of 30 semester hours of college level examination program (CLEP) exams in each of the following:

College Algebra (3 semester hours)

College Composition (6 semester hours)

College Composition Modular (3 semester hours)

College Mathematics (3 semester hours)

Principles of Macroeconomics (3 semester hours)

Principles of Macroeconomics (3 semester hours)

Computer Science (3 semester hours)

Introductory Business Law (3 semester hours)

Information Systems (3 semester hours)

Option 5 – A combination of Options 3 and 4 that ensures coverage of all topics and hours identified in Option 3. (Mark each one that applies to Option 3 and Option 4 above)

Option 6 – A 'LICENSED' Real Estate Appraiser for at least five (5) years in another state. Any disciplinary action affecting the licensed appraiser's ability to engage in appraisal practice within the past 5 years? Yes* No

*Yes – to Board Admin/Legal Counsel

QUALIFYING EDUCATION (200 Hours):

*May substitute General Appraiser Courses

<input type="checkbox"/> Basic Appraisal Procedures (30 Hours)	<input type="checkbox"/> 15-Hour National USPAP Course or Equivalent (15 Hours)	<input type="checkbox"/> Residential Appraiser Site Valuation & Cost Approach (15 Hours)	<input type="checkbox"/> Residential Report Writing and Case Studies (15 Hours)	<input type="checkbox"/> Advanced Residential Applications & Case Studies (15 Hours)
<input type="checkbox"/> Basic Appraisal Principles (30 Hours)	<input type="checkbox"/> Residential Market Analysis and Highest and Best Use (15 Hours)	<input type="checkbox"/> Residential Sales Comparison and Income Approach (30 Hours)	<input type="checkbox"/> Statistics, Modeling, and Finance (15 Hours)	<input type="checkbox"/> Appraisal Subject Matter Electives (20 Hours)

EXPERIENCE OPTION #1- TRAINING THROUGH PAREA
(100% of the experience requirement):

Certificate of Completion from AQB-approved Certified Residential PAREA program ___ Yes ___ No (If no, go to Option 2)

EXPERIENCE OPTION # 2- LICENSED
APPRAISER TRAINEE TRAINED BY A
SUPERVIORY APPRAISER (1500 Hours):

Experience Logs Signed and Dated by Applicant and Supervisor? ___ Yes ___ No (send discrepancy)

Date applicant's work experience began? _____ Issue date of applicant's LAT? _____

Total amount of work experience documented after the LAT issue date? ___ Months *(must be at least 12 months)*

Did the applicant document at least 12 months of supervised work experience after the LAT issue date under a Certified Appraiser? ___ Yes ___ No (send discrepancy)

Did the applicant complete all sections of the experience logs?

Date of Appraisal	Assignment Address	Property Type (Res or Comm)	Client (Yes or No)	Description #1	Description #10 and #11	Subtotal of Each Page	Combined Totals Listed

Total number of Experience Hours _____ *(Combined total of Exterior Only, Interior/Exterior, Review Appraisal, and Other)*

Were there at least 1125 Experience Hours in Interior and Exterior Appraisals? ___ Yes ___ No (send discrepancy)

*Hours must be in whole numbers. Drive time should not be calculated in hours. Experience should start high, then gradually decrease over time.

SUPERVISOR'S AFFIDAVIT:

Supervisor's Name: _____

Supervisor's Certification #: _____ Supervisor's Certification Issue Date: _____

(If Multiple Supervisor's):

Supervisor's Name: _____

Supervisor's Certification #: _____ Supervisor's Certification Issue Date: _____

Supervisor's Name: _____

Supervisor's Certification #: _____ Supervisor's Certification Issue Date: _____

Supervisor's Name: _____

Supervisor's Certification #: _____ Supervisor's Certification Issue Date: _____

Reviewing Officer: _____ **Date:** _____

Certified Residential Appraiser Application Evaluation Checklist v.3/2023

Received Signed and Dated Supervisor's Affidavit for all Supervisors? Yes No (send discrepancy)

Verified Supervisors are listed within the applicant's Relationship/Association Section in PALS? Yes No

(All Supervisors must submit a Registry for Supervisor of LAT application. If not listed in applicant's file, send discrepancy)

Reviewing Officer: _____ Date: _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #1: _____

Lender/Client's Name is Stated and any Intended Users (Page 1): Yes No*

If 'Legal Description' is completed as 'document attached' (Page 1). Was document attached to report? Yes No*

Summarized Information Sufficient to Identify the Real Estate (Page 1): Yes No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement (Page 1): Yes No*

Stated the Real Property Interest Being Appraised (Pages 1 / 2): Yes No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions (Page 2): Yes No* N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches (Pages 2 / 3 or addendum): Yes No*

Clearly stated the Intended Use and Intended Users (Preprinted Page 4): Yes No*

Stated the Type and Definition of Value, and Cite Source of Definition (Preprinted Page 4): Yes No*

Summarized the Scope of Work used to develop the appraisal (Preprinted Page 4): Yes No*

Included a Signed Certification in Accordance with Standards Rule 2-3 (Preprinted Pages 5 / 6): Yes No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.' (Page 6 – but may be on an addendum): Yes No*

Stated the Effective Date of the Appraisal, and the Date of Report (Page 6): Yes No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE" (Page 6): Yes No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser' on Page 6:

Yes No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? Yes No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? Yes No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? Yes No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ Date: _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #2: _____

Lender/Client's Name is Stated and any Intended Users (Page 1): ____ Yes ____ No*

If 'Legal Description' is completed as 'document attached' (Page 1). Was document attached to report? ____ Yes ____ No*

Summarized Information Sufficient to Identify the Real Estate (Page 1): ____ Yes ____ No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement (Page 1): ____ Yes ____ No*

Stated the Real Property Interest Being Appraised (Pages 1 / 2): ____ Yes ____ No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions (Page 2): ____ Yes ____ No* ____ N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches (Pages 2 / 3 or addendum): ____ Yes ____ No*

Clearly stated the Intended Use and Intended Users (Preprinted Page 4): ____ Yes ____ No*

Stated the Type and Definition of Value, and Cite Source of Definition (Preprinted Page 4): ____ Yes ____ No*

Summarized the Scope of Work used to develop the appraisal (Preprinted Page 4): ____ Yes ____ No*

Included a Signed Certification in Accordance with Standards Rule 2-3 (Preprinted Pages 5 / 6): ____ Yes ____ No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.' (Page 6 – but may be on an addendum): ____ Yes ____ No*

Stated the Effective Date of the Appraisal, and the Date of Report (Page 6): ____ Yes ____ No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE" (Page 6): ____ Yes ____ No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser' on Page 6:

____ Yes ____ No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? ____ Yes ____ No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? ____ Yes ____ No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? ____ Yes ____ No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ Date: _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #3: _____

Lender/Client's Name is Stated and any Intended Users (Page 1): Yes No*

If 'Legal Description' is completed as 'document attached' (Page 1). Was document attached to report? Yes No*

Summarized Information Sufficient to Identify the Real Estate (Page 1): Yes No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement (Page 1): Yes No*

Stated the Real Property Interest Being Appraised (Pages 1 / 2): Yes No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions (Page 2): Yes No* N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches (Pages 2 / 3 or addendum): Yes No*

Clearly stated the Intended Use and Intended Users (Preprinted Page 4): Yes No*

Stated the Type and Definition of Value, and Cite Source of Definition (Preprinted Page 4): Yes No*

Summarized the Scope of Work used to develop the appraisal (Preprinted Page 4): Yes No*

Included a Signed Certification in Accordance with Standards Rule 2-3 (Preprinted Pages 5 / 6): Yes No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.' (Page 6 – but may be on an addendum): Yes No*

Stated the Effective Date of the Appraisal, and the Date of Report (Page 6): Yes No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE" (Page 6): Yes No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser' on Page 6:

Yes No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? Yes No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? Yes No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? Yes No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ Date: _____

Certified General Appraiser Application Checklist

Certified General Appraiser Application Evaluation Checklist v.4/2023

Applicant's Name: _____

CHRC (List State(s)): _____

Yes response to Legal/Rap Sheet action required? No Yes (Give to Board Admin)

Signed Statement Charging Docs Sentencing Docs Proof of Completion of Sentencing Req.

DEGREE REQUIREMENT:

Transcript is issued under a prior name? Yes No (If Yes, list type of name change doc): _____

Which Option for Education:

Option 1 – Bachelor's degree in any subject

Option 2 – Associate's degree in business administration, accounting, finance, economics, or real estate

Option 3 – Completion of 30 semester hours of college courses that cover each of the following:

English Composition (3 semester hours)

Microeconomics (3 semester hours)

Macroeconomics (3 semester hours)

Finance (3 semester hours)

Algebra, Geometry, or high mathematics (3 semester hours)

Statistics (3 semester hours)

Computer Science (3 semester hours)

Business or Real Estate Law (3 semester hours)

Two Elective Course, in any topic listed above, or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each)

Option 4 – Completion of 30 semester hours of college level examination program (CLEP) exams in each of the following:

College Algebra (3 semester hours)

College Composition (6 semester hours)

College Composition Modular (3 semester hours)

College Mathematics (3 semester hours)

Principles of Macroeconomics (3 semester hours)

Principles of Macroeconomics (3 semester hours)

Computer Science (3 semester hours)

Introductory Business Law (3 semester hours)

Information Systems (3 semester hours)

Option 5 – A combination of Options 3 and 4 that ensures coverage of all topics and hours identified in Option 3.
(Mark each one that applies to Option 3 and Option 4 above)

Option 6 – A 'LICENSED' Real Estate Appraiser for at least five (5) years in another state. Any disciplinary action affecting the licensed appraiser's ability to engage in appraisal practice within the past 5 years? Yes* No

*Yes – to Board Admin/Legal Counsel

QUALIFYING EDUCATION (300 Hours):

<input type="checkbox"/> Basic Appraisal Procedures (30 Hours)	<input type="checkbox"/> 15-Hour National USPAP Course or Equivalent (15 Hours)	<input type="checkbox"/> General Appraiser Site Valuation & Cost Approach (30 Hours)	<input type="checkbox"/> General Report Writing and Case Studies (30 Hours)	<input type="checkbox"/> General Appraiser Income Approach Part 1 & 2 (60 Hours)
<input type="checkbox"/> Basic Appraisal Principles (30 Hours)	<input type="checkbox"/> General Market Analysis and Highest and Best Use (30 Hours)	<input type="checkbox"/> General Sales Comparison Approach (30 Hours)	<input type="checkbox"/> Statistics, Modeling, and Finance (15 Hours)	<input type="checkbox"/> Appraisal Subject Matter Electives (30 Hours)

EXPERIENCE INFORMATION (3000 Hours):

Certificate of Completion from AQB-approved Certified Residential PAREA program ___ Yes ___ No
(If yes, only 1500 hours are needed in the appraisal of non-residential, commercial property as a licensed appraiser trainee (LAT) under the direct supervision of a supervisory appraiser)

Experience Logs Signed and Dated by Applicant and Supervisor? ___ Yes ___ No (send discrepancy)

Date applicant's work experience began? _____ Issue date of applicant's LAT? _____

Total amount of work experience documented after the LAT issue date? ___ Months *(must be at least 18 months)*

Did the applicant document at least 18 months of supervised work experience after the LAT issue date under a Certified Appraiser? ___ Yes ___ No (send discrepancy)

Did the applicant complete all sections of the experience logs?

