

Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY
REVIEW COMMISSION

(All Comments submitted on this regulation will appear on IRRC's website)

(1) Agency
Department of State, Bureau of Professional and
Occupational Affairs, State Board of Certified Real Estate
Appraisers

(2) Agency Number: 16A
Identification Number: 7020

IRRC Number: 3025

2015 OCT 29 AM 10:17

IRRC

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(3) PA Code Cite: 49 Pa. Code § 36.6

(4) Short Title: Biennial Renewal Fees for Licensed Appraiser Trainees

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact: **Jacqueline Wolfgang, Assistant Counsel, Department of State, P.O. Box 69523, Harrisburg, PA 17106-9523 (phone 717-783-7200) (fax 787-0251) jawolfgang@pa.gov.**

Secondary Contact: **Cynthia Montgomery, Regulatory Counsel, Department of State, P.O. Box 69523, Harrisburg, PA 17106-9523 (phone 717-783-7200) (fax 787-0251) cymontgome@pa.gov.**

(6) Type of Rulemaking (check applicable box):

- Proposed Regulation
 Final Regulation
 Final Omitted Regulation

- Emergency Certification Regulation;
 Certification by the Governor
 Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

In July of 2010, the Board adopted final regulations establishing a regulatory scheme for the appraiser trainee license, which was added to the act by the act of July 8, 2008 (P.L. 833, No. 59) and the act of October 9, 2008 (P.L. 1380, No. 103). At that time, the Board established an initial application fee of \$75 for the appraiser trainee license. However, although an appraiser trainee license may be renewed biennially up to four times, the Board did not establish a biennial renewal fee for this class of license at that time. By this rulemaking, the Board corrects that oversight.

(8) State the statutory authority for the regulation. Include specific statutory citation.

Section 5(6) of the Real Estate Appraisers Certification Act (act) (63 P.S. § 457.5(6)) authorizes the Board to establish fees for the operation of the board, including fees for the issuance and renewal of certificates and licenses. Section 9 of the act (63 P.S. § 457.9) provides that all fees established under the act shall be fixed by the Board by regulation.

(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.

No.

(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.

The regulation is needed to establish a fee for the biennial renewal of appraiser trainee licenses. Under § 36.12a (relating to qualifications for licensure as appraiser trainee), an appraiser trainee license may be renewed biennially up to four times, unless the Board determines based on a case-by-case review that there is good cause to permit one or more additional renewals. However, the Board failed to promulgate a biennial renewal fee for this classification of license. This rulemaking corrects that oversight.

(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 that are more stringent than Federal standards. (Federal appraisal standards do not extend to fees.)

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

Trainees in Maryland pay a \$150 renewal fee triennially. New York does not license appraiser trainees, but does license real estate appraiser assistants with a \$275 biennial renewal fee, which includes a \$250 application fee and a \$25 examination application fee. Trainees in New Jersey pay a \$100 annual renewal fee. Ohio does not license trainees, but does register appraiser assistants. West Virginia issues apprentice permits which must be renewed annually at a fee of \$190. The Board does not believe these regulations will adversely affect Pennsylvania's ability to compete with other states.

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

No. The regulations will not affect any 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.)

Because the reconciliation of the Board’s revenues and expenses is an administrative matter, the Board did not solicit input from the public, any advisory group or organization representing small businesses in the development of this proposal. Rather the Board consulted with the Bureau of Finance and Operations to determine the fee.

However, the matter was discussed by the Board during public meetings on December 13, 2012, and January 10, 2013. In advance of each public meeting, the Board releases the agenda to a long list of interested parties and stakeholders who have indicated an interest in the Board’s regulatory agenda. In addition, the agenda for each public meeting is available in advance on the Board’s website. Public meetings are routinely attended by representatives of the regulated community and their professional associations. On both of these dates, Jennifer Shockley of the Pennsylvania Association of Realtors (PAR) attended the Board meetings. On November 1, 2013, the PAR sent a letter of support regarding the fee of \$150 for appraiser trainees, stating: “We believe that the fee is within reason and therefore have no concerns regarding the proposal.” Likewise, on January 10, 2013, Michelle Bradley of the Coalition of Pennsylvania Real Estate Appraisers (Coalition) attended the Board meeting. Members of the Coalition, including Michelle Bradley, have expressed verbal support of the fee. Thus, the members of the regulated community and their professional associations have both supported this fee.

