

# Washington State Home Inspector Licensing Board meeting transcript

September 21, 2023

Jon Ashlock:

Good morning. I am Jon Ashlock, chair of the Washington State Home Inspector Advisory Licensing Board. It is now 10:01 AM on Thursday, September 22nd, 2023, and I'm calling this meeting to order. This meeting is open to the public, and we'll take time, at the end of the meeting, for a brief public comment period. Participants will have no more than three minutes to address the board. As a reminder, the board members are not able to engage in conversations with the observers, when listening to public comments.

As a courtesy, we encourage all participants to mute themselves while you're not on speaking, to reduce background noise. One challenge is remaining unmute when you are wanting to speak. Also, for board members, to help us capture the information correctly, please state your name when making comments. Thank you.

At this time, I would like to ask Sandra Schaefer to call role, confirming attendance of all board members. Once Sandra has called your name, please respond verbally, with stating here or present to confirm your attendance.

Sandra Schaefer:

Thank you. I'll start with you. Chair Ashlock?

Jon Ashlock:

Here.

Sandra Schaefer:

Chair Jordan? Or Jordan Howard?

Jordan Howard:

Here. I'm present.

Sandra Schaefer:

Vice Chair Jordan Howard, sorry. Board member Austin McFeeley?

Austin McFeeley:

Present.

Sandra Schaefer:

Thank you. Board Member Glenn Thompson? Okay. Board Member Warren Trian? Tryon. My goodness.

Okay.

Sandy Baur:

Thank you. Thank you, Sandra. Mr. Chair, it appears we do not have a quorum for this meeting. Would you like to continue with the agenda without any actions from the board? For instance, questions and answers, discussions and voting.

Jon Ashlock:

As we have a guest speakers today, yes, I would like to continue with the meeting.

Sandy Baur:

Great, thank you very much. We'll continue with the agenda for information only, on those agenda items. With that said, let's go ahead. And Chair, we'd like to move on to agenda item number five.

Jon Ashlock:

Alrighty. So, let's meet the director. Sandy, would you please introduce Director Glasper, if that's how you pronounce your name?

Sandy Baur:

Yes, we're super excited. A new director joined the Department of Licensing early this year, and I would like to turn the floor over to Director Glasper to introduce himself. Director Glasper.

Marcus Glasper:

Thank you, Sandy. Good morning, everyone. Sorry, you don't have a quorum today, but things happen sometimes, right? But thank you for allowing me to pop into your meeting for a few minutes, with the opportunity to introduce myself. I'm trying to get around to all of the boards and commissions that we have, just to say welcome and thank you all for the work that you do.

As was said, my name is Marcus Glasper, and I use he/him pronouns. I've been in my role now for a little over five months, coming up on that six month mark where you can really no longer claim that you're new. But I'm going to do it until the final day that I can. As you can see here on the slide, I am southern grown, hailing from the State of Louisiana where I was reared and got my undergraduate degree in mechanical engineering. Actually, I've been in Washington now longer than I was in Louisiana, so that tells you how long I've been here.

I've moved to the Tri-Cities shortly after graduating from Southern University, and I started work at the Department of Energy at that nuclear cleanup site on the eastern side of the state in the Richland, Kennewick, Pasco area. I did that for about 10 years before joining Washington State Government in 2003, as I've moved around a bit over the last 20 years in state government with the Department of Licensing being my fourth agency. My 30-year career has taken me to some interesting places, from nuclear waste to prisons to taxes to gambling, and now I'm here at the Department of Licensing. But all of these experiences have really grounded me in public service, which is what I believed to be my calling, and I think licensing is truly a great fit as we touch the lives of almost every Washingtonian resident.

As you can imagine, even though I've been here for almost six months, I am still in the learning phase, as the breadth of licensing mission is extensive, just like this home inspectors board. But I wanted to just briefly talk about or mention to you some of my focus areas over the next couple of years, of what things that really are important to me. One of the things that I really want to do as the new director here

is kind of evaluate the agency's strategic framework. I want to know what guides our work, what guides our decision making, and then collaborative making improvements for the public.

One of the things that should always be front and center is preparing an agency for the future, and in particular for the Department of Licensing, preparing it for future stability. We actually have a central role in collecting revenue for the transportation system, and that the transportation system revenue collected there is continually changing, as you all may know. So, lots of electric vehicles are coming on the market, so we have to really think about how this is evolving, and make sure that we are adapting to what the future may bring.

Supporting Washington's traffic safety platform, again, we have a significant role there. We partner with many other state agencies, but we really want to advance that partnership so that we can advance traffic safety on Washington roadways. Also, very important and core to one of my priorities is supporting our businesses and professions, and that really is looking at improving our infrastructure to make it easier for our businesses and professions to obtain licensure from us. We want to do what we can, to ensure that they have what they need to thrive in Washington state.

Given the fact that we serve almost 8 million residents in the State of Washington, so we touch many, many people, and so we always want to be looking at the customer experience, and evaluating what we can do to make things better. I consider the fact that we are the face of state government because we do touch so many people's lives, and so when they come to us, we want to make sure that they have a good experience. Internally, I want to make sure that we have a diverse, equitable, and inclusive culture here at the Department of Licensing, so that we can deliver the best service to Washingtonians. We want to be looking at things from an equity lens by evaluating our policies and practices, and so that we can actually be better stewards for Washington. And then, finally, operational excellence. The public needs to have great trust in the work that we do, and we want to ensure that public trust remains by enhancing our organizational performance and everything that we do.

So, that's a brief overview of me and sort of the things that are on my mind, coming into this new role. I really do look forward to working with all of you in the future. I do want to take the opportunity to thank you for your service to this advisory board, your profession, and the residents of Washington for the work you do to provide your advice and expertise to the department in helping our licensees as well as consumers.

