

**INDEPENDENT REGULATORY REVIEW COMMISSION
PUBLIC MEETING MINUTES**

10:00 A.M.

Thursday, May 16, 2024
14th Floor Conference Room
333 Market Street

I. CALL OF THE MEETING

The May 16, 2024 public meeting of the Independent Regulatory Review Commission (Commission) was called to order by Chairman Bedwick at 10:06 a.m. in the 14th Floor Conference Room, 333 Market Street, Harrisburg, PA.

Commissioners Present: George D. Bedwick, Chairman
 John F. Mizner, Esq., Vice Chairman
 John J. Soroko, Esq.

Telephone: Murray Ufberg, Esq.

By Proxy: Dennis A. Watson, Esq.

II. EMBARGOED MAIL

Chairman Bedwick announced that there was no embargoed mail.

III. APPROVAL OF THE APRIL 18, 2024, PUBLIC MEETING MINUTES

Chairman Bedwick asked for a motion for approval of the April 18, 2024 public meeting minutes, as submitted. Vice Chairman Mizner made the motion and Chairman Bedwick seconded, and the motion passed 4-0.

IV. NEW BUSINESS

A. ACTION ITEMS

- 1. No. 3373 Office of Attorney General #59-001: Automotive Industry Trade Practices (Previously Withdrawn)**

Scott Schalles, Regulatory Analyst, said the regulation includes updated definitions, disclosure requirements, and vehicle inspection mandates. He added that the final regulation n

was initially received on February 6, 2024, but it was withdrawn and revised after suggestions from the Pennsylvania Automotive Association (PAA). Mr. Schalles noted that there were no public comments on the rulemaking and that both designated standing committees deemed the rulemaking approved.

Mark Wolfe, Deputy Attorney General, Office of Attorney General, was present to answer any questions.

Mr. Wolfe explained the regulation amends the Pennsylvania Unfair Trade Practices and Consumer Protection Law, aiming to provide better information to consumers and enhance enforcement against dishonest dealers. He highlighted the collaboration with the regulated community and public input that improved the regulation.

Chairman Mizner asked about the concerns of PAA and whether they had been resolved. Mr. Wolfe confirmed that the issues were resolved satisfactorily. Chairman Mizner commended the Attorney General's Office for their collaborative approach and asked for his positive feedback to be relayed back to the team.

Commissioner Soroko made a motion for approval. Vice Chairman Mizner seconded, and the motion passed 5-0.

2. No. 3393 State Board of Certified Real Estate Appraisers #16A-7031: Federally Mandated Revisions (Final-Omit) (Previously Withdrawn)

Mr. Schalles said the regulation aligns the State Board of Certified Real Estate Appraisers (Board) regulations with federal requirements, including the addition of a course on valuation bias and fair housing laws for renewal of certification or licensure, updating terminology and adding qualifications for appraisal management companies. He added the regulation was initially delivered on December 13, 2023, withdrawn by the Board to make amendments. The rulemaking was deemed approved by the standing committees.

Ronald Rouse, Board Counsel, State Board of Certified Real Estate Appraisers, and Jacqueline Wolfgang, Regulatory Counsel, Department of State, were present to answer any questions.

Mr. Rouse said the regulation works to align the Board's regulations with federal requirements. He detailed three main changes: mandatory training on valuation bias, fair housing laws for all certified appraisers and licensed appraiser trainees in the Commonwealth starting with the 2025 to 2027 biannual renewal period. He continued that the regulation allows for an individual whose real estate license has been revoked to become an owner of an appraisal

management company if the board determines the individual's license was not revoked for a substantive cause.

Commissioner Soroko asked Mr. Rouse for clarification on the courses. Mr. Rouse explained the seven-hour course is an initial requirement designed to educate appraisers on appraisal bias and its impact, covering historical and contemporary context, including redlining and restrictive covenants. He stated the four-hour course is required every two years after the initial seven-hour course and focuses on case studies related to valuation bias and fair housing.

Chairman Mizner described his understanding of valuation bias and noted it is a prejudiced assumption that properties in minority communities are of low value. He noted that this bias perpetuates a cycle where properties do not increase in value due to initial undervaluation based on the community's racial or ethnic makeup. Mr. Rouse further explained the importance of the appraisal community understanding the history of redlining and its impact on property valuation today. He highlighted the lack of knowledge within the appraisal community about laws regarding valuation bias and fair housing, stating that the seven-hour course aims to equip appraisers with the necessary tools and knowledge to address these issues.

Commissioner Soroko made a motion for approval. Vice Chairman Mizner seconded, and the motion passed 5-0.

V. OTHER BUSINESS

Approval of Vouchers

Chairman Bedwick made a motion to approve vouchers and expenses for the period March 22, 2024, through April 18, 2024. Vice Chairman Mizner seconded, and the motion passed 4-0.

VI. EXECUTIVE SESSION ANNOUNCEMENTS

Chairman Bedwick announced that there would be no executive session held today.

VII. DATE AND PLACE OF SUBSEQUENT MEETING

Chairman Bedwick announced the next public meeting is scheduled for Thursday, June 20, 2024, at 10:00 a.m. in the 14th Floor Conference Room, 333 Market Street, Harrisburg.

VIII. ADJOURNMENT

Chairman Bedwick adjourned the meeting at 10:25 am.