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Pennsylvania Association of REALTORS®

The Voice for Real Estate® in Pennsylvania

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INDEPENDENT REGULATORY
REVIEW COMMISSION

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June 21, 2006

Steven Wennberg, Counsel
State Board of Certified Real Estate Appraisers
PO Box 2649
Harrisburg, PA 17105-2649

Dear Mr. Wennberg:

As an organization that represents 33,000 of the Commonwealth's real estate licensees, the Pennsylvania Association of REALTORS® (PAR) welcomes the opportunity to comment on the proposed regulation "Federally Mandated Education Criteria" (16A-7014) as published in the May 27, 2006 edition of *The Pennsylvania Bulletin*.

The regulatory proposal represents a comprehensive revision of requirements relating to education and experience for initial certification; continuing education for renewal of certification; standards of practice; and supervision of appraisal assistants. Appraiser Qualifications Board (AQB) revisions regarding education and experience criteria effective January 1, 2008 are also included.

After review of the proposed rulemaking, we offer the following comments:

§36.1, §36.11, §36.12, §36.43, §36.224 and §36.263

The definition of "Distance Education" necessitates an applicant to complete a "written examination proctored by an official approved by the college, university or other course provider." While we agree that a proctored, written exam can be an important component to acquiring a real estate certification, we do not believe that it should continue to be a requirement for continuing education. If the entire course can be completed online as a self-study opportunity, what is the Board's rationale for the proctored exam requirement for continuing education? Most online courses are designed with an online exam function that is either distributed throughout the course material to serve as a measure of mastery based learning and/or is given online as a final exam. The requirement for a written and proctored exam may defeat the benefits of distance learning as far as providing options, flexibility and convenience.

§36.11(4) and §36.12(4)

These sections refer to approval for distance education courses and state that a course is acceptable if it is approved by the Board and is presented by either (a) an accredited college or university, or (b) a course provider that has received approval from the International Distance Education Certification

Center or the AQB through its Course Approval Program. It appears that these sections refer to primary providers who would develop the course and receive approval for the course design and delivery. How does the Board intend to address courses taught by secondary providers?

§36.13 Experience options for preparation of appraisal reports

Regarding §36.13 (a)(1)(i), the Real Estate Licensing and Registration Act covers 63 P.S. §§455.101-455.902, not 455.901 as stated.

§36.54 Supervision of appraisal assistant

Regarding §36.54(1), we commend the Board for adding the provision to require certified residential real estate appraisers and certified general real estate appraisers who utilize an appraisal assistant to provide written notification to the Board when the assistant begins to work for the appraiser. We believe this provision will assist the Board greatly in tracking the number of appraisal assistants practicing in Pennsylvania.

Regarding §36.54(2), we also applaud the Board for including the new requirement that will hold certified residential real estate appraisers and certified general real estate appraisers accountable for the contents of the appraisal report where the appraisal assistant was of help. This obligation will help the Bureau of Enforcement and Investigation to charge appraisers who allow their assistants to sign and/or file reports on their behalf without ever reading the contents of the report.

Regarding §36.54(3)(i), we ask the Board to explain its rationale for allowing appraisal assistants to work unaccompanied after a minimum of 300 hours. The Board's current regulation requires a supervisor to accompany the assistant on all inspections until the assistant becomes certified. The AQB requires that a supervising appraiser personally inspect each appraised property with the appraiser trainee until the supervising appraiser determines the appraiser trainee is competent under USPAP. The Board has revised language to parallel the AQB language of competency, but we question how the Board determined that 300 hours was sufficient experience.

We appreciate the opportunity to share our views on this proposed regulation. Should you have any questions, please feel free to contact us.

Sincerely,

Deirdra Updegrave

Director, Government Affairs