So, that's me in a nutshell. I hope you enjoy the rest of your meeting. Unfortunately, you don't have a quorum, but I'm happy to take any questions if you have any at this time.

Jon Ashlock:

Thank you very much. Very nice meeting you. Welcome aboard.

Austin McFeeley:

Yes, thank you very much.

Marcus Glasper:

Thank you.

Jon Ashlock:

All right. I don't know if we have any questions right now. I know we can't ask questions at the quorum, though. I don't think we can, can we?

Sandy Baur:

If anyone has any questions, feel free to email them to our DOL boards at our DOL boards inbox. I'll collect those, and then we can have a robust conversation at our next meeting. If you would like to ask clarifying questions, that's absolutely all right.

Jon Ashlock:

Thank you for the clarification on that.

Sandy Baur:

Thank you so much, Director Glasper.

Marcus Glasper:

All right. Thank you all. Have a great rest of your meeting.

Jon Ashlock:

Have a great day.

All right. With that, we'll go ahead and move on to old business. Sandy, we had structural pest inspection licensing clarification.

Sandy Baur:

Yes. So, this was an issue that was brought up by Former Board Member Shaun Hazel. There were some issues regarding what was the scope of work that Home Inspectors could do if they did not have an SPI license. Now, an SPI is structural pest inspector license. And so, I did a little bit of research to find out some little clarification around those rules and regulations, around being an inspector and what the scope of work could be. In the WAC 308-408C-070 paragraph one, subparagraph B, this is where I found the answer for that. Home inspectors should report pest conducive conditions, and then forward all of those issues that are suspected to be insect-related to a licensed structure pest inspector or someone who has their SPI license.

So, within that scope of work, a home inspector that does not have their SPI license, they can absolutely determine that there is or has been insect-related damage. They have to report that. Once that has been reported, they need to refer it to a licensed structural pest inspector or someone who does have their SPI license.

If there are any clarifying questions that I can answer, I'd be happy to, at this time. Otherwise, if you have any other types of questions, feel free to email them to our inbox and we can have a great robust conversation about this at our next meeting as well.

Austin McFeeley:

I had a clarifying question, if you would.

Sandy Baur:

Yes?

Austin McFeeley:

With the reporting of wood rot and pest conducive conditions that are suspected to be insect-related, are you able to based off of this report on the evidence that you see and then relate it, or you just need to refer it? Is that clear?

Sandy Baur:

That's a really great question. And that goes with the interpretation of the WAC. So, you would report the evidence of suspected damage, and then refer it to a structural pest inspector, someone who has their SPI license for positive identification.

Austin McFeeley:

Okay, thank you.

Sandy Baur:

Does that answer your question?

Austin McFeeley:

I believe so, yes.

Sandy Baur:

Okay, great.

Mr. West:

I also have a clarifying question. So, when you say refer to a SPI, do you mean that you have to refer to a specific SPI or attend the report, say that indications of possible pest infestation recommend further investigation by a licensed pest control company or a licensed structural pest company?

Sandy Baur:

Yes, that's a great question, and that is exactly what you should do. You should annotate that in your report, and then annotate that it is referred to a structural pest inspector who has that license, and then it would be up to the receiver of that report to determine who they would like to bring in for that.

Mr. West:

Thank you.

Sandy Baur:

Okay.

Jon Ashlock:

It looks like it's all the question.

Sandy Baur:

Great questions.

Jon Ashlock:

Great clarifying questions.

Sandy Baur:

Yes, great clarifying questions.

Jon Ashlock:

All right. Go ahead and move on to new business, then. Sandy, back to you again, at the introduction of Mr. Virant.

Sandy Baur:

Yes, we're extremely excited to be able to present some additional information to you. At this time, I would like to introduce Mr. Mason Virant. He is the associate director of the Washington Center for Real Estate Research. At this time, I would like to turn the floor over to him, to introduce himself, and to chat about this report.

Mason Virant:

Hey, everybody, I am Mason Virant, the associate director of the Washington Center for Real Estate Research. Sandy, thank you for the invitation to come and give a brief overview of one of our many reports that you thought may be applicable and of interest to all of you fine people. So, the way I'll do it, I'll just say, "Next slide", and we can move on that way. I will try to keep this... I know you guys have an agenda to keep, but I will try to keep this within five to 10 minutes of an overview, and then I'll open it up for any questions.

Cool. Let's do it. Next slide, please.

So, really quickly, just a brief overview of what we're going to talk about. We give an introduction of the center and what we do, and then the following bullet points are basically the main subsections of our housing market report that we do quarterly. So, we cover home sales volume, median home prices, home sales permits and construction to kind of see what's in the pipeline and what's been built in a given quarter, housing affordability is a huge one, and I'll go more into how we calculate those items. But moving from that, obviously, the next important thing is the availability of that housing and the affordable housing, in particular, and then just a synopsis of the existing inventory for housing on the market as well as month supply, and then just a link and some additional information of how you can get the full report, as well as our other reports that we do. Next slide, please.

Yeah, this is a part of the blurb from our website. But essentially, the Washington Center for Real Estate Research, we are a key provider of real estate research to multiple agencies and individuals in the public and private sector throughout Washington. As I mentioned, two of our main reporting elements that we do are the quarterly Washington state housing market report, as well as the semi-annual apartment market survey, and both of those are done for the Department of Licensing. Again, we won't go into every single report and piece of data that we do, but if you're interested, I highly encourage you to

follow us on LinkedIn, which is just LinkedIn/WCRER, as well as go to our website, the link at the end of the slide deck. At least, my portion here, with a link directly to the report, as well as our homepage of our website.