___ Date of Appraisal	___ Assignment Address	___ Property Type (Res or Comm)	___ Client (Yes or No)	___ Description #1	___ Description #10 and #11	___ Subtotal of Each Page	___ Combined Totals Listed

Total number of Experience Hours _____ *(Combined total of Exterior Only, Interior/Exterior, Review Appraisal, and Other)*

Were there at least 1500 Experience Hours in Interior and Exterior Appraisals? ___ Yes ___ No (send discrepancy)

*Hours must be in whole numbers. Drive time should not be calculated in hours. Experience should start high, then gradually decrease over time.

Were there at least 1500 Experience Hours in Commercial Appraisals? ___ Yes ___ No (send discrepancy)

SUPERVISOR'S AFFIDAVIT:

Supervisor's Name: _____

Supervisor's Certification #: _____

Supervisor's Certification Issue Date: _____

(If Multiple Supervisor's):

Supervisor's Name: _____

Supervisor's Certification #: _____

Supervisor's Certification Issue Date: _____

Supervisor's Name: _____

Supervisor's Certification #: _____

Supervisor's Certification Issue Date: _____

Received Signed and Dated Supervisor's Affidavit for all Supervisors? ___ Yes ___ No (send discrepancy)

Do Experience Hours listed on Logs Match with Affidavit? ___ Yes ___ No (send discrepancy)

Reviewing Officer: _____ **Date:** _____

Certified **General** Appraiser Application Evaluation Checklist v.4/2023

Verified Supervisors are listed within the applicant's Relationship/Association Section in PALS? Yes No

(All Supervisors must submit a Registry for Supervisor of LAT application. If not listed in applicant's file, send discrepancy)

Reviewing Officer: _____ Date: _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #1: _____

Lender/Client's Name is Stated and any Intended Users: Yes No*

If 'Legal Description' is completed as 'document attached'. Was document attached to report? Yes No*

Summarized Information Sufficient to Identify the Real Estate: Yes No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement: Yes No*

Stated the Real Property Interest Being Appraised: Yes No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions: Yes No* N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches: Yes No*

Clearly stated the Intended Use and Intended Users: Yes No*

Stated the Type and Definition of Value, and Cite Source of Definition: Yes No*

Summarized the Scope of Work used to develop the appraisal: Yes No*

Included a Signed Certification in Accordance with Standards Rule 2-3: Yes No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.': Yes No*

Stated the Effective Date of the Appraisal, and the Date of Report: Yes No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE": Yes No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser':
 Yes No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? Yes No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? Yes No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? Yes No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ **Date:** _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #1: _____

Lender/Client's Name is Stated and any Intended Users: Yes No*

If 'Legal Description' is completed as 'document attached'. Was document attached to report? Yes No*

Summarized Information Sufficient to Identify the Real Estate: Yes No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement: Yes No*

Stated the Real Property Interest Being Appraised: Yes No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions: Yes No* N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches: Yes No*

Clearly stated the Intended Use and Intended Users: Yes No*

Stated the Type and Definition of Value, and Cite Source of Definition: Yes No*

Summarized the Scope of Work used to develop the appraisal: Yes No*

Included a Signed Certification in Accordance with Standards Rule 2-3: Yes No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.': Yes No*

Stated the Effective Date of the Appraisal, and the Date of Report: Yes No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE": Yes No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser':

Yes No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? Yes No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? Yes No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? Yes No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ **Date:** _____

UNIFORM RESIDENTIAL APPRAISAL REPORT:

Property Address #1: _____

Lender/Client's Name is Stated and any Intended Users: ____ Yes ____ No*

If 'Legal Description' is completed as 'document attached'. Was document attached to report? ____ Yes ____ No*

Summarized Information Sufficient to Identify the Real Estate: ____ Yes ____ No*

Stated the Use of the Real Estate as of Date of Value, and Summarized Support and Rationale for the Appraiser's Opinion of Highest and Best Use – must have comment/statement: ____ Yes ____ No*

Stated the Real Property Interest Being Appraised: ____ Yes ____ No*

Clearly Stated all Extraordinary Assumptions and Hypothetical Conditions, and Stated that their use may have affected the assignment results – must attach reporting identifying assumptions and conditions: ____ Yes ____ No* ____ N/A

Summarized the Information Analyzed, the Methods and Techniques Employed, the Reasoning that supports the Conclusions, and Explain the Exclusion of the Sales Comparison, Cost, or Income Approaches: ____ Yes ____ No*

Clearly stated the Intended Use and Intended Users: ____ Yes ____ No*

Stated the Type and Definition of Value, and Cite Source of Definition: ____ Yes ____ No*

Summarized the Scope of Work used to develop the appraisal: ____ Yes ____ No*

Included a Signed Certification in Accordance with Standards Rule 2-3: ____ Yes ____ No*

Included a Certification Statement which states, 'I Have Performed No (or the specified) services, as an Appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.': ____ Yes ____ No*

Stated the Effective Date of the Appraisal, and the Date of Report: ____ Yes ____ No*

Signature of Appraiser (Person Who Conducted the Appraisal), along with License/Certification Number, and title "PA STATE CERTIFIED RESIDENTIAL or GENERAL APPRAISER" or "LICENSED APPRAISER TRAINEE": ____ Yes ____ No*

After cross referencing the experience logs and LAT Checklist for this property, was the Supervisor the Primary Appraiser, Co-Appraiser, or Reviewer? _____

If Supervisor was listed as a 'Reviewer' on the Experience Logs for this property, is the LAT listed as 'Appraiser':

____ Yes ____ No*

(If LAT signs as Appraiser on Page 6, did Supervisor complete right side)? ____ Yes ____ No*

LAT CHECKLIST:

Is the Licensed Appraiser Trainee Checklist attached to the report? ____ Yes ____ No*

Is the Licensed Appraiser Trainee Checklist completed, signed, and dated by LAT and Supervisor? ____ Yes ____ No*

***No to any question – Send Discrepancy**

Reviewing Officer: _____ Date: _____

FACE SHEET
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<p>Copy below is hereby approved as to form and legality. Attorney General</p> <p><small>Digitally signed by Amy M. Elliott DN: cn=Amy M. Elliott, o=Pennsylvania Office of Attorney General, ou=Chief Deputy Attorney General, email=aelliott@attorneygeneral.gov, c=US Date: 2024.05.21 08:40:56 -0400</small></p> <p>BY: <u>Amy M. Elliott</u> (DEPUTY ATTORNEY GENERAL)</p> <p><u>5/21/2024</u> DATE OF APPROVAL</p> <p><input type="checkbox"/> Check if applicable Copy not approved. Objections attached.</p>	<p>Copy below is here by certified to be a true and correct copy of a document issued, prescribed or promulgated by:</p> <p><u>State Board of Certified Real Estate Appraisers</u> (AGENCY)</p> <p>DOCUMENT/FISCAL NOTE NO. <u>16A-7029</u></p> <p>DATE OF ADOPTION: _____</p> <p>BY: <u></u> Joseph D. Pasquarella</p> <p>TITLE <u>Board Chairman</u> (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)</p>	<p>Copy below is hereby approved as to form and legality. Executive or Independent Agencies.</p> <p><u>adabelson</u> 2024.04.29 14:52:13 -04'00'</p> <p>BY: <u></u> (DEPUTY GENERAL COUNSEL)</p> <p><u>4/29/2024</u> DATE OF APPROVAL</p> <p>(Chief Counsel, Independent Agency) (Strike inapplicable title)</p> <p><input type="checkbox"/> Check if applicable. No Attorney General approval or objection within 30 days after submission.</p>
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PROPOSED RULEMAKING

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

TITLE 49 PA CODE CHAPTER 36

§§ 36.1, 36.11, 36.12, 36.12a, 36.13, 36.31, 36.43, 36.224, 36.262, and 36.263

DISTANCE EDUCATION AND PAREA

The State Board of Certified Real Estate Appraisers (Board) proposes to amend Chapter 36, Subchapter A by amending § 36.1 (relating to definitions), § 36.11 (relating to qualifications for certification as residential real estate appraiser), § 36.12 (relating to qualifications for certification as general real estate appraiser), § 36.12a (relating to qualifications for licensure as appraiser trainee), § 36.13 (relating to experience options for preparation of appraisal reports; experience logs), § 36.31 (relating to provider registration/appraisal courses), § 36.42 (relating to subject matter and sources of continuing education), § 36.43 (relating to distance education), and adding § 36.45 (relating to asynchronous distance education), and to amend Chapter 36, Subchapter C by amending § 36.224 (relating to distance education courses), § 36.262 (relating to continuing education subject matter) and § 36.263 (relating to distance education), to read as set forth in Annex A.

Effective date

The amendments will be effective upon publication of the final-form rulemaking in the *Pennsylvania Bulletin*.

Statutory Authority

Pursuant to section 3 of the Assessors Certification Act (ACA), 63 P.S. § 458.3, “[t]he board may promulgate rules and regulations consistent with the statutes of this Commonwealth to administer and enforce the provisions of this act.” Section 4(d) of ACA, 63 P.S. § 458.4(d), provides that continuing education is a condition of biennial renewal for Certified Pennsylvania Evaluators.

