

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 1032

PRINTER NO. 3905

AMOUNT

No Fiscal Impact

FUND

Professional Licensure Augmentation
Account

DATE INTRODUCED

April 5, 2019

PRIME SPONSOR

Representative James

DESCRIPTION

House Bill 1032 amends the Real Estate Appraisers Certification Act by making changes to the composition of the State Board of Certified Real Estate Appraisers (board).

House Bill 1032 expands the total membership of the board from eleven to seventeen members, including eight Certified Real Estate Appraisers, two Certified Pennsylvania Evaluators (CPEs) and two licensed home inspectors.

Until the Real Estate Appraiser Certification Act is amended to provide for the licensure of home inspectors, unlicensed home inspectors may sit on the board. Once licensure exists for home inspectors, the board term of the unlicensed home inspectors shall expire, and the board must transmit notice of licensure enactment to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

In order to make the initial appointments to the board, the Governor shall have 90 days to nominate one CPE and one home inspector to serve a two-year term and another to serve a four-year term.

The act shall take effect in 60 days.

FISCAL IMPACT:

There is no adverse fiscal impact to Commonwealth funds. Increasing the size of the board through the passage of House Bill 1032 will add minimal costs to the board. Citizen members of the board are entitled to a \$60 per diem compensation when attending to the work of the board as well as reasonable travel, lodging and other necessary expenses incurred in the performance of their duties. The legislation will provide for six new board members to be eligible to receive a per diem as the Secretary of State, Secretary of Banking and the Attorney General are not entitled to a per diem.

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In 2019, the board held six meetings. If a per diem were collected at each meeting, an individual board member received \$360 annually for attending meetings. House Bill 1032 will increase the per diem expenses of the board by \$2,160 annually due to the creation of six new board seats.

In addition, during 2019 each board member also received on average \$478 for travel, lodging and other expenses to carry out their duties. By expanding the board by six members, the board will incur an increase of \$2,868 in annual travel, lodging, and other related costs.

In total, the board is projected to experience an increase in cost of \$5,028 as a result of expanding the number of board members. This additional cost can be accommodated within the Professional Licensure Augmentation Account.