Although the Board did not specifically send out an exposure draft to stakeholders and interested parties, the regulated community did have early and meaningful input on this regulation.

(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?

There are currently 316 appraiser trainees licensed by the Board. In determining the affect of the fee, the Bureau of Finance and Operations estimates that approximately 316 trainees will need to renew their licenses biennially. Therefore the estimated costs to licensed appraiser trainees associated with this rulemaking will be \$47,400 biennially.

Small businesses are defined in Section 3 of the Regulatory Review Act, (71 P.S. § 745.3) which provides that a small business is defined by the SBA’s Small Business Size Regulations under 13 CFR Ch. 1 Part 121. These size standards have been established for types of businesses under the North American Industry Classification System (NAICS). In applying the NAICS standards to appraisers and appraisal management companies, the standard set for offices of Real Estate Appraisers (NAICS Code 531320), mortgage loan brokers (NAICS Code 522310), miscellaneous intermediation (NAICS Code 523910), and generally those financial investment and related activities (NAICS Subsector 523) to qualify as a small business is \$7 million or less in average annual receipts.

According to the Small Business Administration (SBA), there are approximately 982,692 businesses in Pennsylvania; of which 978,831 are small businesses; and 3,861 are large businesses. Of the 978,831 small businesses, 236,775 are small employers (those with fewer than 500 employees) and the remaining 772,056 are non-employers. Thus, the vast majority of businesses in Pennsylvania are considered small businesses. For these reasons, it is reasonable to assume that many appraiser trainees work for small businesses. The degree to which small businesses will be affected by the regulation depends on whether the employer elects to pay the licensure fees for its employees. A small business could avoid these costs by requiring employees to pay their own licensure fees.

(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.

The Board estimates that approximately 316 appraiser trainees sought biennial renewal of their licenses on June 30, 2015; however, because this rulemaking was not yet promulgated, these 316 trainees did not pay a biennial renewal fee. Assuming that these individuals are likely to be employed by small businesses, in the future, on June 30, 2017, up to 316 small businesses may be required to comply with the regulation to the extent that they pay the biennial renewal fee for employees who are licensed appraiser trainees.

(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.

The financial impact on licensed appraiser trainees, and their employers to the extent the employer elects to pay the biennial renewal fee on behalf of employees, will amount to approximately \$47,400 each biennial renewal period (316 licensed appraiser trainees x \$150 fee) beginning on June 30, 2017. The Board believes that all licensees, including trainees, should be required to support the operations of the Board through biennial renewal fees, rather than having all of the costs fall on certified appraisers, certified Pennsylvania evaluators and appraisal management companies.

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

The Board had been considering a general fee increase, however the addition of the appraisal management company license with its related increase in revenue from applications and renewals is expected to negate the need for a fee increase. However, the Board believes that all license classifications should share proportionately in the costs of operating the Board, including trainees.

(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 direct costs to licensed appraiser trainees is estimated at \$47,400 per biennial renewal (316 trainees x \$150 renewal fee).

(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.

There are no costs or savings to local governments associated with the regulations.

(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 costs to the Board include those associated with promulgating these regulations; and the costs associated with processing 316 payments for biennial renewal submitted by licensed appraiser trainees. However, those costs will be borne by the licensees through payment of the \$150 renewal fee, so there is no adverse fiscal impact of these regulations on the Board.

(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.

Licensed appraiser trainees are already required to complete the required paperwork to apply for biennial renewal. Currently, a vast majority of licensees renew online. These duties should not require legal, accounting or consulting procedures, as they are administrative in nature.

