Washington State Real Estate Commission meeting transcript May 18, 2023

| Speaker 1: | Chair for the Real Estate Commission. It's now 10:02 AM on Thursday, May 18th, 2023 and I'm going to call this meeting to order. This meeting is open to the public. We'll take the time at the end of the meeting for a brief public comment period. Participants will have no more than three minutes to address the commission. |
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| | As a reminder, commissioners are not to engage in the conversation with observers when listening to the public comment. As a courtesy, we encourage all [00:00:30] participants to mute themselves when you're not speaking, to reduce the background noise. Also, for commissioners to help us capture information correctly, can you please state your name when making comments? Thank you. |
| | So at this time, I'd like to ask Sandra to call roll to confirm attendance of all of our commissioners. Once she calls your name, please respond verbally by stating here or present to confirm your attendance. |
| Sandra: | Thank you. And I'll start with you, Chair Klassen. |
| Jen Klassen: | [00:01:00] Here. |
| Sandra: | Thank you. Vice Chair Chang? |
| Chang: | Here. |
| Sandra: | Thank you. Commissioner Schmitz? |
| Schmitz : | Here. |
| Sandra: | Thank you. Commissioner Song? |
| Shelly Song: | Here. |
| Sandra: | Thank you. Commissioner Fabiola Macias? |
| Fabiola Macias: | Here. |
| Sandra: | Thank you. Commissioner Jones Schroeder? |
| Sabrina Jones S: | Here. |

| Sandra: | And Commissioner Brazil? |
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| Brazil: | Here. |
| Sandra: | Thank you. And I did want to [00:01:30] give you a brief heads up, Chair Klassen Oh shoot, which commissioner was it that reached out to me? I think it was Fabiola Macias is going to be having a hard stop at about 40 minutes into the meeting. |
| Fabiola Macias: | That's correct. |
| Speaker 1: | Great, thank you. Okay, we're ready to move on to agenda item number three, approval of the agenda. I have a request for a motion to approve the agenda from our last [00:02:00] commissioner meeting. |
| Chang: | Moved. |
| Speaker 1: | Do I have a second? |
| Shelly Song: | Second. [inaudible 00:02:08] Second. |
| Speaker 1: | Okay. All in favor? |
| Speaker 2: | Aye. |
| | Aye. |
| Speaker 1: | Any opposed? |
| | Great. So our meeting agenda minutes have been approved from our previous commission meeting, which was on February 16th, 2023. So [00:02:30] now, we're going to head on to |
| Sandra: | I believe we also need to approve the agenda as well. |
| Speaker 1: | Oh, I'm sorry. I skipped that part. Thank you. So can I get a motion to approve the agenda for today's meeting? |
| Fabiola Macias: | I, so moved, from Fabiola. |
| Sabrina Jones S: | I'm sorry, this is Sabrina Jones Schroeder. |
| | I'm so sorry, I'm looking for it. And I thought [00:03:00] I had asked for it to be on the agenda. Will there be a reporting on the response times on calls and emails into the DOL? Is that under a staff report? |

| Speaker 1: | I don't have that information yet, but I can make sure that it gets on the next one. |
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| Sabrina Jones S: | Okay, thank you. |
| Speaker 1: | Okay, so I think I have a motion. Do I have a second [00:03:30] for the second agenda? |
| Chang: | Second. |
| Speaker 1: | Okay, great. All in favor of the meeting agenda? |
| Speaker 2: | Aye. |
| | Aye. |
| | Aye. |
| Speaker 1: | Any opposed? |
| | Okay, great. So, although I did those backwards, it looks like we got both of those taken care of. And at this time I'm not showing any awards or recognition [00:04:00] or old business. So we're going to move into our agenda item number seven, which is new business. And Sandy, I'm going to turn this over to you. |
| Sandra: | Thank you. I'm going to give a quick update about the current issues in Washington State Real Estate, or the core curriculum outline update. So our education manager and [00:04:30] the education subcommittee have been working really hard on updating the 24/25 core curriculum update. We appreciate all the suggestions and comments that we have received so far. Commissioner Jones Schroeder will be giving a more in-depth update during the education subcommittee report out, but what I would like to do is share the basic timeline for the tentative implementation. |
| | Today, we are going [00:05:00] to present the initial suggestions that we've received so far. On June 14th, we're going to be hosting a listening session for final comments and suggestions to be added to the outline. On July 1st, that's the tentative date when the new form changes will be published. So those will be included in the core outline at that time. On August 17th, for the commission meeting at that time, we'll present [00:05:30] the final draft to the commission at that time. Once that has been submitted to the commission in October of 2023, we will publish the core curriculum outline and it should be implemented no later than January 2024. Now with that, are there any questions? |