Section 5(1) of the Real Estate Appraisers Certification Act (act) (63 P.S. § 457.5(1)) authorizes the Board to pass upon the qualifications and fitness of applicants for certification or licensure and to adopt and revise rules and regulations requiring applicants for certification to pass examinations relating to qualifications for certification. Section 5(2) of the act, 63 P.S. § 457.5(2), states that the board is empowered “[t]o adopt and, from time to time, revise such rules and regulations as may be necessary to carry out the provisions of this act.” Under section 6(c)(4) of the act, all applicants for licensure as an appraiser trainee or certification as a residential or general real estate appraiser must satisfy the requirements of the act, the Board’s regulations, and the Appraiser Qualification Criteria of the AQB of the Appraisal Foundation. *See* 63 P.S. § 457.6(c)(4)(i)-(iii). Under Section 10(b), (b.1), and (b.2) of the act (63 P.S. § 457.10(b), (b.1), (b.2)), continuing education is a condition of biennial renewal for certified residential and general appraisers, certified broker/appraisers, and licensed appraiser trainees if, and only to the minimum extent, required pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) (Pub. L. No. 101-73, 103 Stat. 183) (relating to Real Estate Reform Amendments), as amended, 12 U.S.C. §§ 3331-3356.

The Appraisal Subcommittee (ASC) was created as a result of Title XI of FIRREA. *See* 12 U.S.C. § 3310. Under 12 U.S.C. § 3346, the ASC provides Federal oversight for all appraiser programs of every state appraiser regulatory agency in the United States. *See* 12 U.S.C. §§ 3332, 3346 and 3347. As required by 12 U.S.C. § 3332(b), the ASC monitors and reviews the practices, procedures, activities, and organizational structure of the Appraisal Foundation. [*The Appraisal*](#)

Foundation is an organization authorized by Congress to set standards and qualifications for real estate appraisers and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. The Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB) are independent boards that are under the umbrella of the Appraisal Foundation. Through the Appraisal Foundation, all state appraiser programs must meet the minimum Federal standards that are established by the AQB for appraiser education, experience, and examination, as well as Federal standards established by the ASB, for uniform standards of professional appraisal practice. See 12 U.S.C. §§ 3345 and 3339. Under 12 U.S.C. § 3338(b)(4), the ASC is authorized to use appropriated or collected funds to make grants to the Appraisal Foundation to defray costs related to AQB and ASB activities.

This proposed rulemaking is needed to comply with the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa.C.S. § 3107.1. Under 63 Pa.C.S. § 3107.1(c), “Each licensing board... shall establish rules and regulations for continuing education that provides for distance education if continuing education is required for a license, certificate, registration or permit in a practice act.” In addition, 63 Pa.C.S. § 3107.1(d) requires each licensing board that has supervision requirements for licensure to “establish rules and regulations providing for virtual supervision in a manner that meets the requirements for licensure, certification, registration or permit and is acceptable to the licensing board...”

Background and Purpose

The AQB establishes the Federal minimum education, experience, examination, and continuing education requirements for real property appraisers; the minimum standards are published in *The Real Property Appraiser Qualification Criteria* (AQB Qualification Criteria), which is available on the Appraisal Foundation website at www.appraisalfoundation.org. In the AQB Qualification Criteria, effective January 1, 2022, the AQB established the new minimum requirements for distance education while also adding standards for virtual training and mentoring through Practical Applications of Real Estate Appraisal (PAREA). See AQB Qualification Criteria, pages 13, 14, 30 – 36.

The Board reviewed its existing regulations regarding distance education. Currently, a distance education course provider must receive approval for course design and delivery mechanism from the International Distance Education Certification Center (IDECC). In addition, a written examination must be proctored by an official approved by a college, university or other course provider. There is no provision for remote proctoring.

During the COVID-19 pandemic, the use of online platforms for qualifying and continuing education courses increased significantly. As a result of lessons learned during the pandemic, the AQB refined the Federal distance education standards in a number of ways. First, distance education is now divided into three distinct categories: synchronous, asynchronous, and hybrid. Synchronous is a distance education offering where the instructor and the learner are in separate locations but have live, simultaneous interaction on an online platform. Asynchronous is a distance education offering where the instructor and learner do not have simultaneous interaction; computer-based learning is used. Hybrid is an educational offering that uses both in-person and

online synchronous or asynchronous interaction.

Second, the AQB considers synchronous distance education to be substantially the same as a traditional, in-person course. *See* AQB Qualification Criteria, page 9. Providers of synchronous distance education will have to meet the same classroom hour requirements as a traditional, in-person course. The classroom hour requirement mandates that a class hour is defined as 60 minutes, of which at least 50 minutes must be instruction. The prescribed number of class hours includes time for examinations. The classroom hour requirement also mandates that course credits are obtained from certain types of education providers, including, colleges or universities, real estate appraisal or real estate-related organizations, state or Federal agencies or commissions, proprietary schools, and the Appraisal Foundation or its Boards (AQB and ASB). *See* AQB Qualification Criteria, III.A. and III.B., pages 8-9. In order to meet the classroom hour requirement, synchronous distance education does not require the education provider to seek additional approval from a certifying entity for course design and course delivery mechanism. *See* AQB Qualification Criteria, page 9. The International Distance Education Certification Center (IDECC) is an example of an entity that certifies the design and delivery mechanism of distance education courses.

Third, unlike synchronous distance education, asynchronous distance education will require additional approval for course design and course delivery mechanism as part of the classroom requirement. *See* AQB Qualification Criteria, III.A., III.B., and III.D.1-3, pages 8-9. The AQB has determined, however, that entities other than IDECC can also provide approval of course design and delivery mechanism for an asynchronous distance education course. The AQB established a list of the additional approval sources. *See* AQB Qualification Criteria, page 9. The AQB did not eliminate IDECC as a valid delivery mechanism approval entity for distance education courses. *See* AQB Qualification Criteria Q&As, effective September 8, 2023, page 5.

Fourth, hybrid courses must meet the classroom hour requirements of its component parts; whether the components parts are comprised of in-person education, synchronous distance education, or asynchronous distance education. *See*, AQB Qualification Criteria, pages 8-9.

Finally, remote proctoring of an examination, including biometric proctoring, is acceptable. Biometric proctoring provides that student identity is continually verified through processes, such as facial recognition, consistency in keystroke cadence, and the observation of activity in the testing location so that aberrant behavior or activity can be readily observed. *See* AQB Qualification Criteria, footnote 1, page 10.

The distance education requirements contained in this proposed rulemaking reflect the minimum Federal standards as adopted by the AQB. *See*, AQB Qualification Criteria, pages 9-11. This proposed rulemaking provides AQB-compliant distance education standards for continuing education for certified real estate appraisers, certified broker/appraisers, and licensed appraiser trainees. It also provides AQB-compliant distance education standards for qualifying education for certified real estate appraisers, and licensed appraiser trainees. Although assessor/evaluator programs are not subject to the Federal oversight of the ASC, Certified Pennsylvania Evaluator stakeholders expressed support for complying with the same distance education standards as appraisers and the Board agreed with this approach. Currently, § 36.224 of the regulations

regarding distance education for Certified Pennsylvania Evaluators requires that a distance education course provider must receive approval for course design and delivery mechanism from the International Distance Education Certification Center (IDECC). Appraiser and assessor stakeholders have considered the IDECC approval process to be lengthy and, consequently, burdensome. The AQB's Federal distance education standards, however, would provide welcome relief to Certified Pennsylvania Evaluator course providers because synchronous distance education does not require additional approval for course design and delivery mechanism. Also, approval for course design and delivery mechanism for asynchronous distance education can be obtained from a number of different sources; not just IDECC. Therefore, in uniformity with appraiser requirements, this proposed rulemaking provides AQB-compliant distance education standards for Certified Pennsylvania Evaluator qualifying and continuing education courses.

The Board reviewed its current regulations regarding virtual supervision. Currently, the Board's regulations do not provide for virtual supervision or mentoring of appraiser candidates. Appraiser training requires that a candidate becomes licensed as an appraiser trainee under the direct supervision and control of a supervisory appraiser. The appraiser trainee must obtain appraisal experience by conducting physical inspections of the interior and exterior of properties. The appraiser trainee is permitted to assist in the performance of only those appraisals that are within the supervisory appraiser's scope of practice.

The updates to the AQB Qualification Criteria include Federal standards for PAREA as an alternative to the traditional supervisory appraiser/appraiser trainee model of experience training. Under the traditional supervisory appraiser/appraiser trainee model, the trainee conducts onsite physical inspections of the interior and exterior of subject properties to fulfill the experience requirement for certified residential or general real estate appraiser. The trainee assists in the performance of appraisals that are within their supervisory appraiser's scope of practice. Appraiser trainees often have supervisory appraisers whose scope of practice is limited to a certain geographic location where certain types of properties are more common than others. PAREA is the concept of using simulated computer-based, virtual training and mentoring to fulfill the experience requirement to become a certified real estate appraiser. The PAREA program must be approved by the AQB and follow all AQB requirements. A participant in the PAREA program meets virtually with a mentor, who is a certified real estate appraiser. The PAREA program allows a participant to learn how to conduct virtual inspections of various types of properties that may have been unavailable to an appraiser candidate under the traditional supervisory appraiser/appraiser trainee model, such as condominiums. A virtual inspection is an interior and exterior inspection that takes place remotely without the appraiser candidate being physically present at the property. The mentor provides the PAREA participant with guidance, advice, and counseling as the participant performs specific tasks and completes assigned work. *See*, Appraisal Qualifications Board (AQB) Real Property Appraiser Qualification Criteria Q & As, effective July 18, 2023, pages 67-68. PAREA provides the necessary experience for a candidate to be qualified to take the certified real estate appraiser examination.