(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 FY 14-15	FY +1 FY 15-16	FY +2 FY 16-17	FY +3 FY 17-18	FY +4 FY 18-19	FY +5 FY 19-20
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community	\$0	\$0	\$47,400	\$0	\$47,400	\$0
Local Government						
State Government						
Total Costs	\$0	\$0	\$47,400	\$0	\$47,400	\$0

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 FY 12-13	FY -2 FY 13-14	FY -1 FY 14-15	Current FY FY 15-16 (Projected)
State Board of Certified Real Estate Appraisers	\$569,622.83	\$571,525.92	\$610,500.00	\$629,000.00

(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) The Board estimates that approximately 316 licensed appraiser trainees will renew their licenses biennially. The Board does not have any way of knowing how many of these licensees are employed by entities that are considered small businesses under the SBA standards.**
- (b) The costs associated with reporting, recordkeeping and other administrative costs should be minimal. Licensed appraiser trainees are already required to renew their licenses biennially. That process/paperwork will not change.**
- (c) The probable effect on small business, assuming that most licensed appraiser trainees work for entities that qualify as small business, is that they will have to pay \$150 to renew each trainee license biennially. However, this would only affect those businesses that elect to pay the biennial renewal fee for their employees.**
- (d) No less intrusive or less costly alternatives were identified that meet the purpose of the Real Estate Appraisers Certification Act.**

(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.

The Board has not perceived any particular needs of these groups that need to be accommodated.

(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.

No alternative regulatory provisions were considered. The Board considers the regulations to be 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.

All licensees must renew biennially. The Board did not consider establishing less stringent compliance or reporting requirements, or less stringent schedules or deadlines for licensees that work for small businesses. There are no design or operational standards in the regulations. The Board did not consider exempting small business from all or any part of the requirements. All licensed appraiser trainees will be required to share in the costs of operating the Board regardless of the size of their employer.

(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.

Other than financial records of the Board presented by the Bureau of Finance and Operations, no data was the basis for this regulation.

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

- A. The date by which the agency must receive public comments: **Within 30 days of 10/5/13**
- B. The date or dates on which public meetings or hearings will be held: **The Board meets in public session on a monthly basis.**
- C. The expected date of promulgation of the proposed regulation as a final-form regulation: **Fall of 2015**
- D. The expected effective date of the final-form regulation: **Upon publication in the Pennsylvania Bulletin**
- E. The date by which compliance with the final-form regulation will be required: **With the 2017 renewals (June 30, 2017)**
- 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 discusses all of its regulatory proposals at monthly public meetings of the Board. In 2015, the Board will meet on the following remaining dates: November 12 and December 17.

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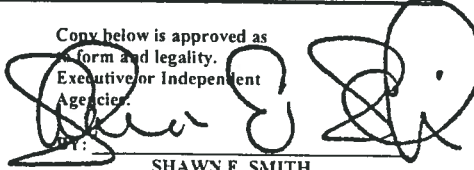
FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

Copy below is approved as to form and legality. Executive or Independent Agency.

BY: SHAWN E. SMITH

BY: _____
(DEPUTY ATTORNEY GENERAL)

State Board of Certified Real Estate Appraisers
(AGENCY)

DOCUMENT/FISCAL NOTE NO. 16A-7020

OCT 23 2015

DATE OF APPROVAL

~~Executive~~ Deputy General Counsel
Deputy General Counsel
Chief Counsel,
Independent Agency
(Strike inapplicable title)

DATE OF APPROVAL

DATE OF ADOPTION:

BY: 
D. THOMAS SMITH

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

Check if applicable
Copy not approved.
Objections attached.

Check if applicable.
No Attorney General approval
or objection within 30 day
after submission.

FINAL RULEMAKING
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS
49 PA. CODE §36.6

BIENNIAL RENEWAL FEE FOR LICENSED APPRAISER TRAINEES

The State Board of Certified Real Estate Appraisers (Board) hereby amends § 36.6 (relating to fees) 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*. It is anticipated that the biennial renewal fees for licensed appraiser trainees will be implemented with the June 30, 2017 biennial renewal.