| Sabrina Jones S: | Sandy, can [00:06:00] you, sorry, this is Sabrina Jones Schroeder. Can you let us know what time that listening session is scheduled for on June 14th? Is there a time set for that? |
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| Sandra: | I don't have the time yet, but notifications will go out as soon as we do have a time. That's just the day that have been assigned to us. That's a great question, thank you. |
| | Any other questions? |
| Jen Klassen: | Hi Sandy, [00:06:30] it's Jen. Do we have an estimate of when we'll have that time set? Because I could see how that would be a real important piece of this information. |
| Sandra: | Let me see if I can |
| | [00:07:00] It should be in the morning, sometime between 8:00 and 10:00. I don't think we've narrowed down the time yet, but those are the two time slots that are available. So it'll either be from 8:00 to 9:00 or 9:00 to 10:00. And I can get with our education manager and nail that down and I can send that out on Listserv if you would like, or [00:07:30] Would that work? |
| Sabrina Jones S: | This is Sabrina. I think it should go out on the Listserv, but then, I think you also, did you reach out via email to the education providers in the state asking for the feedback on the core? So a direct- |
| Sandra: | Yeah. |
| Sabrina Jones S: | Okay, perfect. I think as soon as you nail down a time, a direct email to those education providers would also be helpful. So on the Listserv and a direct email. |
| Sandra: | Perfect, I'll do that. |
| Sabrina Jones S: | Thanks. |
| Sandra: | [00:08:00] All right, any other questions? Okay. |
| Speaker 1: | Great. So we're moving on to our reports and we have 8.1, which is our subcommittee reports, and the first one is the education committee. So Sabrina, it looks like you're up for this one. |
| Sabrina Jones S: | Yeah, [00:08:30] it looks like I'm up. Sandy, are we going to put up, is it the slides here to put up the draft? |

- Sandra: It is not. The draft has been included in all of the packets. That way, each individual can look through on their own.
- Sabrina Jones S...: Perfect. Okay.

Sandra: So I don't have to worry about scrolling forward or back when everybody's trying to read.

Sabrina Jones S...: Perfect. Okay. So if people are following along, on page five of the draft that was sent out is the recommended hourly breakdown. [00:09:00] One hour, and what's currently in the draft is one hour to forms update, a half hour to legislative update, and an hour and a half to business practices updates. And there's a typo there, I just saw. It says updated, it should be updates. That could end up getting massaged as we drill down and finalize. I suspect we might need a little bit more time with the forms update given how actual changes are coming down the [00:09:30] pike. So that I think is subject to change.

On page seven, with regard to topic area number one, forms updates, there's a recommendation to remove from the current core, escalation and additional down payment agenda. I will be interested to hear in the listening session other opinions about that. In our market, we're seeing them come back, there's a resurgence of escalation [00:10:00] and additional down payment as the spring and summer market surge is happening. So we may need to revisit that.

Recommending removal of the discussion of terms of closing and possession, the financing contingency, and then just the general purchase and sale. Recommending hanging onto or retaining in the core, evidence of funds, a discussion about evidence of funds and [00:10:30] how a buyer should be giving evidence of funds on transactions and what contingent funds are, just a clear understanding of evidence of funds.

Retaining inspection, contingency provisions and inspection response. So retaining those two, and then recommend adding buyer broker compensation, buyer agency agreement and Form 41C. I think this is going to be [00:11:00] really important with the adoption of the changes to the agency law. So there will be significant changes, and I think we should also, well, further down, we also will address the agency law pamphlet because that will be changing. Also recommend adding early or delayed occupancy, discussion about that and appropriate processes and forms. Agency law pamphlet, again, reviewing form changes implemented July 1st, which there are [00:11:30] several forms that have revisions, and adding discussion about earnest money. And you can see the various topics there.

So I'll stop there just to see if there's any comments or thoughts on the forms update topic before I move onto the second.

All righty, hearing none, moving on to topic area two, [00:12:00] legislative update. We will remove the recommended removing clarification of protected classes. We feel that's now being covered obviously in the fair housing class, removing landlord, removing all of the updates that were in the current core from 2019 through 2021 legislative sessions. Those are no longer timely, right, as those passed years ago. And [00:12:30] recommend adding military spouse employment, future listing contracts, legislation that's been adopted on those, reforming the real estate agency law. So really, a sort of an in-depth conversation about those three topic areas. And then, adding into the core a recent list of bills in maybe the resource section.

As many of you know, this year was dubbed the year of housing, [00:13:00] and there are several bills that were adopted that deal with housing. And I think, to at least bring to core a list of those and a very basic description of those bills that were passed and the impact they could have on housing and housing availability, I think could be really productive. So that's it for topic area two, which is the legislative update. Again, I'll [00:13:30] pause. Any thoughts or questions, concerns?

