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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

November 20, 2002

COMMITTEES

PROFESSIONAL LICENSURE,
MAJORITY CHAIRMAN
LIQUOR CONTROL
FIREFIGHTERS' CAUCUS,
COCHAIRMAN EMERITUS

John R. McGinley, Jr., Chairman
Independent Regulatory Review Commission
14th Floor, Harristown 2
333 Market Street
Harrisburg, PA 17101

Dear Chairman McGinley:

I am writing to inform you that the House Professional Licensure Committee held a meeting on November 19, 2002.

The Committee voted to take no formal action on Regulation 16A-425 until final form regulations are promulgated.

In addition, the Committee voted to take no formal action on Regulation 16A-7013 until final form regulations are promulgated. The Committee notes that renewal fees have not been raised since 1993. However, the Committee requests a detailed explanation of the Board's expenses that would justify an increase as significant as that proposed by the Board.

Please feel free to contact my office if any questions should arise.

Sincerely,

A handwritten signature in cursive script that reads "Mario J. Civera".

Mario J. Civera, Chairman
House Professional Licensure Committee

MJC/sms
Enclosures

cc: Cheryl McDermott, Chairperson
State Board of Barber Examiners
George D. Sinclair, Chairman
State Board of Certified Real Estate Appraisers
Honorable C. Michael Weaver, Secretary of the Commonwealth
Department of State

Regulation 16A-7013

State Board of Certified Real Estate Appraisers

PROPOSAL: Regulation 16A-7013 amends 49 PA Code, Chapter 36, regulations of the State Board of Certified Real Estate Appraisers. The amendment makes revisions to the schedule of Board fees by increasing the fees for license renewal and deleting references to examination fees.

The proposed Rulemaking was published in the Pennsylvania Bulletin on October 5, 2002. The Professional Licensure Committee has until November 25, 2002 to submit comments on the regulation.

ANALYSIS: Pursuant to Sec. 5(6) of the Real Estate Appraisers Certification Act, 63 P.S. Sec. 457.5(6), the Board is required to meet expenditures through revenues raised by fees, fines and civil penalties. The Board is required to increase fees so that projected revenues will meet or exceed projected expenditures. The Board states that biennial license renewal fees account for approximately 88% of the Board's revenues during each biennial renewal period. The renewal fee for appraisers has not been raised since 1992, and the renewal fee for evaluators has not been raised since 1993. According to an analysis prepared by the Department of State's bureau of Finance and Operations, the Board's current biennial renewal fee structure is inadequate to meet the Board's projected revenue needs. The Board proposes the following increases:

<u>Application/Service</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Certified Real Estate Appraisers Biennial Renewal Fee	\$105.00	\$225.00
Certified Broker/Appraisers Biennial Renewal Fee	\$ 0.00	\$225.00
Certified Pennsylvania Evaluators Biennial Renewal Fee	\$105.00	\$225.00

The Board states that the certification examinations are developed, administered and graded by Assessment Systems, Inc., an independent testing organization under contract with the Commonwealth. The Board has no role in establishing or collecting examination fees. Accordingly, the Board proposes a deletion of all references to examination fees.

RECOMMENDATIONS: It is recommended that the Professional Licensure Committee take no formal action until final form regulations are promulgated. The Committee notes that renewal fees have not been raised since 1993. However, the Committee requests a detailed explanation of the Board's expenses that would justify an increase as significant as that proposed by the Board.

House of Representatives
Professional Licensure Committee
November 15, 2002