Statutory Authority

Section 5(6) of the Real Estate Appraisers Certification Act (act) (63 P.S. § 457.5(6)) authorizes the Board to establish fees for the operation of the Board, including fees for the issuance and renewal of certificates and licenses. Section 9 of the act (63 P.S. § 457.9) provides that all fees established under the act shall be fixed by the Board by regulation.

Background and Need for Amendment

The Board published a final-form rulemaking at 40 Pa.B. 3956 (July 17, 2010) establishing a regulatory scheme for the appraiser trainee license, which was added to the act by the act of July 8, 2008 (P.L. 833, No. 59) and the act of October 9, 2008 (P.L. 1380, No. 103). At that time, the Board established an initial application fee of \$75 for the appraiser trainee license. However, although an appraiser trainee license may be renewed biennially up to four times, the Board did not establish a biennial renewal fee for this class of license at that time. By this final-form rulemaking, the Board corrects that oversight by amending § 36.6 to establish a biennial renewal fee for licensed appraiser trainees at \$150.

Summary of Comments and the Board's Response

The Board published a notice of proposed rulemaking at 43 Pa.B. 5827 (October 5, 2013), for thirty days of public comment. On November 1, 2013, the Pennsylvania Association of Realtors (PAR) submitted a letter indicating their support of the fee of \$150 for appraiser trainees, stating: “We believe that the fee is within reason and therefore have no concerns regarding the proposal.” No other public comments were received.

On December 4, 2013, the Independent Regulatory Review Commission (IRRC) submitted comments to the Board. First, IRRC noted that the Governor’s Executive Order 1996-1 requires that “regulations shall be drafted and promulgated with early and meaningful input from the regulated community.” IRRC asked the Board to explain how the process it used to develop the proposed regulation complies with Executive Order 1996-1. The Board discussed this regulation during public meetings on December 13, 2012, and January 10, 2013, which are

routinely attended by representatives of the regulated community and their professional associations. In advance of each Board meeting, the Board releases the agenda to individuals and entities who have indicated an interest in the Board's regulatory activities, including the professional associations that represent the regulated community. In addition, the Board posts the agenda on its website. In this way, if a stakeholder or interested party wishes to be heard on a particular topic, that party can plan to attend the meeting. On both of these dates when the proposed rulemaking was discussed, a representative of the Pennsylvania Association of Realtors (PAR) attended the public Board meetings. On November 1, 2013, the PAR submitted a letter indicating their concurrence with the fee of \$150 for appraiser trainees, stating: "We believe that the fee is within reason and therefore have no concerns regarding the proposal." Likewise, on January 10, 2013, a representative of the Coalition of Pennsylvania Real Estate Appraisers (Coalition) attended the Board meeting, at which time the Board voted to promulgate the proposed rulemaking. Representatives of the Coalition have informally expressed verbal support of the fee. Thus, the members of the regulated community and their professional associations have had the opportunity to provide "early and meaningful input" on this regulation.

Second, IRRC asked generally how the addition of this new fee relates to the overall revenues and expenditures of the Board. Specifically, IRRC asked the Board to establish that the revenues raised by fees, fines and civil penalties currently are not sufficient to meet expenditures over a 2-year period. The \$150 fee for trainees is new, as there is no current biennial renewal fee for trainees. This fee for biennial renewal for licensed appraiser trainees is not meant to cover the cost or balance the budget of the Board, but to have trainees participate in paying for some of the expenses of the Board. This rulemaking is not to address any shortfall in revenue. However, prior to the implementation of the licensure of appraisal management companies, the Board was heading toward a general fee increase. At that time, during the biennial period of 2011-2013, the Board's fees generated revenue of \$1,056,115.98, while expenditures for the same period were \$1,174,532.83, a biennial deficit of \$118,416.85. At the conclusion of fiscal year 12-13, a renewal year when the Board receives the bulk of its biennial revenue, the Board's remaining balance in the Professional Licensure Augmentation Account was only \$505,611.40. Had it not been for the issuance of initial appraisal management company licenses in fiscal year 13-14, the Board would have needed to increase fees across all licensure categories.