Excellent. Then topic area three. So far we're recommending removal of discussion of timely presentation of written offers, lot of agency, and we had a discussion in the current core about dangerous practices in [00:14:00] an abundant market from listing brokers, from buying brokers, bright-line rules, etc. And as we seem to no longer be in that super crazy frenzy market, although like I said, in Spokane and I think other parts of the state, maybe there's been a little bit of a resurgence of that, at least in certain price points, we feel like it's okay to let those conversations go about crazy things that happen in a crazy market.

And so, adding to the core in this section, [00:14:30] discussion of love letters. Sorry, removing that. Retaining what's currently in the raising the bar of professionalism, managing broker responsibilities regarding managing a firm or a branch manager or a team leader. Going ahead and retaining a discussion about multiple offer scenarios because we do still see that. And with regard to risky practices in an abundant market, retaining the discussion [00:15:00] of state advertising guidelines and misleading photos.

Then we are recommending adding discussion about transaction coordinators. And if we can come up with this, reviewing the, say, top 10 violations by licensees and discussing the infraction and the potential laws or wax that are applicable to that. And if we can get it from Washington realtors and local association's [00:15:30] most frequent code of ethics violations, we think it would be really instructive in the topic area of professionalism to have a discussion about what is not professional, where are people finding themselves getting in trouble? Suggestions that had come in that we determined were outside of the scope of the course, there were suggestions to add business management topics like marketing, bookkeeping, taxes, time management and hiring practice.

And [00:16:00] the subcommittee felt those were covered in other classes, specifically real estate business management and others, as well as property management. We think there are sufficient course offerings throughout the state on property management classes. So, determined not to add those to the core. My fear is that we still have a lot and that's, even with what we're taking out, I feel like we're adding a lot and keeping that to a three-hour [00:16:30] course could be kind of tricky for instructors. So as an instructor of the core, I'm looking at that thinking, "Oh my gosh, how am I going to cover all of that in three hours?"

So again, we'll welcome feedback in that listening session on what we're proposing and if there's any other thoughts about that. So with that, those are what we're proposing. Removing from the current core, maintaining and adding to. So again, welcome any questions, thoughts or concerns.

- Schmitz : [00:17:00] I think that was very extensive and very detailed. Thank you so much for all your hard work, and I agree with a lot of the points and the recommendation. Thank you.
- Sabrina Jones S...: That's all I got.

Speaker 1:Anything else? Okay, well thank you so much, Sabrina. Nice job, [00:17:30] and
the subcommittee on, lots of great work going on there. So our next
subcommittee report out is on the team names. And Shelly, looks like you're up.

Shelly Song: Good morning. So, we met on April 11th. We did not have a meeting in May. And of course, we are talking about team names and assume names, along with the managing broker name as we [00:18:00] are getting feedback that there tends to be confusion between all of these. So we are looking at what is the problem, and then suggestions on either changing names or at least how to address it. We are also looking at the advertisement pamphlets to see if it has already been addressed in there, or at least how it's being addressed. We are looking to gather ideas [00:18:30] and feedback from everyone on any pain points or possible solutions as to what is out there. We also discussed the option of subcommittee members conducting listening sessions, to gather feedback on team names versus assume names, and remind attendees to reach out to Tim in respond to the Listserv request.

And this would be in conjunction [00:19:00] potentially with core. I know this was not really on one of the topics, but it could be something for the future. I

did a listening session with the Clark County Association of Realtors on April 20th. Didn't get much feedback I ended up, my time slot ended up being shortened, and so, but I did offer for everyone to reach out to me and just give me [00:19:30] any suggestions that they have.

Also, if there's anything good with team names, assume names, the managing broker name, anything like that, because as the committee is meeting, we also, if we're going to address making changes, if there is something though that is going well, we would like to know that also so that we can find a balance between the two. Because sometimes, [00:20:00] when you make a change, sometimes you take away part of the good without really realizing it. And so we would like to know both sides of it. And then, there will be future listening sessions, I'm sure, with team names. I have been asked by Washington Realtors to speak at the statewide designated broker forum that they're holding at the end of the month, so I will be bringing this up. [00:20:30] And along with also what does a commissioner do is part of the topic. And I'm hoping to be holding other listening sessions in the future.

So, that is our update from April. If anyone has any questions or any comments on that?

Nope? I think I'm good.

Brazil: I'll Go ahead and just say, I think the, [00:21:00] hitting on the managing broker title in particular is really big because it really, I mean, what's implied to the public is just that that individual is managing the office. So I'm really glad you guys are putting your effort into it. That's great. Thank you.

Shelly Song: You're welcome.

Speaker 1: I know we've discussed this before, but if we were to do a crazy thing, like suggest a change to the names, even so far as going back to the way it was, say, agent, associate [00:21:30] broker, designated broker, that would require a change of the licensing law, correct? That would require legislative action?

Shelly Song: Correct.

Speaker 1: Okay. That's not something that can just be handled at the administrative level, right?