Brief background of the center, it was created in the late 2000s, originally housed at Wazuu. In 2012, it moved to the University of Washington and it's been there since 2012. Myself and my director, Steve Bourassa, has been at the center for about a year. Prior to that, it was just one individual working on this stuff about 11 years, prior to Steve and I joining. In the pipeline, moving forward, we're going to be expanding to other verticals within the real estate industry. We're going to be reporting on commercial industrial as well as office, but right now our focal point is residential housing. Next slide, please.

Okay. So, we all know that the market has not been doing very well since the beginning of the interest rate spike as COVID kind of fizzled out and they started jacking the rates at the Fed. So, this looks like the time series got cut off on the bottom there, but this is from 2013 to 2023, and it's the second quarter of each year, because that's what this current report is on. So, existing home sales fell in the second quarter of a 5.7% to a seasonally adjusted annual rate of 93,680 units compared to last quarter, is what the drop is referring to, and 23.6% compared to the same time last year.

We're not seeing a slowdown in the drop of quarterly home sales. It seems to be rapidly declining, and that's obviously a product of interest rate hikes. So, affordability as well as homeowners not wanting to sell, because they don't want to have to get a new mortgage, nor do they want to sell for less than the neighbor told them they sold their home for two years ago, in the midst of all the escalations and things like that. Next slide, please.

The median home price. Shockingly, we have rebounded in median home price from the high of last year. It did drop significantly over the past three quarters, but we are in a rebound. So, the median home price across all of Washington was just over 650,000. That being said, housing affordability fell for all buyers and first time home buyers from the previous quarter, and that's been a consistent trend, as I mentioned, since the interest rates have continued to be pumped up, quarter after quarter. It's not so much that home prices are causing that other... It's more so the fact that, compared to mid-2020, 2021, if same down payment on a same price home, your monthly payment's going to be about 125% of what it was, two and a half years ago, which is just priced a lot of people out of the market. I'll go into more about the home index, but... Yeah, it's really only two counties across Washington out of the 39 that we report on, are affordable for first time in median home buyers. Next slide, please.

So, these are just some additional stats about home sales. I already talked about the 5.7% quarter-over-quarter drop, as well as the seasonally adjusted annual sales, and the year-over-year decline. Six out of the 39 counties had quarter-over-quarter sales increases, which is not great. 11.1% was the largest quarter-over-quarter gain in these, again, seasonally adjusted sales, and that was seen in Columbia County. The quarter-over-quarter sales, in absolute terms, the largest jump within Jefferson County. It's obviously a very small county in terms of population and number of sales, but jumped by 28 out of 39 counties quarter-over-quarter decline in seasonally adjusted sales. So, well, well, well over half, and... I don't need to read off these other stats, but you get the idea of what's in the report with regards to home sales stats. Next slide, please.

Again, this has the time series included. This is just a duplicate of that initial home chart, a home sales chart that I showed on the first slide, so we can jump to the next one.

Okay. So, permits and construction. Everything in the real estate industry is greatly impacted by interest rates. People have to build stuff. To build stuff, you have to borrow to buy the stuff to build. So, as interest rate increases, we see a decrease in sales, a decrease in people looking to buy, as well as construction and permits, in general. There were 9,900 building permits issued during this quarter, which seems like a lot, but when you look at the year-over-year rate, it dropped by 28%. The good news is we may be starting to see an increase/rebound in permitting construction due to the fact that most people don't think the interest rates are going to go too, too much higher. With respect to the overall change from two years ago, we're roughly about seven and a half percent, maybe 7.8%, as of today.

Again, decline on year-over-year single family permits, so fewer people are selling their homes and fewer homes are being built, almost a 40% decline in year-over-year. Multifamily permits, obviously as the scale goes up, with the size of the loan to build multifamily units, the apprehension of developers to get into these new builds is just not there. When stuff doesn't pencil for developers, there's not much else they can do. If it doesn't make sense, financially, on an internal rate of return sense, they're not going to build stuff, as well as cost of materials have been increasing as well. Again, on the right side, I won't go through all these stats, but if you're interested, I encourage you to check the report out. We can move on to the next section.

So, this is just a neat chart to show the disparity and the correlation between multifamily and single family unit construction. This is permits being issued, so it's not actual construction beginning, but that typically happens for multifamily and single family within a few months of these permits being issued. But as you can see, single family units have slightly rebounded, but we're just on a flat out, steep fall, for multifamily units since kind of the interest rate hikes began in late 2021. Next slide, please.

Okay. So, housing affordability. Not good. It's not good at all. While we did only see a 0.1% year-over-year increase in home prices, again, as I mentioned previously, it's not so much the price of these homes or what they're being listed at, it's the scarcity of them, as well as the affordability of getting a mortgage. As I mentioned, if your mortgage payment was \$3,000 two and a half years ago, it's probably closer to \$7,500 a month now. And that's just not feasible. It's not a question of, can we stretch it? You literally will not get qualified for a mortgage. So, housing affordability is not great, and because of that, with regards to single family homes, the rental market's been on fire, so average rental rates for a one bedroom have continued to increase as well across the entire state, because there's more demand for those units and lesser being built. So, it's just kind of a perfect storm of bad scenarios leading to very, very unaffordable housing across our entire state.

I won't go into how we calculate the housing affordability indexes, but if a county or a city has a 100, that means the average median household income will exactly cover the average price home or the average rental rate for a given city or county. Statewide, we're at 57.2%, which means people barely have over half of what it would require to get a median priced home with a median income in the State of Washington. So, that's really bad. We're not even close to it being affordable, as an average across the state.

The range of these affordability indexes goes from 33.6 on the lowest, most in affordable, to 135.4 on the high end, and there's only about two counties, out of all of them that are affordable. And we've moved to zero, as of this quarter. Again, more stats, I won't read them all off to you, but you get the idea of what this section encompasses. It's a good litmus test for how we're doing, as a state, with



regards to our median incomes and our affordability for our housing. And it's sadly not great. Next slide, please.

