



**STATE OF WASHINGTON**  
**DEPARTMENT OF LICENSING**  
***PO Box 9020, Olympia, Washington 98507-9020***  
**REAL ESTATE COMMISSION MEETING**  
**MINUTES**

**DATE:** December 6, 2011

**TIME:** 9:00 a.m. to 4:00 p.m. or until completion of business

**PLACE:** Department of Licensing  
405 Black Lake Blvd.  
Bldg. 2, 2<sup>nd</sup> Fl, Rm 209  
Olympia, WA 980502

**CONTACT PERSON:** Jerry McDonald, Administrator  
(360) 664-6525  
Email: [jmcdonald@dol.wa.gov](mailto:jmcdonald@dol.wa.gov)

**ORDER OF AGENDA:** OPEN SESSION (Conference call available)

**CALL TO ORDER:** Ralph Osgood, Assistant Director/Chair 9:00 a.m.

**ORDER OF AGENDA: OPEN SESSION**

- A. **Attendance** – Board Present:
- |                                     |  |
|-------------------------------------|--|
| Ralph Osgood/Chair                  | Staff Present:                         |
| Cate Moye/Vice Chair                | Jerry McDonald/ Administrator          |
| David Azose                         | Terry Rodgers/ Assistant Administrator |
| George Pilant                       | Rhonda Myers                           |
| Jess Salazar                        | Delores Casitas                        |
| Jeff Thompson (via conference call) | Deb Wright                             |
| Kyoko Wright                        | Sally Adams/Admin. Assistant           |
- B. **Approval of Agenda** – Agenda approved as presented.
- C. **Approval of Minutes** - Cate Moye motioned, Kyoko Wright seconded and the commission approved the September 20, 2011 minutes as presented.
- D. **Set next year's meeting schedule** – George Pilant motioned, Jess Salazar seconded, and the commission approved the schedule as presented. The 2012 schedule is as follows:
- March 28, Olympia
  - June 26, Olympia
  - September 25, Yakima
  - December 4, Olympia

**E. AMP**

- a) Simulation Testing – Larry Fabrey, from AMP explained the stats which indicated that applicants are more likely to pass the simulation test than the multiple choice test because on the 2<sup>nd</sup> try the applicants have a higher pass rate.
- b) AMP Portal (EED) – Larry Fabrey informed us that the EED (Electronic Eligibility Database) is expected to be operational on the first Quarter of 2012. Jerry McDonald explained that it has taken longer than anticipated to get the program on line due to the changes made to the program as a result of the valuable input from the educators. Gina from Rockwell expressed her appreciation that the educators were given an opportunity to review the program before “going live”.

**F. Commercial Core Approval** – Kyoko Wright motioned, Cate Moyer seconded and the commission approved The Commercial Core as amended (page 2, Legislative /Legal Updates, item 3, 2101 to be corrected to read 2011).

**G. Report on Task Force** – Kyoko Wright presented an overview of the October 25<sup>th</sup> task force meeting. The Task Force concluded that licensees may use whatever name they choose as long as it is not misleading. The Task Force agreed that that this information should be published on the website under “What’s New”. Glen Crellin announced it will be the lead story in the next newsletter. George Pilant suggested that anyone who is not managing anyone other than themselves should not be using the title “Managing Broker” as it is misleading. It was suggested that these licensees might use a term such as “Senior Broker”.

**H. Discussion on Rule Moratorium** – Jerry McDonald stated that rules approved at the last meeting can be considered for an exemption even though there is a rule moratorium. Jerry recommends 2,4, and 9 on the rule handout be reviewed by the Changing Business Practices Committee for language. He stated that 9 was a major consumer protection issue. Bill Hicks from Coldwell Banker Bain commented that he believes they are all consumer protection issues. George Pilant motioned, Jess Salazar seconded, and the commissioners approved moving forward to present 2-9 to the director for rules changes.

**I. Discussion on Designated Brokers duties when firm closes** – Jerry McDonald explained that there is no requirement for a designated broker to transfer or return listings to sellers or transfer pending sales to another firm when the designated broker closes the firm. This is a very important consumer protection issue when clients or customers of real estate firms do not know the status or have the ability to consummate their real estate transactions. Both the public and licensees need to know what will happen when a firm closes. The commission agreed this was an important consumer safety issue and wanted this presented to the director for an exception to the governor’s rule making moratorium.

J. **Election of Vice-Chair** – George Pilant was unanimously elected to the position of Vice Chair. George asked Cate Moyer if she would be open to serving a second term and she affirmed that she would.

K. **Update from WCRER** – Glenn Crellin presented an overview of the December newsletter and asked if someone from the Real Estate program would write something for the “Administrators Corner”. Cate Moyer volunteered to write an article.

Glen stated that the stats show that activity is up, but prices are down. Glen brought three proposed surveys:

1. Update on continuing education program using renewals to see what classes licensees are taking.
2. Licensee profiles,
3. More sophisticated forecast of licensing.

Cate Moyer remarked that she believes the Licensee profile would be useful and presented a motion to approve a contract to fund the three surveys.

Kyoko seconded the motion and it was passed.

L. **Budget & License Stats** – Jerry McDonald presented an overview of the Budget and Licensing Stats.

M. **Open Forum** –

- a. Cate Moyer expressed concern that licensees were having problems getting fingerprint cards accepted resulting in them having to have them taken repeatedly. Jerry McDonald stated the current fingerprint rejection rate is 10%, however it has been as high as 23% in the past. Marty Lough from Evergreen Pro Training stated he would provide Jerry McDonald an email on how mortgage bankers secure their fingerprints. The commissioners acknowledged that the department could not make specific recommendations for fingerprint vendors, but it would be great for licensees to know they have options other than the local police stations for fingerprints.
- b. Kyoko Wright has been receiving complaints that REO agents regarding negligent and dilatory communications with cooperating brokers. The commission realized that part of this was due to the sellers (banks) not following Washington laws and rules. Sellers (banks) are not providing form 17 even though it is required. Negative issues that agent is aware of are only disclosed with an inspection. An example was given that a consumer had acceptance from the bank and had ordered, received and paid for a home inspection, only to find out the lender had accepted another offer and was no longer proceeding with the current offer. It was stated that Asset Managers, Fannie Mae, Freddie Mac, and HUD cannot be dictated by DOL.
- c. A question was asked as to when disciplinary actions will be back on the website. It was reported that it had been sometime since the actions were posted. Jerry McDonald stated that they would be posted shortly.

#### **N. Summary of Action Items**

- Commissioner Moye agreed to write an article for the Commissioner's corner for the newsletter.
- Jerry McDonald and Ralph Osgood will work on justification for exceptions to the Governor's moratorium on rule making to enable the commission's rules (2 through 9 on the Rule Status) to become administrative code.
- Jerry McDonald will coordinate with Commissioners Pilant and Moye for dates in January for the Education and Changing Business Practices sub-committee meetings.
- Jerry McDonald and staff will review fingerprint options to reduce the level of rejects.
- Jerry McDonald will see that recent disciplinary actions are posted.

#### **O. Adjourn – 11:10 am**

*The Department of Licensing has a policy of providing equal access to its services. If you need special accommodation, please contact (360) 664-6524 or TTY (360) 664-0116.*