Shelly Song: Correct. And it's a process, so it's also not something that would happen very quickly. It could be a year or two, however long it would take to get that through. But I think having the conversation and [00:22:00] with as much feedback as we can get, will help us know what path we need to be on and how to present it to our legislators.

Anything else? Okay. I think that's all for that subcommittee.

- Speaker 1: Great. Thank you. And just for your awareness, Shelly, as you're working on that, the agency, [00:22:30] as we figure out what type of leg proposal needs to happen, we'll work with within the agency to get it into priorities and start to work that piece more in too. It's on kind of the schedule, we've been talking about it at an agency level, knowing the sub work is going on.
- Shelly Song: Okay.
- Speaker 1:Great. So now, we will turn it on to our 8.2, our staff reports. And Sandy, it looks
like you're up for a PSI [00:23:00] update.
- Sandra: Yes. Thank you very much. As you've noticed, this agenda item has been put into the report section rather than the old business section because it's going to be a regular and ongoing report out. So, here we go. We have received several comments, both through public comments and through emails through our customer service portal, regarding candidates are [00:23:30] having issues with scheduling tests within their required six month issue with their timeframe. They're having issues finding conveniently located testing centers, or even testing centers that are working within the business hours where they can still maintain their own business and work.

So, we are taking a look at those comments and based on those comments and issues, [00:24:00] we are researching the possibility of having an online proctoring solution. Now, some of the benefits for an online proctoring solution includes scheduling and testing portals that are open and available 24/7. With an online proctoring solution, the candidates will have the ability to schedule and launch exams from their own computers at their office, at their home, [00:24:30] anywhere that meets the data requirements to take those tests online.

And, with having an online proctoring, you will have as assistance while you're taking the test to include technical support if something isn't working. All the candidate would have to do is initiate a chat with the online test administrator. Now, some of the things that I was thinking about while I'm starting the research on this is I just finished my degree online, and what [00:25:00] was important to me was how do I know my information-

PART 1 OF 4 ENDS [00:25:04]

Sandra: What was important to me was how do I know my information is secure? So, going through this online proctoring option, first time users would be prompted to install secure browser. So, that would mean that your computer is talking to their computer in a secure channel and nothing has broken through that secure so that your information is 100% safe. [00:25:30] A security check would also be run on your computer and make sure that you are prompted to close any prohibited processes that might be running in the background while you're taking the test. Also, one thing that was important to me is how do you know I'm the one taking my test, right?

So, to confirm the identity before you take the exam, while you're checking [00:26:00] in, you must present a valid government issued photo ID as part of the check-in process to verify your identity. It must contain your full name and have a recent and recognizable photo. Another thing that I thought was going to be pretty helpful by doing some more research is how can this really help our customer service? Well, each [00:26:30] session that you test is completely recorded from the time the candidate checks in until the candidate closes the app. The entire session is recorded, so if there's any questions, any verification that needs to happen, the session is recorded for verification. Also, there are a lot of video tutorials available about how to schedule your exam, [00:27:00] how to check in when you're getting ready to take the exam, and how to actually take the exam. These videos walk you through it step by step by step. So, with that, I'm happy to answer any questions.

| Sabrina Jones S: | Oh, I have a million. This is Sabrina. |
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| Sandra: | Of course. Yes. |
| Sabrina Jones S: | Wow is right. |
| Sandra: | Yeah. |
| Sabrina Jones S: | This is an amazing potential solution from my perspective. So, [00:27:30] questions. |
| Sandra: | I thought so, too. |
| Sabrina Jones S: | Yeah. Okay, first question. This is not a PSI product. This would be a different vendor overseeing this? |
| Sandra: | That's a great question. It is through PSI. |
| Sabrina Jones S: | Okay. |
| Sandra: | I'm really looking forward to some questions because I'm in the very beginning stages of researching this, and the more questions I get from the commissioners, the better my research can be. So, it will give me some focus on how to proceed. |

| Sabrina Jones S: | [00:28:00] Okay. Next question. So, it would be the same exam materials that they are currently getting when they go to a testing site? |
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| Sandra: | Correct. |
| Sabrina Jones S: | Same questions or whatever? Okay. |
| Sandra: | Yes. |
| Sabrina Jones S: | So, when you say in terms of the confirming identity that they have, what does that mean? They have to take a picture of, they have to present? How does that work when they're starting that testing session? |
| Sandra: | [00:28:30] That's a great question, and I watched those tutorial videos so that I could have some frame of reference. And that's why I'm going back to when I finished my degree and had to use the same basic online proctoring. I had to take my identification. I had to hold it up to the camera so that they could see my face and see my identification so that my picture [00:29:00] matches my face. Then, I had to hold it up to the camera so they could read it and ensure that I am who I say I am. |
| Sabrina Jones S: | That's super cool. |
| Sandra: | Yeah. |
| Sabrina Jones S: | Then, I had one other question. So, now if you go into a testing site, you can't take anything into the site. You can't take any materials. I don't even think you can take your phone except [00:29:30] to use a calculator or whatever. So, what prevents a candidate from opening up their books? From having a second computer and researching? And my daughter's in school, and so I know a lot of her college exams have gone to an open book exam scenario. It would have to be that, right? Because there's no way you could prevent somebody from looking at materials? |
| Sandra: | That's a really great question. Like I said, [00:30:00] I looked through these tutorials so that I could have a little bit better frame of reference. While you are checking in. During that process, the candidate is required to do a 360 with their camera all around the entire room so that the proctor can see the entire view to include behind the computer beside the computer on each side and [00:30:30] behind the candidate. So, once they span that entire 360 of the entire room you're in, it verifies you don't have someone in the room to help you. It verifies you don't have a second computer set up and ready to go to help you. And the |