PAREA is an important part of the national effort to promote diversity, equity and inclusion in the appraisal profession. Real estate appraising is an aging profession. In an article on fanniemae.com entitled, "Intriguing Future of Appraisal Careers," it was noted that 49% of appraisers are between the ages of 51 – 65, and 13% are 66 years old or older. *See*, Fannie Mae

Perspectives Blog, *Intriguing Future of Appraisal Careers* by Jacob Williamson, VP, Single-Family Credit Risk Collateral Management, Federal National Mortgage Association (FNMA aka Fannie Mae), June 3, 2019. The number one complaint that the AQB has received regarding entering the appraisal profession is that potential candidates cannot find a supervisory appraiser in order to complete the experience requirement for certification. Women, people of color, and people who live in rural areas have a particularly hard time finding a credentialed appraiser who will agree to supervise them. The goal is for PAREA to make the appraisal profession more accessible to diverse groups of people, which is necessary for the survival of the profession.

The proposed rulemaking adds PAREA as an alternative to the traditional supervisory appraiser/appraiser trainee model of experience training for certified real estate appraiser candidates. The Board proposes to allow 100% of the experience requirement for certified residential real estate appraiser candidates to be fulfilled through completion of an AQB-approved certified residential appraiser PAREA program. The approved PAREA programs require participants to complete educational prerequisites prior to commencement of training for the Certified Residential Module.

The proposed rulemaking also allows 50% of the experience requirement for certified general real estate appraiser candidates to be fulfilled through completion of an AQB-approved certified residential appraiser PAREA program. Since the AQB has not yet authorized the development of a certified general appraiser PAREA program that would cover commercial or non-residential experience, the non-residential portion (50%) of the experience requirement for certified general appraiser candidates would have to be completed through the traditional supervisory appraiser/appraiser trainee model.

The Board began its discussions with stakeholders using two different annexes: one addressing distance education, and the other addressing virtual supervision. The Board discussed distance education at public meetings on January 20, 2022, March 2, 2022, April 14, 2022, May 26, 2022, July 7, 2022, and August 19, 2022. The Board discussed virtual supervision (including PAREA) at public meetings on April 14, 2022, May 26, 2022, July 7, 2022, and August 19, 2022. As a result of these discussions and because the statutory requirements set forth in Act 100 of 2021 address distance education and virtual supervision together, the proposed regulatory amendments were merged into one proposed annex. The merger of the proposed regulations was discussed at the September 29, 2022 public meeting.

Prior to the merger, at the April 14, 2022 Board meeting, the Board reviewed and discussed the three written comments that had been received from stakeholders regarding the distance education annex. In attendance at the April 2022 meeting were the manager of State and Industry Affairs at the Appraisal Institute; the Public Policy Manager of the Pennsylvania Association of Realtors; and the Executive Director of the AAP. One written comment submitted on March 10, 2022 by an AQB Certified USPAP Instructor, stated, "...Upon review, I can find nothing constructive to offer that would enhance or clarify this document as written..." The Executive Director of the AAP commented that the proposed distance education regulations were great and coincided with previous Board discussions.

At the May 26, 2022 public meeting, the Board voted to amend § 36.31 (relating to provider registration/appraisal courses) of the distance education annex to address a question that frequently

presents itself, especially at the time of biennial license renewal. Licensees often ask whether the Board will accept continuing education course credits for courses that were not submitted for approval in Pennsylvania yet were approved by another state appraiser regulatory agency. Since all state appraiser regulatory agencies must comply with Federal AQB standards for qualifying and continuing education courses, the Board determined that course credit from a Pennsylvania Board-approved education provider will be accepted for an appraisal course that was approved by another state appraiser regulatory agency. The Board also discussed the virtual supervision annex and made a number of amendments to the annex based on stakeholder engagement.

At the August 19, 2022 regularly scheduled public meeting, the Appraisal Institute expressed their support for the proposed regulatory changes regarding distance education. The Appraisal Institute made one suggestion regarding the definition of “asynchronous.” Where the Annex read that asynchronous education consisted of “pre-recorded lectures, webinars or videos for instruction,” the Appraisal Institute suggested the following language:

Using computer-based learning, pre-recorded lectures, webinars or videos for instruction, students progress at their own pace and follow a structured course content and quiz/exam format.

The Appraisal Institute expressed its belief that the inclusion of “computer-based learning” would more broadly cover the types of asynchronous learning options that may be offered. The Board agreed with the Appraisal Institute’s assessment and voted to adopt this suggested amendment.

The Appraisal Institute also suggested, for the virtual supervision annex, that the phrase “an AQB-approved PAREA program” should be modified to read “an AQB-approved Certified Residential PAREA Program” in sections 36.11, 36.12, and 36.13 of the regulations. This modification clarifies that completion of the Licensed Residential PAREA Program alone will not be acceptable in Pennsylvania since the Commonwealth does not have a licensed residential real estate appraiser classification. The Board agreed with the Appraisal Institute’s recommendation and voted to adopt this suggested amendment.

As stated above, the proposed regulatory amendments were merged into one proposed annex and discussed at the September 29, 2022 public meeting. There was no opposition to the merger of the two proposed regulations.

Description of the Proposed Amendments

The Board proposes to amend Chapter 36, Subchapter A, to reflect the Federal updates to the AQB Qualification Criteria regarding distance education and PAREA.

Section 36.1 (relating to definitions) is amended by adding definitions for the terms “asynchronous,” “biometric proctoring,” “hybrid,” “mentor,” “PAREA,” and “synchronous,” and amending the definition of “distance education.” The definitions for these terms are drafted to conform with the AQB Qualification Criteria.

The Board proposes to amend § 36.11 (relating to qualifications for certification as residential real estate appraiser) at subsection (b)(3)(i) to reflect the updated AQB standards that must be met

in order for a qualifying education course to be taught through synchronous, asynchronous, and hybrid distance education. Subsection (b)(3)(ii) is amended to reflect that a final, closed book examination for a qualifying education course for certified residential appraiser candidates may be proctored in person or remotely by an official approved by a college or university or other course provider; consistent with AQB standards. The subsection authorizes biometric proctoring of the examination; consistent with AQB standards. Subsection 36.11(f) is added to reflect that an applicant for certified residential appraiser can meet 100% of the experience requirement by successfully completing an AQB-approved certified residential PAREA program provided conditions, as required by the AQB Qualification Criteria, are met.

The Board proposes to amend § 36.12 (relating to qualifications for certification as general real estate appraiser) at subsection (b)(3)(i) to reflect the updated AQB standards that must be met in order for a qualifying education course to be taught through synchronous, asynchronous, and hybrid distance education. Subsection (b)(3)(ii) is amended to reflect that a final, closed book examination for a qualifying education course for certified general appraiser candidates may be proctored in person or remotely by an official approved by a college or university or other course provider. The subsection also authorizes biometric proctoring of the examination. Subsection (f) is added to reflect that an applicant for certified general appraiser can meet 50% of the experience requirement by successfully completing an AQB-approved certified residential PAREA program. Subsection (f) also informs certified general appraiser applicants that they must complete the non-residential portion of the experience requirement by obtaining licensure as an appraiser trainee, under the direct supervision of a supervisory appraiser, and complying with sections 36.12(e) and 36.13 of the regulations and the AQB Qualification Criteria.

Section 36.12a (relating to qualifications for licensure as appraiser trainee) would be amended at subsection (b)(4)(i) to reflect the updated AQB standards that must be met in order for a qualifying education course to be taught through synchronous, asynchronous, and hybrid distance education. The Board further proposes to amend subsection (b)(4)(ii) to allow a final, closed book examination for a qualifying education course for licensed appraiser trainee candidates to be proctored in person or remotely by an official approved by a college or university or other course provider. This subsection also authorizes biometric proctoring of the examination.

Under the proposed rulemaking, § 36.13 (regarding experience options for preparation of appraisal reports; experience logs) would be amended by adding subsection 36.13(a)(2)(v), which would allow an applicant to complete 100% of the experience requirement for certification as a residential appraiser in an AQB-approved certified residential PAREA program, provided that the applicant satisfies the requirements of 36.13(c.1), which would require an applicant for certification as a residential real estate appraiser to submit to the Board a copy of their certificate of completion from the certified residential PAREA program. *See* AQB Qualification Criteria, page 14. This provision clarifies that no appraisal logs or samples need to be submitted to the Board. Proposed subsection 36.13(a)(2)(vi) would allow an applicant to complete 50% of the experience requirement for certification as a general appraiser in an AQB-approved certified residential PAREA program, provided that the applicant satisfies the requirements of subsection (c.2). *See*, Appraisal Qualifications Board (AQB) Real Property Appraiser Qualification Criteria Q & As, effective July 18, 2023, pages 55-56. Proposed subsection 36.13(c.2) requires an applicant for certification as a general real estate appraiser to submit to the Board a copy of their certificate

of completion from the certified residential PAREA program. In addition, the applicant must meet the non-residential, commercial portion of the experience requirement for certified general appraiser by obtaining licensure as an appraiser trainee, under the direct supervision of a supervisory appraiser, and submitting appraisal logs and appraisal samples to the Board.

The Board proposes to add subsection 36.31(b) to clarify that education providers must obtain Board approval for each course that they wish to offer for qualifying education and continuing education credit. The Board is not establishing a new fee, but rather, proposes to clarify that the applicable education provider application fee can be found under § 36.6 (regarding fees) and must be paid. In addition, § 36.31(c) is added to clarify that the Board will accept course credits from a Pennsylvania Board-approved education provider whose course has been approved by another state appraiser regulatory agency provided that the courses meet the Board’s requirements for qualifying education relating to classroom hours and for continuing education relating to subject matter and sources of continuing education and distance education. Under § 36.31(c), a Board-approved provider does not have to submit an application or pay a fee for courses approved by other state appraiser regulatory agencies.

Section 36.42(a) (relating to subject matter and sources of continuing education) currently states that continuing education subject matter and sources must comply with the requirements of the AQB Qualification Criteria. The Board proposes to amend § 36.42 (a) by adding “classroom hours” as a requirement that must comply with the AQB Qualification Criteria for continuing education.

The Board proposes to amend § 36.43 (relating to distance education) to reflect the AQB standards that must be met in order for a continuing education course to be taught through synchronous, asynchronous, and hybrid distance education. Paragraph (2) would allow an examination for a continuing education course to be proctored in person or remotely by an official approved by a college or university or other course provider. This paragraph also authorizes biometric proctoring of the examination.