So, this is not the trend you want to see. As you can see, it fluctuates slightly as the interest rates go up and down, but we'd really like to see this flat or slightly as an increased slope. But as you can see, first time home buyers and median home buyers, it's very bad. So, this hundred line on the Y axis, anything above that means it's affordable, anything below that means it's not affordable. So, across the board, we're in a kind of a tough spot right now and something needs to give, either people need to be willing to sell their homes for a lot less or interest rates need to come down. Those are kind of the two levers to pull with regards to home affordability, and people are very opposed to lowering their home prices when they sell them, and so interest rates are really kind of the only hope at this point, but... Yeah. Next slide, please.

Again, more availability of affordable housing. Stats shows the range of median income. King County tends to always be on the highest end, just because of the tech hub that we are in King County with Amazon and Facebook. So, the median incomes in King County get a little bit skewed by that, but it is the highest earning county in Washington state at \$125,000 median income. Again, more stats that point to a very sad outlook, currently, for affordability in our state. Next slide, please.

This is just existing inventory. I think you probably are all familiar with month supply, which will be the next slide. But essentially, you take all the homes, currently for sale, and divide it by the average annual seasonally adjusted rate of sales, and multiply it by 12, and that tells you, if no more homes came on the market, how long would it take for all the homes to sell? Historically, throughout COVID, it was literally under a month in many counties. We've rebounded slightly. We can move to the next slide for the chart, I believe.

Again, this time series is the last 10 years. So, it fluctuates seasonally. Obviously, more homes come on the market in the spring and the summer, and it gets in the quarters of fall and winter naturally. But this is good that we're on a rise here. Slowly but surely, people are more willing to get back into the market, but at the same time, we're at pre-pandemic levels. But we'd like to see that revert back up. The more months supply that you have, the more of a buyer's market it is, which is kind of what we need right now with the affordability where it's currently at. Next slide, please.

So, month supply. As you say, we've flattened out a little bit, but we'd really like to get this back to 2014, 2015 levels. The pandemic times from 2019 to 2021, that was an aberration because of interest rates being so low and everyone getting escalations up the Wazuu for a hundred thousand, 200 grand over asking price. So, everything was selling quickly and you just couldn't replenish that supply quick enough. But we'd really like to be in more of that, 3.5 to four range, for month supply that creates a more stable market between buyers and sellers.

And I believe next one is just my last slide here. This is the cover of our report, and if you click on the report icon itself, it'll take you directly to the report where you can download it and check it out, and peruse around our website for all the other data and reports that we create. I'll pop my email in the chat, if you guys are interested in any other information or want to chat about anything. We also do custom research and reporting as well. If you guys have a project that you want info on, feel free to reach out. And thanks for the opportunity to chat.

Sandy Baur:

Thank you so much. Our chat has been disabled, so if anyone is interested in any of the information that was presented, please feel free to email our DOL boards at [dol.wa.gov](mailto:dol.wa.gov), and we can get you the links to these reports and to that website. This report has been included in the packet for the board members.

At this time, does anyone have any clarifying questions they'd like to ask?

Jon Ashlock:

Is the data available in raw format? When I looked at your website, it's all PDF.

Mason Virant:

So, the data that comes together, yes, it's available in raw format, but more of on a one-off request. Just for the reporting purposes, we put it in PDF, but if you'd like the raw data, I'd be happy to send it to you.

Jon Ashlock:

Thank you. Yeah, I'd definitely like to be able to see it, to be able to correlate more on home inspection trends on there, too.

Mason Virant:

Absolutely.

Jon Ashlock:

And then, the other clarifying one out for you, too, is, are you working with other states to see... I'm assuming it's similar in other states, too, or are you isolated just for Washington, in general?

Mason Virant:

For our purposes, we purely report on Washington, but we do have affiliations with other universities, and it's pretty darn similar across the board throughout the United States at this point in time. We will be putting out, next fall, a state of the state housing report that'll be more in a comparison context with other states and kind of where we rank nationally, specifically with affordability and housing supply and home sales.

Jon Ashlock:

Thank you.

Mason Virant:

Yeah.

Sandy Baur:

Dwayne, you have a question?

Dwayne Boggs:

Yep.

Sandy Baur:

You're muted.

Jordan Howard:

Mr. Boggs, you're muted. Would you like to ask your clarifying question?

Sandy Baur:

Mr. Boggs, you're still muted.

Dwayne Boggs:

Here we go. Can you hear me now?

Sandy Baur:

Yes.

Jordan Howard:

Yes.

Dwayne Boggs:

Okay. I was saying, Mason, thank you for sharing the information with us. I went to a meeting yesterday and a loan officer I talked to said that the state is trying to work out in shortening the permitting period for builders. Is that true? Is that something you're working on? If you could tell me a little bit about that.

Mason Virant:

Yeah, absolutely. I don't have any affiliation with legislators or legislation at all, but I can tell you that one of the big things that they're trying to do is ease that burden and lower some costs, because especially with this interest rate climate we're in, as I mentioned, developers, if it doesn't pencil for them, you've got to incentivize them in some other way. So, you've got to cut down the time horizon where they have to do that holding loan for building, or you've got to give them some breaks elsewhere.

So, things are in the works. I don't have any specifics at this time, but we are going to be putting out more on the multifamily side of things, but a transit-oriented development research paper, white paper, about the incentives that we can provide for both single family and multifamily builders to ease that burden and get some more homes built, both multifamily and single family. Because yeah, the process of getting these permits and the costs associated, in my personal opinion, it's a little archaic and prolonged when it doesn't need to be, in my opinion. But yes, things are in the works, but I don't have any details, at this time, to share.