| | [00:31:00] So, I think this is the best of both worlds. Now, when I was taking my exams for the midterms and the finals, I had to do that same 360 thing. I didn't have to for the weekly exams, but for the midterms and the finals, I had to do that. And the first time was really intimidating. I'm like, "Do I have anything on my desk?" I really freaked out a little bit [00:31:30] because I didn't want to get in trouble. But that's part of the check-in process. Does that answer your question? Awesome. |
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| Sabrina Jones S: | Yes. Thank you. |
| Jen: | Sandy, this is Jen. And one of the things that you had shared as we were talking about this earlier that might be really important information for the commission to hear is we're one of the few states that doesn't offer this. So, this isn't new at all to PSI. We are new to it. And [00:32:00] so, other states are having great success with several different types of exams, including a broker exam. |
| Sandra: | That's right. There's only four states that are not participating in this part of the online proctoring, and Washington is one of them. The other states, they have been participating for a few years, and their success rate, well, I [00:32:30] shouldn't say success rate. I should say their satisfaction rate is very high. It's very convenient. Their candidates don't have to go anywhere. Their candidates can do it at three in the morning if they want, because these portals are open 24/7, so it's not impacting their personal business. |
| Sabrina Jones S: | So, I have a couple more questions. Sabrina, again. So, is it a live proctor in terms of 24/7? They literally have live [00:33:00] proctors that are 24/7? |
| Sandra: | That's correct. It is a live proctor. |
| Sabrina Jones S: | So, I'm curious if they've been doing this, and certainly we've been going to PSI for months, if not years now, and complaining. It's neither here nor there, but why the heck have they not offered this before? |
| Sandra: | That's a good question. And I think it's probably we did not seek it, and [00:33:30] that's partly my issue. I did not realize this was an option for us until I started digging deeper. |
| Sabrina Jones S: | Wow [inaudible 00:33:41]. |
| Sandra: | And I really think this might be an awesome thing for us to- |
| Sabrina Jones S: | Yeah. |
| Sandra: | finish looking into. |

| Sabrina Jones S: | I don't think that as DOL staffs failing. I think that I'm frustrated on your behalf that PSI, if they've been doing this for several years in most of the states, I mean, [00:34:00] as soon as we started complaining about the issues with the testing sites, it would seem to me somebody should have said, "Well, hey, why don't you guys consider online proctoring?" Anyway, again, neither here nor there. |
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| Sandra: | Yeah. |
| Sabrina Jones S: | We now know it. Sorry, one last question. Oh, shoot. What was it? Oh, so when the candidate is done, I would assume they get an immediate pass/fail response- |
| Sandra: | Yes. |
| Sabrina Jones S: | as soon as they click on the last question? And they click a submit or I'm done or whatever, then they know if they've passed or failed? |
| Sandra: | Correct. [00:34:30] As far as I know, correct. |
| Sabrina Jones S: | Okay. Because that is another issue is that people will leave their tests. They've just spent two, three hours doing the test and then they'll walk out. I'm aware of two or three candidates that, when they walk out, the proctor and the testing site says, "Oh gosh, the system went down. Our system is down. I can't tell you if you've passed or not. You'll have to call the 800 number." Right? |
| Sandra: | Right. |
| Sabrina Jones S: | And that sets in motion a really frustrating chain of events. |
| Sandra: | Right. Exactly. [00:35:00] And part of that issue is that candidates are scheduling their tests. They're actually physically scheduling their tests within that six month timeframe. However, the testing center did not have an available seat for them before that six month time expired. So, they might schedule it before then, but not actually take the test before then. And [00:35:30] that's one of the issues that caused their computer system to like, "Oh, does not compute. We're not able to give you your result because you took it afterwards." With this, they can schedule it and they can take it 24/7. They can take it before that six months requirement is up. |
| Sabrina Jones S: | Does the system know, and again, this is maybe a separate issue. But would the system [00:36:00] know that if the candidate, because I think that's sometimes the candidate not realizing, "Oh shoot, it's been longer than six months." And arguably they should know that, right? But will the system recognize that when they're trying to register to take a test? And is it a more intuitive system than |