The Board proposes to add § 36.45 (relating to asynchronous distance education) which will provide the classroom hour requirements that are specific to asynchronous distance education. The course must provide a way for the learner to interact with the instructor through verbal or written communication. The course content must be approved by an acceptable entity such as the AQB, the Board or another state appraiser regulatory agency, or an accredited college, community college or university that offers distance education programs. The course delivery mechanism must be approved by an acceptable entity such as the AQB, AQB-approved organizations, a college or university that qualifies for content approval that awards academic credit for the distance education course, or a qualifying college for content approval with a distance education delivery program that approves course design and delivery that incorporate interactivity.

The Board proposes to amend Chapter 36, Subchapter C, so that Certified Pennsylvania Evaluators can benefit from the same updates to distance education standards as appraisers. As noted earlier, although assessor/evaluator programs are not subject to the Federal oversight of the ASC, Certified Pennsylvania Evaluator stakeholders expressed support for complying with the same distance education standards as appraisers as the AQB requirements eliminate unnecessary

barriers to the delivery of distance education courses.

The Board proposes to amend § 36.224 (relating to distance education courses) to include the AQB standards that must be met in order for a qualifying education course to be taught through synchronous, asynchronous, and hybrid distance education. Subsection 36.224(2) would also be amended to reflect that a final, closed book examination for a qualifying education course for Certified Pennsylvania Evaluator candidates may be proctored in person or remotely by an official approved by a college or university or other course provider. This paragraph also authorizes biometric proctoring of the examination.

The Board proposes a minor amendment in § 36.262(c) to fix a clerical error which the Board wishes to correct by changing the word “of” to “or” for sentence clarity.

The Board proposes amendments to § 36.263 (relating to distance education) to include the AQB standards that must be met in order for a continuing education course to be taught through synchronous, asynchronous, and hybrid distance education. Paragraph (2) is amended to reflect that an examination for a continuing education course may be proctored in person or remotely by an official approved by a college or university or other course provider. The subsection also authorizes biometric proctoring of the examination.

Fiscal Impact and Paperwork Requirements

This proposed rulemaking will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The application costs for approval of qualifying education and continuing education courses are borne by education providers.

Sunset Date

The Board continuously monitors the cost effectiveness of the Board’s regulations. Therefore, no sunset date has been assigned.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on June 3, 2024, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Consumer Protection and Professional Licensure Committee and the House Professional Licensure Committee. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections shall specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor.

Public Comment

Interested persons are invited to submit written comments, recommendations or objections regarding this proposed rulemaking to Ronald K. Rouse, Esquire, Board Counsel, at P.O. Box 69523, Harrisburg, PA 17106-9523 or by e-mail at RA-STRegulatoryCounsel@pa.gov within 30 days of publication of this proposed rulemaking in the *Pennsylvania Bulletin*. Please reference 16A-7029 (Distance Education and PAREA), when submitting comments.

Mark V. Smeltzer, Sr.
Chairman

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 36. STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

Subchapter A. GENERAL PROVISIONS

GENERAL PROVISIONS

§ 36.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Appraisal review—An analysis of a completed appraisal report to determine if it conforms to specific requirements and guidelines and to ensure that the report is consistent and mathematically correct.

Asynchronous— A distance education offering where the learner and instructor are in separate locations and their interaction is not simultaneous. Using computer-based learning, learners progress at their own pace and follow a structured course content and quiz or exam schedule.

Biometric proctoring—A remote proctoring tool that uses software to continually verify a person’s identity and activity through processes such as facial recognition, consistency in keystroke cadence and monitoring the activity of the remote testing location, so that aberrant behavior or activity such as eye movement, body position or speech can be readily observed.

Board—The State Board of Certified Real Estate Appraisers within the Bureau of Professional and Occupational Affairs in the Department of State of the Commonwealth.

Certified residential real estate appraiser—A person who holds a certificate issued under authority of section 6(a)(1) and (d) of the act and § 36.11 (relating to qualifications for certification as residential real estate appraiser) and who is authorized to perform appraisals of residential properties of one-to-four dwelling units in all transactions, whether Federally-related or non-Federally-related.

Distance education—Except as otherwise required by AQB Qualification Criteria, an educational process based on the geographical separation of the learner and instructor, which provides interaction between the learner and instructor, is offered in asynchronous, synchronous or hybrid format and [includes] may include testing. Examples include CD-ROM or DVD-ROM, on-line learning, correspondence courses, pre-recorded lectures, webinars, video conferencing, and video and remote television courses.

FIRREA—The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Pub.L. No. 101-73, 103 Stat. 183).

Highest and best use analysis—A study which represents the reasonable and probable use that results in the highest present value of the land or improved property after considering all legally permissible, physically possible and economically feasible uses.

Hybrid—An educational offering that uses both in-person and online synchronous or asynchronous interaction.

IDECC—International Distance Education Certification Center.

In good standing—

(i) When referring to an individual certified or licensed by the Board to perform appraisals, an individual who is authorized under the act to perform appraisals or to act as a licensed appraiser trainee.

(ii) The term includes an individual who has an active, unrestricted certificate or license, or a certificate or license that is on probation or subject to a restriction ordered by the Board.

(iii) The term does not include an individual who holds a certificate or license that is inactive, expired, suspended or revoked.

Licensed appraiser trainee—A person who holds a license issued under section 6(a.1) of the act and § 36.12a (relating to qualifications for licensure as appraiser trainee) and who is authorized to assist a certified residential real estate appraiser or certified general real estate appraiser in the performance of an appraisal.

Mentor—A state-certified residential or general real estate appraiser who meets the AQB Qualification Criteria for guiding, advising and counseling PAREA program participants.

PAREA—Practical Applications of Real Estate Appraisal—An AQB-approved simulated experience training program that serves as an alternative to the licensed appraiser trainee pathway to licensure under § 36.12a and provides creditable appraisal experience without direct supervision of a supervisory appraiser.

Real estate counseling—Providing, for a fee, disinterested and unbiased advice, professional guidance and judgment in the broad field of real estate, involving all segments of the business, including marketing, leasing, managing, planning, financing, appraising, providing testimony and other similar services. Real estate counseling is a specialty area in which the counselor clearly identifies the real estate problem to be solved, determines the most satisfactory solutions and, where appropriate, follows through on the implementation.

Review appraiser—A person who performs an appraisal review.

Synchronous—A distance education offering where the instructor and learners are in separate locations but have live, simultaneous interaction using an online platform.

USPAP—The Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of The Appraisal Foundation.

QUALIFICATIONS FOR CERTIFICATION OR LICENSURE

§ 36.11. Qualifications for certification as residential real estate appraiser.

- (a) *General qualifications.* An applicant for certification as a residential real estate appraiser shall:
- (1) Be of good moral character.
 - (2) Satisfy the education and experience requirements prescribed by this section prior to the date of examination.

- (3) Pass an AQB-approved examination for certification as a residential real estate appraiser.
 - (4) Satisfy the requirements in the AQB Qualification Criteria for certification as a residential real estate appraiser.
- (b) *Appraisal classroom hours.* An applicant for certification as a residential real estate appraiser shall submit evidence to the Board of having completed the classroom hours required by the AQB Qualification Criteria as of the date of the application.
- (1) *Length of classroom hour and courses; course examination requirement.*
 - (i) The length of classroom hours and courses must comply with the requirements in the AQB Qualification Criteria.
 - (ii) Credit toward the classroom hour requirement will be granted only if the applicant successfully completes an examination pertinent to the course and attends at least the minimum length of time, as required by the AQB Qualification Criteria, to receive course credit.
 - (iii) The course examination must comply with the requirements in the AQB Qualification Criteria.
 - (2) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from types of providers set forth in the AQB Qualification Criteria subject to the following:
 - (i) Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges.
 - (ii) Real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools, and other providers are subject

to Board approval under § 36.31 (relating to provider registration/appraisal courses).

(3) *Distance education.* Distance education courses must comply with the requirements in the AQB Qualification Criteria. A distance education course is acceptable to meet the classroom hour requirement if the course complies with subsections (b)(1) and (b)(2), is approved by the Board and meets all of the following conditions:

(i) The course is presented [by one of the following:]in one of the following ways:

(A) [An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.] Synchronous distance education.

(B) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] Asynchronous distance education that meets the requirements of § 36.45 (relating to asynchronous distance education)

(C) Hybrid distance education that meets the class hour requirements of its component parts, whether in-person, synchronous or asynchronous.

(ii) The applicant successfully completes a written, closed-book final examination proctored in person or remotely by an official approved by the college, university or other course provider. Biometric proctoring is acceptable.

(iii) The length and content of the course meet the requirements of paragraph (1) and subsection (c), respectively.

(c) *Content of appraisal education.*

- (1) The content of an applicant’s appraisal education must comply with the qualifying education requirements in the AQB Qualification Criteria and as specified in the Required Core Curriculum in the AQB Qualification Criteria.
 - (2) All courses must consist of instruction in the subject areas in Guide Note 1 of the AQB Qualification Criteria or any successor Guide Note.
- (d) *Postsecondary education.* An applicant for certification as a residential real estate appraiser shall satisfy the postsecondary education requirements in the AQB Qualification Criteria.
- (e) *Experience.* An applicant’s experience must comply with all of the following:
- (1) An applicant for certification as a residential real estate appraiser shall satisfy the experience requirements in the AQB Qualification Criteria.
 - (2) At least 75% of the total experience requirement shall be in the actual preparation of real estate appraisal reports, which includes physical inspections of the interior and exterior of the subject properties, in accordance with § 36.13 (relating to experience options for preparation of appraisal reports; experience logs).
 - (3) Effective January 1, 2008, experience must be acquired after January 30, 1989, and must comply with USPAP. Experience acquired after August 2, 1993, will not be accepted unless the applicant completed 45 classroom hours of appraisal education, including 15 hours on USPAP prior to acquiring the experience. Effective January 1, 2020, experience credit may be obtained only by individuals who possess a license as an appraiser trainee.
 - (4) Acceptable categories of appraisal experience include all of the following:
 - (i) Fee and staff appraisals.