There are currently 316 licensed appraiser trainees. If approximately 316 trainees renew their licenses on June 30, 2017 by paying a biennial renewal fee of \$150, then the total revenue generated by the fee would be \$47,400, which is approximately 3.6 % of the Board's expected budgetary expenditures of \$1,315,000 for the combined fiscal years 2016 – 2017 (\$648,000 projected) and 2017 – 2018 (\$667,000 projected). Thus, the portion of the Board's total budgetary expenditures that will be paid by appraiser trainees over the next two fiscal years is only a little more than 3.6 %, which is very small, and by itself would not have covered the prior shortfall in revenues. However, the Board believes that all licensees, including trainees, should be required to support the operations of the Board through biennial renewal fees, rather than

having all of the costs fall on certified appraisers, certified Pennsylvania evaluators and appraisal management companies.

IRRC's third comment related to the appraisal management company fees. Under § 36.306 (relating to fees), the initial application fee for appraisal management companies is \$2,000. IRRC asked whether this fee subsidizes the Board's other licensure classifications. The Board intends to address the application fee and a renewal fee for appraisal management companies more fully in a separate proposed rulemaking. Therefore, consideration of those fees and their effect on balancing the Board's budget is better set forth in the appraisal management company general rulemakings. As stated above, this rulemaking for the biennial renewal fee for appraiser trainees is not intended to cover the overall costs for the Board or balance the Board's budget.

IRRC's comments also dealt with the licensed appraiser trainee fee in relation to other renewal fees. IRRC asked the Board why it set the biennial renewal fee at \$150 when all other biennial renewal fees at § 36.6 are \$225. The Board's reasoning in charging trainees less than other licensees is that trainees are at the beginning of their professional careers, and trainees are not authorized to practice independently. For that reason, trainees cannot earn as much as appraisers and assessors. According to the Pennsylvania Department of Labor and Industry, the 2013 average annual wage for appraisers and assessors was \$52,420, although salaries vary based on geographic region. This compares to the average salary for real estate appraiser trainees of \$31,328 according to the U.S. Bureau of Labor Statistics. The Board was taking into consideration the relative earning potential of a trainee when determining that a biennial renewal fee of \$150 was reasonable.

In its last comment, IRRC asked whether all of the fees it charges to its regulated community accurately reflect the current costs the Board incurs to perform the tasks associated with the fee. For purposes of this rulemaking, the Board has not evaluated any application fees for which the fee should cover the cost of providing the service. Instead, because this rulemaking only concerns a renewal fee, the Board looks at only aggregate revenue and expenses. The Board uses the current budget and actual fees for prior years to determine its budget for the current fiscal year. In preparing its budget, the Board compares the Board's past and projected revenue with its past and projected costs. These figures become the basis for the Board's determination of the fees to charge its regulated community. It is significant that both of the associations representing the Board's regulated community, the Pennsylvania Association of Realtors and the Coalition of Pennsylvania Real Estate Appraisers, have agreed that the biennial renewal fee of \$150 for appraiser trainees is reasonable, and neither organization has expressed opposition regarding this biennial renewal fee.

Fiscal Impact

The amendments will impact licensed appraiser trainees who elect to renew their licenses. There are currently 316 actively licensed appraiser trainees. Small businesses will be impacted to the extent that they elect to pay the fees on behalf of their licensed employees. The regulation should have no other fiscal impact on the private sector, the general public or political subdivisions of the Commonwealth.

Paperwork Requirements

The rulemaking will require the Board to alter some of its forms to reflect the new fees; however, the rulemaking will not create additional paperwork for the regulated community because appraiser trainees are already required to file biennial renewal applications. The final-form rulemaking will not create additional paperwork for the private sector.