| | the human testing at a PSI testing site? Will this online proctoring solution say, "No, I can't register you for this because it's been more than six months?" |
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| Sandra: | That's a great [00:36:30] question. And the way that the PSI programming is you can schedule as long as it's before the six months, but it's not smart enough to figure out you can't take it after the six months. So, if you're scheduling online and taking it online, there's no barrier for that six months. You're scheduling it, and then you're taking it within days [00:37:00] rather than weeks trying to get a seat at the testing center. But it's the same program. It's based on the exact same program as the in-person testing. So, as long as they schedule within that six months and take it within that six months, they're fine. But now, they don't have to wait for a seat for a testing center. |
| Sabrina Jones S: | But I think what I'm hearing you say is that no, the PSI system [00:37:30] doesn't prevent from registering if- |
| Sandra: | Correct. |
| Sabrina Jones S: | they are in fact registering- |
| Sandra: | It'll prevent them from registering, yes. |
| Sabrina Jones S: | Oh, okay. Good. |
| Sandra: | But it's not smart enough to know that they're taking it after. So, let's say that my six months is up May 15th, and I register to take the test on May 1st. It's smart enough to figure out I'm registering before [00:38:00] the six months. |
| Sabrina Jones S: | Right. |
| Sandra: | But if I don't get a seat until the 16th, it's not smart enough to figure that part out. |
| Sabrina Jones S: | Got it. |
| Sandra: | So you can register, but it's not smart enough to figure out that you took it afterwards until after you take it. So, that's part of the issue. But what I think this online proctoring will do is help them schedule and take it before the May 15th [00:38:30] deadline because they're not waiting for a seat. |
| Sabrina Jones S: | Yeah. In theory, they wouldn't go schedule it until they're actually ready to take it that same day or whatever. Yeah, cool. Okay. |
| Sandra: | Within 24, 48 hours. Exactly. |

| Sabrina Jones S: | Yeah. Okay. Sorry for taking all the time. I'm done. |
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| Sandra: | No, this is great. |
| Jen: | Hey, this is Jen, Sandy, and I have one more question to add to some of your research. Can we check in with the other states that have been using this with PSI and see what they feel their [00:39:00] satisfaction is? So- |
| Sandra: | I can. |
| Jen: | I agree. I think it will eliminate a lot of the customer service that we're hearing about at the testing sites, and I'm super excited about this. I've also experienced this type of testing with my son and his college, and I was really impressed with how it worked with the whole proctoring and the scheduling. It really takes a lot of the anxiousness out of it. |
| Sandra: | It does. It [00:39:30] does. When you can do it in the comfort of your own home at your own desk, it just eases that anxiety. |
| Jen: | And the other thing I wanted to add to your question, Sabrina. PSI didn't come to us with this either. We actually found it on their website and did some digging and some research. So, it is a little bit frustrating that it wasn't an option that was shared with us when we were bringing these issues forward. But it really was my team trying to figure out how we could improve [00:40:00] some things and realizing this was a service that was available. |
| Sabrina Jones S: | Yeah. I mean, kudos to your team for finding it, but shame on PSI for not- |
| Jen: | So frustrating, yeah. |
| Sabrina Jones S: | for not offering it. I guess in follow up to that. If you're going to ask the question, if you're going to call some other states about their satisfaction rate with the online proctoring solution, a follow-up question to that for me would be how has it affected their pass rate? So, one of the other complaints or issues we've had is [00:40:30] that our pass rate when we changed the test dropped significantly. And we're experiencing a 30%, less than 30%, or somewhere around there, pass rate. And I'm not suggesting that we should just pass everybody who wants to get a managing burger license. I'm not a everybody gets a gold medal thinker, but will the easing of the tension of the whatever, have other states experienced a little bit of a boost in their pass [00:41:00] rate when they went to this online proctoring? |
| Sandra: | That's a good point, and I've added that to my list. Thank you. Are there any other questions or comments? |