- (ii) Ad valorem tax appraisals, if the applicant can demonstrate that the applicant used techniques to value properties similar to those used by appraisers and that the applicant effectively used the appraisal process.
- (iii) Review appraisals.
- (iv) Appraisal analysis (synonymous with an appraisal).
- (v) Real estate counseling, if the counselor can satisfactorily demonstrate that:
 - (A) The client clearly asked for counseling services.
 - (B) The client was informed that the counselor's time would be devoted to counseling services, which are separate from other real estate functions such as appraising, sales management and mortgage lending.
 - (C) A file memorandum was prepared on each assignment indicating the nature of the assignment, recommendations and disposition.
 - (D) Compensation for the counseling services was separate from other real estate services rendered.
- (vi) Highest and best use analysis.
- (vii) Feasibility analysis/study.
- (viii) Real estate related experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals.
- (ix) Evaluations under FIRREA in accordance with requirements of Federal financial institution regulatory agencies.
- (x) Case studies or practicum courses that are approved by the AQB Course Approval Program.

(f) Experience through PAREA. Notwithstanding the requirements of subsection (e), an applicant can meet 100 % of the experience requirement by successfully completing an AQB-approved certified residential PAREA program, under the following conditions:

- (1) The applicant must comply with the prerequisites for entry into a PAREA program contained in the AQB Qualification Criteria.
- (2) The PAREA program must be approved by the AQB and continuously comply with the requirements of the AQB Qualification Criteria.
- (3) The PAREA program must provide the applicant with a mentor who meets the requirements of the AQB Qualification Criteria.
- (4) The applicant must successfully complete the entire certified residential PAREA program and submit a certificate of completion to the Board to receive credit for 100% of the experience requirement. There is no credit for partial completion of the program.

§ 36.12. Qualifications for certification as general real estate appraiser.

(a) *General qualifications.* An applicant for certification as a general real estate appraiser shall:

- (1) Be of good moral character.
- (2) Satisfy the education and experience requirements prescribed by this section as of the date of the examination.
- (3) Pass an AQB-approved examination for certification as a general real estate appraiser.

- (4) Satisfy all the requirements in the AQB Qualification Criteria for certification as a general real estate appraiser.
- (b) *Appraisal classroom hours.* An applicant for certification as a general real estate appraiser shall submit evidence to the Board of having completed the classroom hours required by the AQB Qualification Criteria as of the date of application.
- (1) *Length of classroom hour and courses; course examination requirement.*
- (i) The length of classroom hours and courses must comply with the requirements in the AQB Qualification Criteria.
 - (ii) Credit toward the classroom hour requirement will be granted only if the applicant successfully completes an examination pertinent to the course and attends at least the minimum length of time, as required by the AQB Qualification Criteria, to receive course credit.
 - (iii) The course examination must comply with the requirements in the AQB Qualification Criteria.
- (2) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from the types of providers set forth in the AQB Qualification Criteria subject to all of the following:
- (i) Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges.
 - (ii) Real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools, and other providers are subject to Board approval under § 36.31 (relating to provider registration/appraisal courses).

(3) *Distance education.* Distance education courses must comply with the requirements in the AQB Qualification Criteria. A distance education course is acceptable to meet the classroom hour requirement if the course complies with subsections (b)(1) and (b)(2), is approved by the Board, and meets all of the following conditions:

(i) The course is presented [by one of the following:]in one of the following ways:

(A) [An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.] Synchronous distance education.

(B) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] Asynchronous distance education that meets the requirements of § 36.45 (relating to asynchronous distance education).

(C) Hybrid distance education that meets the class hour requirements of its component parts, whether in-person, synchronous or asynchronous.

(ii) The applicant successfully completes a written, closed-book final examination proctored in person or remotely by an official approved by the college, university or other course provider. Biometric proctoring is acceptable.

(iii) The length and content of the course meet the requirements of paragraph (1) and subsection (c), respectively.

(c) *Content of appraisal education.*

- (1) The content of an applicant’s appraisal education must comply with the qualifying education requirements in the AQB Qualification Criteria and as specified in the Required Core Curriculum in the AQB Qualification Criteria.
 - (2) All courses must consist of instruction in the subject areas outlined in Guide Note 1 of the AQB Qualification Criteria or any successor Guide Note.
- (d) *Postsecondary education.* An applicant for certification as a general real estate appraiser shall satisfy the postsecondary education requirements in the AQB Qualification Criteria.
- (e) *Experience.* An applicant’s experience must comply with all of the following:
- (1) An applicant for certification as a general real estate appraiser shall satisfy the experience requirements in the AQB Qualification Criteria.
 - (2) At least 50% of the total experience requirement must be in the actual preparation of real estate appraisal reports, which includes physical inspections of the interior and exterior of the subject properties, in accordance with § 36.13 (relating to experience options for preparation of appraisal reports; experience logs).
 - (3) Effective January 1, 2008, experience must be acquired after January 30, 1989, and must comply with USPAP. Experience acquired after August 2, 1993, will not be accepted unless the applicant completed 45 classroom hours of appraisal education, including 15 hours on USPAP prior to acquiring the experience. Effective January 1, 2020, experience credit can be obtained only by individuals who possess a license as an appraiser trainee or a certification as a residential real estate appraiser.
 - (4) Acceptable categories of appraisal experience include:
 - (i) Fee and staff appraisals.

- (ii) Ad valorem tax appraisals, if the applicant can demonstrate that the applicant used techniques to value properties similar to those used by appraisers and that the applicant effectively used the appraisal process.
- (iii) Review appraisals.
- (iv) Appraisal analysis (synonymous with an appraisal).
- (v) Real estate counseling, if the counselor can satisfactorily demonstrate that:
 - (A) The client clearly asked for counseling services.
 - (B) The client was informed that the counselor's time would be devoted to counseling services, which are separate from other real estate functions such as appraising, sales management and mortgage lending.
 - (C) A file memorandum was prepared on each assignment, indicating the nature of the assignment, recommendations and disposition.
 - (D) Compensation for the counseling services was separate from other real estate services rendered.
- (vi) Highest and best use analysis.
- (vii) Feasibility analysis/study.
- (viii) Real estate experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals.
- (ix) Evaluations under FIRREA in accordance with requirements of Federal financial institution regulatory agencies.
- (x) Case studies or practicum courses that are approved by the AQB Course Approval Program.

(f) Experience through PAREA. Notwithstanding the requirements of subsection (e), an applicant can meet 50 % of the experience requirement by successfully completing an AQB-approved certified residential PAREA program, under the following conditions:

(1) The applicant must comply with the prerequisites for entry into a PAREA program contained in the AQB Qualification Criteria.

(2) The PAREA program must be approved by the AQB and continuously comply with the requirements of the AQB Qualification Criteria.

(3) The PAREA program must provide the applicant with a mentor who meets the requirements of the AQB Qualification Criteria.

(4) The applicant shall successfully complete the entire certified residential PAREA program and submit a certificate of completion to the Board in order to receive credit for 50% of the experience requirement. There is no credit for partial completion of the program.

(5) The completed certified residential PAREA program may only count towards the residential portion of the certified general real estate appraiser experience requirement.

(6) To complete the non-residential portion of the experience requirement, the applicant must obtain licensure as an appraiser trainee, be under the direct supervision of a supervisory appraiser, and comply with the requirements of subsection (e), § 36.13 (relating to experience options for preparation of appraisal reports; experience logs), and the AQB Qualification Criteria.

§ 36.12a. Qualifications for licensure as appraiser trainee.

(a) *General qualifications.* An applicant for licensure as an appraiser trainee shall:

- (1) Be of good moral character.
- (2) Satisfy the education requirements prescribed by this section.
- (3) Complete a course that, at a minimum, complies with the specifications for course content established by the AQB Qualification Criteria, which is specifically oriented to the requirements and responsibilities of supervisory appraisers and licensed appraiser trainees.
- (4) Satisfy the requirements in the AQB Qualification Criteria for licensure as an appraiser trainee.

(b) *Appraisal classroom hours.* An applicant for licensure as an appraiser trainee shall comply with the qualifying educational standards required by the AQB Qualification Criteria.

(1) *Content of appraisal education.*

(i) The content of an applicant's appraisal education must comply with the qualifying education requirements in the AQB Qualification Criteria.

(ii) All courses must consist of instruction in the subject areas outlined in Guide Note 1 of the AQB Qualification Criteria or any successor Guide Note.

(2) *Length of classroom hour and courses; course examination requirement.* The length of classroom hours and course requirements must comply with all of the following:

- (i) The length of classroom hours and courses must comply with the requirements in the AQB Qualification Criteria.
 - (ii) Credit toward the classroom hour requirement will be granted only when the applicant successfully completes an examination pertinent to the course and attends at least the minimum length of time, as required by the AQB Qualification Criteria, to receive course credit.
 - (iii) The course examination must comply with the requirements in the AQB Qualification Criteria.
- (3) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from the types of providers set forth in the AQB Qualification Criteria subject to all of the following:
- (i) Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges.
 - (ii) Real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools, and other providers are subject to Board approval under § 36.31 (relating to provider registration/appraisal courses).
- (4) *Distance education.* Distance education courses must comply with the requirements in the AQB Qualification Criteria. A distance education course is acceptable to meet the classroom hour requirement if the course complies with subsections (b)(1), (b)(2), and (b)(3), is approved by the Board and meets all of the following conditions:
- (i) The course is presented [by one of the following:] in one of the following ways:

- (A) [An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.] Synchronous distance education.
 - (B) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] Asynchronous distance education that meets the requirements of § 36.45 (relating to asynchronous distance education).
 - (C) Hybrid distance education that meets the classroom hour requirements of its component parts, whether in-person, synchronous or asynchronous.
- (ii) The applicant successfully completes a written, closed-book final examination proctored in person or remotely by an official approved by the college, university or other course provider. Biometric proctoring is acceptable.
 - (iii) The content and classroom hours of the course meet the requirements of paragraphs (1) and (2).
- (c) *Noneligibility for licensure.* A certified real estate appraiser is not eligible to be licensed as an appraiser trainee.
- (d) *Limitation on license renewal.* An appraiser trainee license may not be biennially renewed more than four times unless the Board, for good cause shown and on a case-by-case basis, should determine that one or more additional renewals is warranted.

§ 36.13. Experience options for preparation of appraisal reports; experience logs.