Dwayne Boggs:

Okay. I'm very happy to see the state addressing that. That does need to be done. Thank you.

Mason Virant:

Likewise. Yeah.

Jon Ashlock:

Anybody else? I don't see any hands raised.

Mason Virant:

Cool. If a question pops up after the meeting, feel free to email me. It's just MA and my last name at uw.edu. Or you can send an email to our generic address, which is wcrer@uw.edu. We'll get back to you.

Jon Ashlock:

All right, thank you very much for attending. That was great information.

Mason Virant:

Thank you.

Jon Ashlock:

All right. Go ahead and move on to the next new business, the complaint process. Sandy and Melissa?

Sandy Baur:

Yes. I'm really excited to be presenting some of this information to you. During our June meeting, we had a public comment from someone who had a poor experience with the school. And you, Mr. Chair, had tasked me with coming and researching and delivering some information about how to file a claim and what can you do about getting service that is not up to standard. So, what I'd like to do is, I'd like to go through the complaint process.

There are a couple ways that you can file a complaint. One, you can go online to the Department of Licensing website, and you can fill out the complaint online and submit it online. You could also print those forms out, and you could fax them to the department, or you can mail them to department. Now, when you are filling out the complaint forms, you'll need to fill out everything completely. You'll have to include a detailed explanation of everything that happened in regards to your complaint, and then also attach all relevant documents that you have associated with that complaint. Next slide, please.

This is a little bit about what the process looks like. You're going to submit your claim, and then what happens at the department, it gets moved into the complaint intake. This is where our complaint team reviews the information, makes sure all the relevant documents have been submitted, and then determines, whether or not, it's within our jurisdiction, and then also the severity of the complaint and at what risk level that complaint is at. If there are any missing documents, they will probably reach out to the complainant to get further clarification or to get the documents that are missing. Then, it moves into an investigation. The investigators act as independent gatherers of fact. They don't advocate for either party, they are not for the either side, they collect information from all available sources, and there are a whole lot of factors that can impact the extent and the timeframe that a complaint will be in the investigation process.

If there are any questions that the investigator has, they may reach out again to the claimant to get more information. They could also reach out to the individual or school that the complaint has been levied against, for more information. Once the investigator has finished their portion of the process,

then it moves into the review process, where it is then turned over to an investigation supervisor, and then an investigation manager. They'll review the entire process, and then determine which way that the investigation needs to be closed.

So, there's several different ways that the investigation can be closed. One is closed with no further action, and that's because there was no violation that was identified, or it was outside of the scope of what was our responsibility or jurisdiction that we can make determinations on. A second closure would be a letter of education, and these are for minor violations that don't rise to sanctions. There's also voluntary compliance, and that is our goal. We want everyone to be within compliance of the RCWs. And then, it could also be a referral to the compliant unit if none of these other actions apply. Next slide, please.

During the complaint process, once it's complete, the department will notify the claimant of the outcome. Now, I want to make a special note here that the outcome decision does not constitute a legal opinion, and the department does not have the authority to recover funds or award damages or to make judicial determinations. If those are the types of remedies that you are pursuing, we encourage the claimant to seek legal advice or counsel.

And with that, I am happy to answer any clarifying questions.

Jon Ashlock:

What sort of touch bases do you guys have with the person who's submitting it, once the claim has been put in? I mean, if they go and submit something online, can they expect a word back in a week, a month? What sort of a timeframe, just for initial contact back that you're looking at it?

Sandy Baur:

That's a great question. And depending on the level of the complaint and how much documentation is provided and how far the actual investigator has to dig to find out what the actual complaint is, that is what impacts how long the investigation is open. So, this is like a case by case basis, so there isn't a one-answer-fits-all on how long an investigation is open. Regardless of how long the investigation is open, the department will touch base with every single claimant upon closure of the complaint.

Jon Ashlock:

Is there any way for them to be able to check to see where it is in process?

Sandy Baur:

Oh, that's a great question. I think they'll be able to log online and check their process that way. Or the complainant will also receive a letter within five days that the complainant has been submitted.

Oh, hang on just a second. Yep. The complainant intake will send an acknowledgement letter to the complainant once it is determined that the complaint meets our jurisdiction, and an investigator will reach out to that complainant.

Jon Ashlock:

Excellent, thank you.

Mr. West:

I have a clarifying question. If the complaint after the investigation is deemed to have merit, what type of repercussions or corrective actions is taken, as far as the school goes?

Sandy Baur:

That's a good question, and that goes back to the very last portion of the slide, which was the closure or referral. So, what we have the authority to do is we can close without further action, and that means there wasn't any violations that were identified. There could be a letter of education, which is minor violations where we inform that individual of the violations that occurred, and we give them ways to fix that. And it's a means of mitigation. There's also voluntary compliance, and that is our goal. And if none of those are a route that we can do, then we will refer that complaint to the compliance unit for further action.

Mr. West:

Thank you.

Sandy Baur:

That's a great question.

Okay. Thank you, everyone.

Jon Ashlock:

Well, thank you. That's great information.

Alrighty, moving on. I believe you are back on there again for legislator 101.

Sandy Baur:

Yes. This is super exciting. We were also asked to give a little presentation about what is the legislature, how does a bill become law? And for that, I would like to introduce Kelsey Stone. She is our legislative and policy analyst, and she knows everything about this.

So, Kelsey, I'd like to turn the floor over to you.

Kelsey Stone:

Thanks, Sandy. Really appreciate you guys having me here today. I'm hoping I'm not going to take up too much of your time, and I think that you'll all know where to forward on questions if you guys have any at the end of the presentation. So, let's go ahead and get started.