| Eddie: | I just wanted to make a comment that a few years ago, there were a lot of articles talking about how difficult it was for, on a diversity standpoint, low income, as well as as the BIPOC community, to take time off of work in order to go vote. [00:41:30] I view this as a similar thing where it is not just the scheduling issue with PSI, but the time block that it takes to go to one of their centers. And voting is very onerous for people who are trying to get into real estate as a new career path. And I think it's great that we are giving an option for people to be able to do it on their own time, whether it be late at night or whatever, but on their time so that we can be more inclusive in our industry. |
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| Sandra: | [00:42:00] I do notice that this might be an interesting topic for members of the public. So, I would like to invite them to make their comments during the public comment section of today's meeting so that I can document that, as well, and add that to my list so that I can do some better research for you all. |
| Sabrina Jones S: | So, Eddie raised another question in my mind. If we determine [00:42:30] to go this route, will the candidate have an option of going to a testing site, as well as the online proctoring? Or is this an all or nothing, that if we decide the online proctoring is the way to go, that's how everybody would have to take it? |
| Sandra: | That's a great question. And I'm certain that they can either go to a testing site or utilize the online proctoring. I don't think it is all or nothing. It's just an additional [00:43:00] pathway to get your exam done. |
| Sabrina Jones S: | I think there might be a fair amount of people that would be nervous about the technology piece of that, and what if my computer goes down? So, that's good to know that they'd still have the option. |
| Sandra: | l agree. l agree. |
| Jen: | Okay. Great work, Sandy. I look forward to hearing more about this. |
| Sandra: | Thank you. |
| Jen: | Nice [00:43:30] job. Okay, it looks like we're ready to move on to our next report. So, Sandy, can you just go over the budget report? |
| Sandra: | Sure thing. So, I was able to meet with our budget manager, and I got some high level budget information. And I am not a budget person, so let me say that right off the bat. Balancing [00:44:00] my own checkbook is a responsibility for myself. So, what we have is our allotment is 10 million that we have, and the remaining balance that we have available is 2 million. I also got the breakout of how we are spending that money in salaries and wages, [00:44:30] employee benefits, professional service contracts, goods and services, travel, capital outlays, grants, benefits, and client services, inter-agency reimbursements, and |

intra-agency reimbursements. The next budget report that we have for our next meeting will probably be a little bit more in depth as I do more research and get a little bit more knowledge behind budgets. [00:45:00] But for this meeting, this is what I have. And hopefully with the next meeting, I can spin myself up a little bit and I'll be able to speak more knowledgeably about this. Are there any questions?

- Eddie: I just want to point out to the commissioners that, as a commission, we have no budgetary control. It is not within the purview of us as commissioners. This is strictly [00:45:30] from the staff. So, the question, I guess, I would have for the rest of the commissioners is would you like to hear updates on this? Do you think that it might be better for once a year? Or since we have no control and no discretion on the budget, it should be left off the agenda, and we can save some time? What would be the will of the commission?
- Sandra: Oh, that's a good point.

Sherry: [00:46:00] Well, I think the reason why we wanted to see budget reports and things like that was we wanted to have a visual to see where our fees and things were going towards, right? That it wasn't just being saved up, and then Olympia's going to claw back for some other program or something. And I think that's why we wanted that information.

- Sabrina Jones S...: I agree. This [00:46:30] is Sabrina. So, what I'd like to see, and I don't disagree, Eddie. This could be something that would be an annual review at the January meeting or the March meeting, but what I would like to see is income. So, when I'm looking at a budget, we look at income and expenses. So, this is a nice graphic about the expenses, but what I'd love to see is what is the income coming into the DOL through licensing fees [00:47:00] and fines and whatever other income real estate licensing receives. And for no reason that we would try to wield any impact on that as much, as Commissioner Sherry was saying, just what is the income coming into the program and how is that spent and is there any overage? Because we have seen, in years past, a claw back of that.
- Jen: This is a really helpful conversation because what we're [00:47:30] actually displaying to you doesn't give you that at all, Sabrina. And this is Jen. I'm really actually interested in hearing this because what we're showing you is what the legislature allots us to be able to spend. So, it gives us permission to spend. And so, I think that it's much easier when we're hearing what you're all actually interested in is the income coming in, where we're our expenditures, and then at what point may it look like we may have to do a fee increase or [00:48:00] are gathering too much money that we are not spending like we should. Or maybe do a fee holiday. There's all kinds of ways that we can have those conversations. But I think this is really helpful to actually hear what you're interested in

| | because this doesn't give you that at all. And I think this is the type of information we've been sharing. And so, that's really great feedback. And I think doing it once a year would be helpful, too. Oh, sorry. |
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| Speaker 3: | I think you hit the nail on the head. [00:48:30] And if we saw that on an annual basis, that would be more than enough to see. |
| Jen: | Awesome. Thank you so much for all of your clarity there. |
| Sandra: | So, is this something you would perhaps like to see at the beginning of each fiscal year? |
| Jen: | So, our fiscal years, they start July 1, and that might be better for us to do a July one show versus a January one, but we could adjust it with whatever the [00:49:00] commission is interested in. |
| Sabrina Jones S: | So, when is our next meeting? I feel like I should know the answer to that. |
| Jen: | August. |
| Sandra: | August 17th. |
| Sabrina Jones S: | So- |
| Sandra: | August 17th. |
| Sabrina Jones S: | it would be great at that meeting since you'd be able to report back for the last fiscal year to be able to say this was the income, this was all of the licensing fee fines. Again, I'm not even sure that I understand completely what the income situation looks like for real [00:49:30] estate. And then, this was the expense, as simplified as you want to make it or as detailed as this. And then look at that and then we can decide, I guess, as a commission if looking at that again in another year at the next August meeting is sufficient. Or if we want to have a midyear update, depending on what that looks like. So, I'd like to see those numbers at our August meeting, the income and expenses. |
| Sandra: | That's very helpful, thank you. |
| Jen: | Absolutely. And it could be something like we decide quarterly. [00:50:00] We could even do a little bit of a report if it drops below- |
| | PART 2 OF 4 ENDS [00:50:04] |
| Jen: | We could even do a little bit of a report if it drops below, if our bucket of money drops below a certain amount, we want to have a conversation. We could put |