(a) An applicant for certification as a residential real estate appraiser or a general real estate appraiser under §§ 36.11 and 36.12 (relating to qualifications for certification as residential real estate appraiser; and qualifications for certification as general real estate appraiser) shall have acquired experience in the preparation of appraisal reports in one or more of the following:

(1) Prior to September 3, 1998:

- (i) As a licensed real estate broker under the Real Estate Licensing and Registration Act (63 P. S. §§ 455.101—455.902) and Chapter 35 (relating to State Real Estate Commission).
- (ii) As an elected officer, director or employee of a banking institution, savings institution, savings bank, credit union or trust company operating under applicable Federal or State laws, when acting on behalf of the institution in connection with a loan transaction.
- (iii) As a certified broker/appraiser.
- (iv) As an assistant to a certified residential real estate appraiser or certified general real estate appraiser, provided the assistant satisfies the requirements of subsection (b).
- (v) As a certified residential real estate appraiser assisting a certified general real estate appraiser in an appraisal of nonresidential property or an appraisal of residential property of more than four dwelling units, provided the residential appraiser satisfies the requirements of subsection (d).

(2) On or after September 3, 1998:

- (i) As a certified broker/appraiser.
- (ii) As an assistant to a certified residential real estate appraiser or certified general real estate appraiser, provided the experience is acquired before October 1, 2010, and the assistant satisfies the requirements of subsection (b).
- (iii) As a licensed appraiser trainee assisting a certified residential real estate appraiser or certified general real estate appraiser, provided the trainee satisfies the requirements of subsection (c).
- (iv) As a certified residential real estate appraiser assisting a general real estate appraiser in an appraisal of nonresidential property or an appraisal of residential property of more than four dwelling units, provided the residential appraiser satisfies the requirements of subsection (d).
- (v) As an applicant for certification as a residential real estate appraiser completing 100% of the experience requirement in an AQB-approved certified residential PAREA program, provided the applicant satisfies the requirements of subsection (c.1)
- (vi) As a licensed appraiser trainee applying for certification as a general real estate appraiser completing 50% of the experience requirement in an AQB-approved certified residential PAREA program, provided the applicant satisfies the requirements of subsection (c.2).

(b) For experience acquired before October 1, 2010, an assistant to a certified general real estate appraiser or certified residential real estate appraiser shall comply with all of the following requirements when preparing an appraisal report:

- (1) The assistant shall perform an inspection of the interior and exterior of the property.
- (2) The assistant may not arrive at an independent determination of value.
- (3) The assistant shall comply with USPAP.
- (4) The assistant shall complete and co-sign a Board-approved appraisal assistant checklist that relates to the assistant’s work on the appraisal report.
- (5) Unless the appraisal assistant checklist is made part of the appraisal report, the assistant shall co-sign the appraisal report as “assistant to the certified real estate appraiser” or be referenced in the certification section of the appraisal report, or in an addendum to the appraisal report, as having provided significant real property appraisal assistance.

(c) A licensed appraiser trainee shall comply with all of the following requirements when preparing an appraisal report for a certified general real estate appraiser or certified residential real estate appraiser:

- (1) The trainee may not be supervised by more than one residential or general appraiser on each appraisal assignment.
- (2) The trainee shall perform an inspection of the interior and exterior of the property.
- (3) The trainee may not arrive at an independent determination of value.

(4) The trainee shall comply with USPAP.

(5) The trainee shall complete and co-sign a Board-approved appraiser trainee checklist that relates to the trainee’s work on the appraisal report and that is made part of the appraisal report submitted to the client.

(c.1) An applicant for certification as a residential real estate appraiser who acquires experience through an AQB-approved certified residential PAREA program shall submit the certificate of completion to the Board as documentation of compliance with the experience requirement. No appraisal logs or appraisal samples need to be submitted to the Board.

(c.2) An applicant for certification as a general real estate appraiser who acquires experience through an AQB-approved certified residential PAREA program shall submit the certificate of completion to the Board as documentation of compliance with the residential portion of the experience requirement. An applicant must obtain licensure as an appraiser trainee, meet the requirements of subsections (c) and (d), and submit appraisal logs as well as appraisal work samples to the Board for the non-residential portion of the experience requirement for certified general real estate appraiser.

(d) A certified residential real estate appraiser shall comply with all of the following requirements when preparing an appraisal report for a certified general real estate appraiser:

(1) The residential appraiser shall perform an inspection of the interior and exterior of the property.

- (2) The residential appraiser may not arrive at an independent determination of value.
 - (3) The residential appraiser shall comply with USPAP.
 - (4) The residential appraiser shall co-sign the appraisal report as set forth in § 36.52 (relating to use of certificate number and title) and ensure that the nature of his significant real property appraisal assistance is specified in the report.
 - (5) Jointly maintain an appraisal experience log with the general real estate appraiser on forms provided by the Board.
- (e) The licensed appraiser trainee shall jointly maintain an appraisal experience log with the supervisory appraiser on forms provided by the Board. An appraisal experience log must comply with the requirements in the AQB Qualification Criteria.

APPROVAL PROCESS-PROVIDERS

§ 36.31. Provider registration/appraisal courses.

- (a) Real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers other than accredited colleges or universities and community or junior colleges, seeking to offer appraisal courses for classroom hour credit or continuing education credit shall complete and file with the Board an application for Board approval as a provider for appraisal courses. Application forms and a list of Board approved

providers of appraisal courses may be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649, (717) 783-4866.

(b) An education provider must obtain Board approval for qualifying education and continuing education courses and shall pay the applicable provider course application fee as required under § 36.6 (relating to fees).

(c) Notwithstanding the course approval requirement in subsection (b), the Board will accept course credit hours from a Pennsylvania Board-approved education provider whose appraisal course was approved by another state appraiser regulatory agency. The course must meet the requirements for qualifying education under § 36.11 (b) (relating to appraisal classroom hours for certification as a residential real estate appraiser), § 36.12 (b) (relating to appraisal classroom hours for certification as a general real estate appraiser) and § 36.12a (b) (relating to appraisal classroom hours for licensure as an appraiser trainee), or for continuing education under § 36.42 (relating to subject matter and sources of continuing education) and § 36.43 (relating to distance education), if applicable.

CONTINUING EDUCATION

§ 36.42. Subject matter and sources of continuing education.

- (a) Continuing education subject matter, classroom hours, and sources must comply with the requirements in the AQB Qualification Criteria.

- (b) Subjects acceptable for continuing education include the subjects set forth by the AQB Qualification Criteria.
- (c) Credit for the classroom hour requirement may be obtained from colleges or universities and community or junior colleges. Subject to Board approval under § 36.31 (relating to provider registration/appraisal courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers.
- (d) Educational offerings which cover real estate appraisal related topics other than those in subsection (b) may be acceptable for continuing education credit if the applicant can demonstrate to the Board that the topic or program contributed to the applicant's professional competence and is consistent with the purpose of continuing education as stated in § 36.41 (relating to continuing education requirement).

§ 36.43. Distance education.

Distance education courses must comply with the requirements in the AQB Qualification Criteria. A distance education course is acceptable for continuing education credit if it is approved by the Board and meets all of the following conditions:

- (1) The course is presented by one of the following:
 - (i) A course provider of synchronous distance education that presents the course to an organized group in an instructional setting with a person qualified and available to answer questions, provide information and monitor attendance.

- (ii) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.
- (iii) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] A provider of asynchronous educational course offerings that meets the requirements of § 36.45 (relating to asynchronous distance education).
- (2) With regard to a course presented under paragraph (1)(ii) or (iii), the certified real estate appraiser or the licensed appraiser trainee either successfully completes a written examination proctored in person or remotely by an official approved by the college, university or other course provider or successfully completes the course mechanisms required for course accreditation that evidence the learner’s mastery and fluency of the course content. Biometric proctoring is acceptable.
- (3) The [content and length of the course] subject matter, classroom hours, and source of continuing education meet the requirements of § 36.42 (relating to subject matter and sources of continuing education).

§ 36.45. Asynchronous distance education.

An asynchronous distance education course is acceptable to meet classroom hour requirements for qualifying education or continuing education if:

- (a) The course provides a way for the learner to interact with the instructor through verbal or written communication.
- (b) The course content is approved by any of the following:
 - (1) The AQB.
 - (2) The Board or another state appraiser regulatory agency.
 - (3) An accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.
- (c) The course delivery mechanism is approved by any of the following sources:
 - (1) The AQB.
 - (2) AQB-approved organizations providing approval of course design and delivery, including The Appraisal Foundation or other independent AQB-approved entity.
 - (3) A college or university that qualifies for content approval in subsection (b)(3) that awards academic credit for the distance education course.
 - (4) A qualifying college or university for content approval in subsection (b)(3) with a distance education delivery program that approves the course design and delivery that incorporate interactivity.
 - (5) IDECC.

Subchapter C. CERTIFIED PENNSYLVANIA EVALUATORS

GENERAL PROVISIONS

§ 36.224. Distance education courses.

A distance education course is acceptable to meet the classroom hour requirement if the course is approved by the Board, complies with § 36.223 (relating to providers of appraisal/assessment courses) and meets the following conditions:

- (1) The course is presented [by one of the following:] in one of the following ways:
 - (i) [An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.] Synchronous distance education.
 - (ii) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] Asynchronous distance education that is compliant with § 36.45 (relating to asynchronous distance education).
 - (iii) Hybrid distance education that meets the class hour requirements of each of the course's component parts, whether in-person, synchronous or asynchronous.
- (2) [The applicant successfully completes a written examination proctored by an official approved by the college, university or other course provider.] The applicant must successfully complete a written, closed-book final examination proctored in person or remotely by an official approved by the college, university or other course provider. Biometric proctoring is acceptable.

- (3) The content and length of the course meet the requirements of § 36.222 (relating to required courses of study).

CONTINUING EDUCATION

§ 36.262. Continuing education subject matter.

- (a) Continuing education subject matter shall relate to assessment and appraisal practices.

The following subjects are acceptable for continuing education:

- (1) Ad valorem taxation.
- (2) Arbitration.
- (3) Business courses related to the practice of real estate appraisal.
- (4) Development cost-estimating.
- (5) Ethics and standards of professional practice.
- (6) Land use planning, zoning and taxation.
- (7) Management, leasing, brokerage and time sharing.
- (8) Property development.
- (9) Real estate appraisal.
- (10) Real estate financing and investment.