We are coming into our 2024 session. We're currently an interim, which is the time period between sessions. So, the state constitution decides how long each legislative session is going to be. Odd years are usually considered a budget year and they're a little bit longer, 105 days. Even years are a supplemental budget year, and so they're a little bit shorter, about 60 days. 2024 is going to be a short session. It's the second half of a biennium, where the legislature will create a supplement to their original budget. So, that means that things generally move a little bit faster because we're in this

compressed timeframe, but that also means that there's usually less bills that they're considering, because they know that they have less time. Next slide.

So, what is the bill? This is a question that we get a lot, for folks who aren't dealing with legislative practices every day. They're essentially legislative proposals that can come from a really wide variety of sources. I've listed some of the most common ones here. Constituent issues, changes in social circumstances, issues with a current law or recently enacted legislation that need to be updated or changed, that can be in response to court cases or in changes to federal laws or regulation. Bills can be drafted by, pretty much, anybody. Citizens and interest groups are a big one, state agencies. We have what's called ARL, agency request legislation, and then legislators and legislative staff. Regardless of who drafts the bill, every bill has to have a legislative sponsor. So, that's kind of who shepherds it throughout the process, and basically that's the person who will be kind of the primary champion of that bill or proposal through a legislative session.

The legislative process is pretty long and it's very repetitive for a lot of different reasons, but I've tried to break it down into more bite-sized chunks here. The first step is filing a bill. Bills can be filed... We call them pre-filed, starting one month before session. So, we'll probably start seeing pre-filed bills this year, around December 5th or 8th. The second step is that bill has to be introduced and it has to have a reading. They're introduced in their house of origin. For example, Senate bills or SBs are introduced in the Senate, House bills or HBS are introduced in the House, and then they are assigned to the appropriate Senate or House committee, based on their subject matter.

And I've listed out the standing committees here. These will often change depending on who is in charge in the legislature. They often get renamed, the subject matter kind of get shuffled around. But essentially, you're going to see the core subjects. You're going to have things like healthcare, education. Our fiscal committees will always be the same. In the Senate, that's ways and means. In the House, its appropriations. And then, you'll have some budget committees that really just deal with the operating or the transportation budgets.

And so, the third step is, for a bill to be heard in committee, chairs and the ranking members in that committee, set the agenda. So, they decide which bills are going to be heard. Almost all of them will have to pass a committee before going to the chamber floor for a vote. It's very rare for a bill to bypass that committee hearing stage. And some bills may need to be heard in multiple committees, so most often, you'll have a bill is heard in a policy committee, like healthcare or education, and then if it has a certain kind of cost threshold, it'll also have to be heard in a fiscal committee. So, in the Senate, that would mean it has to go to a healthcare committee and to ways and means. Or in the House, it has to go to healthcare and to appropriations before it can go to the floor.

Then, a bill will go to the Rules committee. So, after a committee votes before a bill can make it to the floor for a vote, it will go to the chamber's Rules committee. The Senate and the House each have their own Rules committees, and it must be pulled to the floor by a legislator. This is often where some bills go to die. If bills make it to the Rules committee but they can't get pulled out, that can usually mean that there's a certain controversy that's preventing it from going to the floor, or there's just not enough time and it's not a high priority bill. So, sometimes, it will just die in that Rules committee.

Step five is going to the floor for a vote, if it's passed by a majority in the chamber of origin. So, in the Senate or the House. The bills are then sent to the opposite chamber and we do it all over again. So,

Senate bills or SBS are sent to the House, and vice versa for House bills. We then repeat that process. Bills are introduced, they're assigned to a committee, and heard, potentially pulled from the Rules committee to the floor for a vote. And then, after a bill, if you're so lucky, it can pass both chambers, that bill is delivered to the governor who has a certain amount of time to sign it into law.

Another big question that we get is, what if bills are amended? It's very rare that a bill is going to go all the way through session and not be changed at all. There's all these small tweaks that they're doing or there's big changes that they're doing. Amendments are proposed by legislators to change the language of a bill. They can be amended in the committee or on the floor before a final vote has occurred. And the one rule is that, an amendment has to be within the bill's scope. So, you couldn't have something about healthcare, and then you're including some type of provision that relates to housing. Those are two separate topics, so it wouldn't be within the scope of a bill.

And once a bill passes one chamber to the next, so if a Senate bill has passed the Senate and goes to the House, that new chamber can make an amendment. But the original chamber must either concur, meaning that they accept the amendment to their bill, or they dispute the amendment and they move to what's called a conference committee where you have representatives from each chamber to determine the outcome. This is another place that bills go to die. If the Senate and the House cannot agree, that usually means that they'll be deadlocked and the bill can't pass that session.

And the governor's role in all of this is usually receiving that last kind of stage of the bill. And if it occurs more than five days before the legislature adjourns, it's what we call sine die. It has to be signed within five days. And then, if this occurs five days or less, before sine die, before the legislature adjourns, it has to be signed within 20 days.

Bills usually have a default effective date of 90 days after the legislature adjourns. So, if you're reading a bill and you don't see anywhere that it says, "When the bill becomes effective...", that means it will become effective 90 days after the Senate adjourns, or the legislature. Sometimes, bills can have, what we call, emergency clauses or specified effective dates, and it basically will mean an emergency clause is like, "This is paramount to public safety, so it takes effect immediately." Or it may say, "This has an effective date that's contingent on something else happening." Or they'll just say, "We're going to provide an effective date of six months to a year later", to give the folks that have to implement the bill time enough to do that.

And the governor does have the authority to veto the entirety of non-fiscal bills or they have the power to veto by section. Sometimes, even when a bill makes it to the governor's desk, it can still undergo some changes before it becomes law.