Sunset Date

The act requires the Board to monitor its revenue and costs on a fiscal year and biennial basis. 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 September 20, 2013, the Board submitted a copy of the notice of proposed rulemaking, published at 43 Pa.B. 5827 (October 5, 2013), 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. The Board has considered all comments received from the Pennsylvania Association of Realtors and IRRC.

Under section 5.1(j.2) of the Regulatory Review Act (71 P.S. § 745.5a(j.2)), this final-form regulation was (deemed) approved by the HPLC on _____, 2015, and (deemed) approved by SCP/PLC on _____, 2015. Under section 5(g) of the Regulatory Review Act (71 P.S. § 745.5(g)), the final regulation was approved by IRRC on _____, 2015.

Contact Person

Further information may be obtained by contacting Heidi Weirich, Board Administrator, State Board of Certified Real Estate Appraisers, P.O. Box 2649, Harrisburg, Pennsylvania 17110-2649, or by email at st-appraise@pa.gov.

Findings

The State Board of Certified Real Estate Appraisers finds that:

(1) Public notice of proposed rulemaking was given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. §§ 1201 and 1202) and the regulations promulgated thereunder, 1 Pa. Code §§ 7.1 and 7.2.

(2) A public comment period was provided as required by law, and only one written public comment was received.

(3) This final-form rulemaking is necessary and appropriate for administering and enforcing the authorizing act identified this Preamble.

Order

The State Board of Certified Real Estate Appraisers, acting under its authorizing statutes, orders that:

(a) The regulations of the Board at 49 Pa. Code § 36.6 are amended to read as set forth in Annex A.

(b) The Board shall submit this order and Annex A to the Office of General Counsel and the Office of Attorney General as required by law.

(c) The Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect on publication in the *Pennsylvania Bulletin*.

D. Thomas Smith
Chairperson
State Board of Certified Real Estate
Appraisers

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

* * * * *

§ 36.6. Fees.

The following is the schedule of fees charged by the Board:

* * * * *

Licensed Appraiser Trainee

Application.....\$75

Biennial renewal.....\$150

* * * * *

COMMENTATOR'S LIST

Derenda Updegrave
PA Assoc. of Realtors
500 North 12th Street
Lemoyne, PA 17043-1213



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) 783-4866

October 29, 2015

The Honorable John F. Mizner, Esq., Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Final Regulation
State Board of Certified Real Estate Appraisers
16A-7020: BIENNIAL RENEWAL FEE FOR LICENSED APPRAISER TRAINEES

Dear Chairman Mizner:

Enclosed is a copy of a final rulemaking package of the State Board of Certified Real Estate Appraisers pertaining to Biennial Renewal Fee for Licensed Appraiser Trainees.

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 "D. Thomas Smith".

D. Thomas Smith, Chairperson
State Board of Certified Real Estate Appraisers

DTS/LLB:rs
Enclosure

cc: Ian J. Harlow, Commissioner of
Professional and Occupational Affairs
Leigh Chapman, Director of Policy, Department of State
Timothy Gates, Chief Counsel
Department of State
Cynthia Montgomery, Regulatory Counsel
Department of State
Jacqueline A. Wolfgang, Counsel
State Board of Certified Real Estate Appraisers
State Board of Certified Real Estate Appraisers

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 16A-7020

SUBJECT: Fees

AGENCY: DEPARTMENT OF STATE
STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

TYPE OF REGULATION

- Proposed Regulation
- X Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Disapproved Regulation
 - a. With Revisions
 - b. Without Revisions

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FILING OF REGULATION

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
10/29/15	<i>A. Kelly</i>	HOUSE COMMITTEE ON PROFESSIONAL LICENSURE MAJORITY CHAIR <u>Julie Harhart</u> MINORITY CHAIR _____
10/29/15	<i>Lanny Blanch</i>	SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE MAJORITY CHAIR <u>Robt. M. Tomlinson</u> MINORITY CHAIR _____
10/29/15	<i>K Cooper</i>	INDEPENDENT REGULATORY REVIEW COMMISSION ATTORNEY GENERAL (for Final Omitted only) LEGISLATIVE REFERENCE BUREAU (for Proposed only)