- (11) Real estate law.
 - (12) Real estate litigation.
 - (13) Real estate appraisal related computer applications.
 - (14) Real estate securities and syndication.
 - (15) Real property exchange.
 - (16) Mass appraisal model building.
 - (17) Mass appraisal model calibration.
 - (18) Assessment administration.
 - (19) Mapping.
- (b) Credit for the classroom hour requirement will be granted only if the length of the educational offering is at least 2 hours. A classroom hour is defined as 50 minutes out of each 60 minute segment.
- (c) Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges. Subject to Board approval under § 36.241 (relating to provider registration/appraisal or assessment courses) credit for the classroom hour requirement may also be obtained from real estate appraisal [of] or assessment related organizations, State or Federal agencies or commissions, proprietary schools, and other providers.
- (d) Educational offerings which cover real estate appraisal or assessment related topics other than those listed in subsection (a) will be acceptable for continuing education credit if the

applicant can demonstrate to the Board that the topic or program contributed to the applicant's professional competence.

- (e) Continuing education credit may also be granted—up to 50% of the biennial requirement—for participation, other than as a student, in appraisal or assessment educational processes and programs. Examples of activities for which credit may be granted include teaching, program development, authorship of textbooks or similar activities which the applicant can demonstrate to the Board are equivalent to obtaining continuing education.

§ 36.263. Distance education.

A distance education course is acceptable for continuing education credit if it is approved by the Board and meets the following conditions:

- (1) The course is presented by one of the following:
- (i) A course provider of synchronous distance education that presents the course to an organized group in an instructional setting with a person qualified and available to answer questions, provide information and monitor attendance.
 - (ii) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.
 - (iii) [A course provider that has received approval for course design and delivery mechanism from the IDECC and approval for course content from the Board or from the AQB through its Course Approval Program.] A provider of

asynchronous educational course offerings that meets the requirements of § 36.45 (relating to asynchronous distance education courses).

- (2) With regard to a course presented under paragraph (1)(ii) or (iii), the certified Pennsylvania evaluator either successfully completes a written examination proctored in person or remotely by an official approved by the college, university or other course provider or successfully completes the course mechanisms required for course accreditation that evidence the learner’s mastery and fluency of the course content. Biometric proctoring is acceptable.
- (3) The content and length of the course meets the requirements of § 36.262 (relating to continuing education subject matter).



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

Post Office Box 2649
Harrisburg, Pennsylvania 17105-2649
(717) 772-8528

June 3, 2024

The Honorable George D. Bedwick, Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Proposed Regulation
State Board of Certified Real Estate Appraisers
16A-7029 Distance Education and Practical Application of Real Estate Appraisal
(PAREA)

Dear Chairman Bedwick:

Enclosed is a copy of a proposed rulemaking package of the State Board of Certified Real Estate Appraisers pertaining to 16A-7029 Distance Education and Practical Application of Real Estate Appraisal (PAREA).

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark V. Smeltzer, Sr.", written over a light gray rectangular background.

Mark V. Smeltzer, Sr.
State Board of Certified Real Estate Appraisers

CKM/elb
Enclosure

cc: Arion Claggett, Acting Commissioner of Professional and Occupational Affairs
K. Kalonji Johnson, Deputy Secretary for Regulatory Programs
Andrew LaFratte, Executive Policy Specialist, Department of State
Cynthia Montgomery, Deputy Chief Counsel, Department of State
Jacqueline A. Wolfgang, Regulatory Unit Counsel, Department of State
Ronald K. Rouse, Counsel, State Board of Certified Real Estate Appraisers

From: [Vazquez, Enid](#)
To: [Bennetch, Erica](#)
Cc: [Monoski, Jesse](#)
Subject: RE: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Date: Monday, June 3, 2024 9:31:17 AM
Attachments: [image001.png](#)

Erica

Received.

Thank you.

Enid Vazquez

State Senator Lisa M. Boscola
One E. Broad Street – Suite 120
Bethlehem, PA 18018
O: 610-868-8667
F: 610-861-2184
www.senatorboscola.com

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Independent Regulatory
Review Commission

June 3, 2024

From: Bennetch, Erica <erbennetch@pa.gov>
Sent: Monday, June 3, 2024 9:02 AM
To: Monoski, Jesse <jesse.monoski@pasenate.com>
Cc: Vazquez, Enid <Enid.Vazquez@pasenate.com>; Kelly, Joseph <joseph.kelly@pasenate.com>; Dimm, Ian <ian.dimm@pasenate.com>
Subject: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Importance: High

EXTERNAL EMAIL

Please provide a written (email) confirmation of receipt of delivery of the attached rulemakings.

Please be advised that the State Board of Certified Real Estate Appraisers and the Bureau of Professional and Occupational Affairs are delivering the below proposed and final rulemakings.

- **16A-7029 Distance Education and Parea**
 - This proposed rulemaking of the State Board of Certified Real Estate Appraisers effectuates the distance education and virtual supervision requirements of the act of December 22, 2021, P.L. 488, No. 100 (Act 100 of 2021), 63 Pa. C.S. § 3107.1. This rulemaking will also bring the Board’s regulations into compliance with the Federal standards of the Appraiser Qualifications Board (AQB) regarding distance education for qualifying education and continuing education, as well as virtual supervision

under Practical Application of Real Estate Appraisal (PAREA), as established in The Real Property Appraiser Qualification Criteria, effective January 1, 2022.

- **16A-66 Consideration of Criminal Convictions**

- This final-form rulemaking is needed to fully implement the act of July 1, 2020 (P.L. 545, No. 53) (Act 53), including the promulgation of schedules of offenses that may constitute grounds to refuse to issue, suspend or revoke a license, certificate, registration or permit for each occupation and profession regulated by the 29 licensing boards and commissions.

Thank you for your attention to this matter.

Erica L. Bennetch | Legal Assistant 2
Office of Chief Counsel | Department of State
Governor's Office of General Counsel
P.O. Box 69523 | Harrisburg, PA 17106-9523
Office Phone 717.775.8145 | Fax: 717.787.0251
erbennetch@pa.gov | www.dos.pa.gov
(preferred pronouns: she, her, hers)

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June 3, 2024

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From: [Orchard, Kari L.](#)
To: [Bennetch, Erica](#); [Brett, Joseph D.](#); [Barton, Jamie](#)
Subject: RE: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Date: Monday, June 3, 2024 9:30:27 AM
Attachments: [image001.png](#)

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Received. Thanks!

Independent Regulatory
Review Commission

Kari Orchard

Executive Director (D) | House Professional Licensure Committee
Chairman Frank Burns, 72nd Legislative District

June 3, 2024

From: Bennetch, Erica <erbennetch@pa.gov>
Sent: Monday, June 3, 2024 9:02 AM
To: Orchard, Kari L. <KOrchard@pahouse.net>; Brett, Joseph D. <JBrett@pahouse.net>; Barton, Jamie <JBarton@pahouse.net>
Subject: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Importance: High

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Thank you for your attention to this matter.

Erica L. Bennetch | Legal Assistant 2
Office of Chief Counsel | Department of State
Governor's Office of General Counsel
P.O. Box 69523 | Harrisburg, PA 17106-9523
Office Phone 717.775.8145 | Fax: 717.787.0251
erbennetch@pa.gov | www.dos.pa.gov
(preferred pronouns: she, her, hers)

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Review Commission

June 3, 2024

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June 3, 2024

From: [Bulletin](#)
To: [Bennetch, Erica](#)
Subject: [External] RE: DELIVERY NOTICE: REGULATION: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA
Date: Monday, June 3, 2024 9:12:56 AM
Attachments: [image001.png](#)

***ATTENTION:** This email message is from an external sender. Do not open links or attachments from unknown senders. To report suspicious email, use the [Report Phishing button in Outlook](#).*

Good morning, Erica.

We have received this proposed rulemaking. Could you also include the Word version of the preamble? It looks like just the PDF version was included.

Thank you!

Ernest L. Engvall | Legal Assistant
eengvall@palrb.us | 717.783.1530
Legislative Reference Bureau
Code and Bulletin Office

From: Bennetch, Erica <erbennetch@pa.gov>
Sent: Monday, June 3, 2024 9:02 AM
To: Bulletin <bulletin@palrb.us>
Subject: DELIVERY NOTICE: REGULATION: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA
Importance: High

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Review Commission

June 3, 2024

Thank you for your attention to this matter.

Erica L. Bennetch | Legal Assistant 2
Office of Chief Counsel | Department of State
Governor's Office of General Counsel
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From: [Nicole Sidle](#)
To: [Bennetch, Erica](#)
Subject: RE: [EXTERNAL]: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Date: Monday, June 3, 2024 9:22:03 AM
Attachments: [image001.png](#)

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Review Commission
June 3, 2024

Nicole

From: Bennetch, Erica <erbennetch@pa.gov>
Sent: Monday, June 3, 2024 9:02 AM
To: Nicole Sidle <Nsidle@pahousegop.com>
Subject: [EXTERNAL]: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Importance: High

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Thank you for your attention to this matter.

Erica L. Bennetch | Legal Assistant 2
Office of Chief Counsel | Department of State

From: [Smeltz, Jennifer](#)
To: [Bennetch, Erica](#)
Subject: RE: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Date: Monday, June 3, 2024 9:17:27 AM
Attachments: [image001.png](#)

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Independent Regulatory
Review Commission

June 3, 2024

Jen Smeltz
Executive Director
Consumer Protection and Professional Licensure Committee
Office of Senator Pat Stefano
Phone: (717) 787-7175

From: Bennetch, Erica <erbennetch@pa.gov>
Sent: Monday, June 3, 2024 9:02 AM
To: Smeltz, Jennifer <jmsmeltz@pasen.gov>
Subject: DELIVERY NOTICE: REGULATIONS: PROPOSED 16A-7029 DISTANCE EDUCATION AND PAREA AND FINAL 16A-66 CONSIDERATION OF CRIMINAL CONVICTIONS
Importance: High

ⓘ CAUTION : External Email ⓘ

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Review Commission

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June 3, 2024

Erica L. Bennetch | Legal Assistant 2
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Office Phone 717.775.8145 | Fax: 717.787.0251
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