That's kind of all I have for you guys today. I know I sped through that pretty quickly. It's really just breaking down how do we get a bill that's proposed to the legislature, and then what are all the hoops that needs to jump through before it finally becomes law, at the end.

So, I've included my contact information. You all are welcome to email me with any questions you have or clarifying points you'd like, so... Yeah. I'm really pleased that I got to do this with you guys today. And thanks for having me.

Sandy Baur:



Thank you, Kelsey. I really appreciate your time today.

Back to you, Chair Ashlock.

Jon Ashlock:

Thank you. Any questions out there, at all, or clarifying questions? All right. We'll go ahead and move on then to our subcommittee reports.

Alrighty. So, Board Member Tryon was going to be doing the Changing Business Practices subcommittee, and I was able to grab a hold of the education because Board Member Thompson wasn't going to be able to make this. I'm going to move and kind of join them together a little bit, because they kind of cover the same sort of item for the process outward, and then I'll turn it over to Vice Chair Howard, if that is okay.

Bringing my notes here really quick. So, both the committees, right now, we're taking a look at our administrative code for either area, and subcommittee meetings are literally going line per line for this code right now, to see if we need to have any potential changes, such as grammatical, clarification or process-related changes to it. We're reporting back on our meetings, which one is coming up, I believe, next Monday, too, for any changes along with email and back off staff on that, too.

The goal is to try to make both the processes clear, more... I guess, in many ways, could be more efficient, and then also be able to fill any gaps where we've had questions over the past on that, too. So, it is a living document right now. Once the committees go together, we'll join all the comments and discuss that, and then be able to come back to a board, as a whole, and discuss with the public at that point in time.

So then, in a nutshell, we're in the middle of the process right now. Not completed, but it is moving forward, which is good because we really hadn't done much of that over the last several years, due to the fun of the COVID and everything else that we had.

Any questions for me on those two subcommittees? All right, I'm going to move on to Vice Chair Howard.

Jordan Howard:

Thank you so much. So, I'm here to speak on the Diversity, Equity and Inclusion subcommittee meeting, if we can... Perfect. First, just to give acknowledgement, a few days ago, I was watching LinkedIn and the Department of Licensing had been acknowledged by RAIN, which is the Rainbow Alliance Inclusion Network for Outstanding Agency Award, and that's something that we want to try to continue here in our roles in the diversity subcommittee. So, some of the kind of cliff notes there or the notes on what we've been able to or what we've been focusing on, number one, Austin, Chair Member Austin and myself have been kind of narrowing down on where to focus. It's a very wide subject. So, one of the main things that we've tried to focus on was outreach to underrepresented populations. The thought was reaching out to schools, business resource groups, and special interest groups to get feedback on barriers to licensure.

Now, over the summer, schools have been relatively difficult to reach. Also, a lot of them are online, so they don't necessarily have a staff that's going to be sitting there, fielding phone calls and emails. But we

do have plans to get in contact with them over the next few months. So, next steps. We're also going to be scheduling listening sessions, speaking at schools, and creating some type of outreach survey that they can optionally hand to their students for some live feedback.

The other section that we wanted to focus on is training and workforce accessibility, working through DOL as well as the education subcommittee on reaching out to educators for data around languages offered for education CECs other than English, as far as English as a second language. So, seeing who can accommodate those potential language barriers, and also addressing generational language gaps. One thing that was kind of brought up was, the younger generation, in some of their exit surveys and surveys, have reported feeling alienated by the workforce. And some of those are as simple as just terms that we use from different generations, running it up the flagpole, put a pin in it, things that make it hard for, not only younger generations to understand, but also people that English as a second language, there's a literalness that could be translated into their own.

Again, trying to understand all those dynamics. And that's kind of the corner of the pie that we're focusing on, is the language barrier, and as much access to one simple aspect of language availability and communication for that, at this point.

So, that's where Austin and myself are. Thank you so much.

Jon Ashlock:

Thanks, Jordan. I know that's one of the newer committees, too, so you guys are kind of inventing the wheel on that.

Jordan Howard:

Yes.

Jon Ashlock:

Alrighty. We are going to go ahead and move on then to statistics.

Sandy Baur:

All right. So, what we have here is our current licensee count by age and status. As you can see, we have the chart that divides everything out by age and by status. And currently, we have 1,257 active home inspectors right now. Next slide, please.

We have also broken out this data by county. So, this is the information that are [inaudible 01:01:20] licenses by county, and this is all information that has been included in your board packet. Next slide, please.

All right. So, this is a little bit new. We've been asked to provide a little bit of historical data. We've been asked to see, how many licensees are brand new? And how many licensees are renewals? So, we've been able to add this data throughout... From January to August, you can see the trend of renewals is in green. In January, we had almost 100 renewals, and we only had about nine new licensees. And then, moving forward, you'll see that the renewal count has dropped a little bit while the new licensee account has remained relatively steady. We've also been able to do a little research back to 2018, and here is, in the bar chart on the right, is the active home inspector licensee counts by year. So, I can see,

right now, we're about back to 2018 counts. They've steadily increased from 2018, and then they've pretty much dropped back off to 2018 counts for this year. Next slide, please.

Another new data point that we've been asked to start collecting is the testing pass rates. This is just a snapshot that we have from July to September of this year. Since this is a new data point, there isn't a whole lot to talk about right now, but as we move forward, we'll be able to have some reference points for this data. And that concludes the reports.

Jon Ashlock:

So, it kind of goes with the real estate presentation. Is this data available to be export, so it could cross-reference these items? Or not?

Sandy Baur:

Yeah, go ahead and email the DOL website or the [dolboards.wa.gov](http://dolboards.wa.gov), and I can email you the Excel documents that we got for this.

Jon Ashlock:

Thank you.

Sandy Baur:

Mm-hmm.

Jon Ashlock:

Any other questions?

Mr. West:

Excuse me, I do have a question, and this is not directly related to this report. I have a question concerning-

Sandy Baur:

Sir, since we don't have a quorum, we won't be able to receive questions that don't directly relate to this data.

Mr. West:

Okay, thank you.

Sandy Baur:

Thank you.

Jordan Howard:

Sorry about that, Mr. West.

Mr. West:

No worries.

Jon Ashlock:

Definitely interesting meeting we're in today.

Sandy Baur:

It is an interesting meeting.

Jordan Howard:

And feel free to utilize that email with your questions, though. We'll be sure to respond as soon as possible.

Jon Ashlock:

And be able to always put it on next month or next meeting we have per quarter.

Sandy Baur:

Exactly.

Jon Ashlock:

Alrighty. Sandra, do we have any master action items we need to reverse to you?

Sandra Schaefer:

Yeah. I do have an update on the recruitment to fill two vacant seats. Currently, we do not have enough applicants. We've only received three, and that's really not enough for a fair and equitable recruitment process for two seats. So, continue to reach out to folks who you know are interested, spread the word. Please apply. We want to move forward, but we currently can't, at this point.

Regarding the item staff to invite guest speakers from various industries in the real estate, we did have one today, and that was earlier on the agenda. We intend to continue to coordinate that.

Regarding clarifying the scope of home inspectors with no structural pest inspection license, that was on the agenda as well. And so, we covered that. That will be removed from the action item list.

Regarding sending a link to the... I don't remember what the WCRER stands for, but the rehousing report. We actually included that in the packet, and that has the link in the packet as well. So, that is complete.

And regarding providing data on licensee count report, showing passing exams and renewals, we covered that as well.

So, the only two items that will continue to be on the action item list for next meeting will be, hopefully, not the recruitment. Hopefully, we'll finalize it by then. But potentially, that, and also the ongoing request to have other industry professionals.

Jon Ashlock:

Thank you. All right. In the case of the meeting we're having now, from what I interpreted earlier, we're not going to be able to have public comment today. Correct, Sandy?

Sandy Baur:

We can receive public comments, but we cannot respond to any of those public comments.

Jon Ashlock:

Okay.

Sandy Baur:

The best that you could do is tell me to put it on the agenda for next meeting, if you wanted to do that. But we can receive public comments, but we can't respond to any of them.

Jon Ashlock:

I guess, pretty clear, right now. So, is there any members of the public I can make a comment, that we could address in the next meeting?

Sandy Baur:

I don't see any hands.

Jon Ashlock:

You rely on that one.

Alrighty. Let's see. Announcements or next station and the conclusion of the meeting.

Sandy Baur:

We do have an announcement. I'm very excited to announce that we have a new team member that has joined us here in the board's commissions and outreach unit. I'd like to turn the floor over to Mr. Jason Lynn, and let him introduce himself to you and tell him a little bit about his new position.

Jason Lynn:

Hey, thank you, Sandy. Thank you, board, for allowing me the opportunity to come and sit in on your meeting. I'll just take a few minutes to give you a little background, introduce myself, and tell you why I'm here. I'm Jason Lynn, I am born and raised in Florida. I went to the University of Alabama where I acquired my bachelor's degree in the field of finance and business administration. Shortly after that, I ended up joining the military, the Department of the Navy, as a linguist. I served 20 years, most of the 20 years working as a linguist within the intelligence community. I met my wife early on in that career, we have three kids, and I just recently retired from service, which segues into why I'm here now.

I am part of a new program that is dedicated to helping military, military spouse employment. I will be the military, military spouse engagement coordinator. This is a program that's really near and dear to my heart. This is a community that I've been a part of for a long time. It's impacted my family. It impacts many other families that I've been able to serve with. And just to give you a little bit of background, there's a lot of studies out there about military spouse employment, their unemployment rate, their underemployment rate, and the stressor that it causes them... About one in five military families say it's military spouse employment's a potential reason for them to leave service.

So, there's a lot of stake with this. I believe there's a lot we can do, specifically from the Department of Licensing. We're going to be looking to try and reduce, and eliminate, and overcome some of the barriers that allow the professionals and business members within this military spouse community to be able to continue their career, to be able to advance their career. It'll help their families, it'll help military readiness, and it'll help serve the residents of Washington.

So, I'm excited. We're still in the implementation stage. There's a lot of things we're working on. It's moving very quickly. One of those is training for the board members. So, you will be hearing from us shortly, and we'll go ahead and get that training out to everyone. It'll give you more information about what we're doing. And if you have any questions, you can just reach out to me, or to Sandy and it'll get to me.

But that's it. If you have any questions, just let me know. Thank you.

Jon Ashlock:

Sweet. Welcome on board. Thanks, Jason.

Any questions for Jason here?

Alrighty. We'll go ahead and move on.

All right. Sandra, you have the last two topics for... Here, the request for agenda items and action items.

Sandra Schaefer:

Yeah. So, if any of the board members have any future agenda items that they would like to be included, this is the space to ask that, and I will jot that down.

And hearing none, I did not take any action items down specific to this meeting. I do have that we are going to table for the next meeting, specifically approval of minutes. And I don't think we had anything else that needed further discussion, that we didn't already cover, or were not able to cover without a quorum.

Jon Ashlock:

I agree. Thank you very much.

Alrighty. On that note, I'm going to go ahead and adjourn the meeting. It is now 11:14 AM on September 22nd, 2023, and this meeting is adjourned.

Our next meeting will be via Teams on December 14th, 2023, at 10:00 AM.

Everybody, have a great day, and we will see you next time.

Sandra Schaefer:

Thank you.

Sandy Baur:

Thank you so much everyone.

Jordan Howard:

Thank you.

Mr. West:

Thank you.