| | some parameters in there so that as long as we're hitting those parameters, we do a quarterly or an annual update, I should say, because I think our meetings are about quarterly. So we could put some parameters around that to help make sure that the commission is feeling like they've got the information that they need. |
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| | Great. [00:50:30] Okay. Great. Great. Helpful information for us. Thank you. This is how we look at budgeting within the state system and it doesn't always help our boards or commissions when we just give you the information that we normally look at. So helpful information. So Sandy, let's go ahead and move on to our 8.2.3 on the staff reports and this is the pass rate data, right, with PSI? |
| Sandra: | Yes. So one of the action items from, I think it was the last [00:51:00] meeting or the meeting before last, the action item was to collect and display the passing rate data for the last 10 years. So I went back and I got as far back as I could, which was 2015. It was the most reliable. So I'm going to go There we go. So 2015 was the last [00:51:30] data rate that I could find for managing broker and brokers. I was able to get broker information back to 2012. So here is the basic passing rates. As you see, it really got from managing broker, 2021 was when we had the shift on what the combined pass rate was. |
| | Now [00:52:00] these are the numbers. The first time, the second time, the third time, this is everything compiled into one. So this is the basic passing rate. Now during one of the meetings that we had had, Vice Chair Chang asked me to drill down just a little bit more and try and get the first pass rate. So this is the first attempt. These are the pass rates for first attempts [00:52:30] since 2015, and again, 2021 is where we saw the dip in the first attempt at passing, but it is a little bit better. The first attempt is a little bit better than the combined. So at 37% in 2022 is 34% at the first time, and with that, I'm happy to answer any questions. |
| Vice Chair Chan: | I think this is great. [00:53:00] It proves what we were seeing and hearing out there, that it's a huge difference from the pass rate that it used to be in the past, and so it's nice to have this. It really validates what we're complaining to PSI about. Yeah. |
| Sabrina: | So why is the question I have looking at it. It's like I have many whys, but okay, so is 2021 when we changed the test [00:53:30] type, and some people are going to have to help me with this. So we went from something based to a scenario based, or we went from scenario Do you remember who can help me with this, that there was a shift in the type of test that managing brokers had to take? Help me. |

| Sandra: | I wish I could. I was not here at that time. I don't have the historical knowledge as to- |
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| Speaker 4: | Sabrina is correct. There was a change a couple of years ago to [00:54:00] that scenario. I don't know what year it was, but there's a correlation there most likely. |
| Jen: | Actually, this is Jen. Can I bring Allenbaugh into this conversation from staff support so that she can actually help us? Are you there, Deb? |
| Deb Allenbaugh : | I'm here. I was listening in the background and I was going to help if you needed me. |
| Jen: | Yeah, I'm bringing you right in. |
| Deb Allenbaugh : | Sounds good. So Casey is correct. We did make [00:54:30] a change to how we were administering the test. It's basically, and I am not a psychometrician. I'm proud that I can spell it. We made a major change to our testing and that was implemented in 2020. I think that went live in September of 2020, and we immediately saw that the test scores went down from there. What I have heard [00:55:00] anecdotally is that that is not unusual, that when we change the manner in which we are administering the test, you will see a significant dip. |
| | It should start to level out and I think we are starting to see that. I think when we look at that trend, when we look at the data from 2023, we'll start to see that going up again. I think some of the areas that we may be able to [00:55:30] influence though is we should be looking at our curriculum and determining whether or not the content of the examination has changed significantly and if we need to update our curriculum to help so that our students are better prepared for the examination. |
| Jen: | That is certainly feedback I have heard from candidates that are having difficulty passing it is, "Wow, what I studied, the courses that I had [00:56:00] to take to get my managing broker license had nothing to do with the test, nothing." So I agree that that's an issue, Deb. So the next question. So when we changed the test in 2020, and you can see that if that implemented in September, we already started to see those numbers going down from 86 and 19 to 68 and 20, we did not change anything on the state portion [00:56:30] of the exam, so it was just the national? |
| Deb Allenbaugh : | That is correct. |
| Jen: | Okay. I wonder what happened in 2017. Something was going on in 2017 on the state. That was a low pass rate. So when you look at the managing broker state numbers outside of 2017, they used to be higher at almost 80% and now they're |

at 66, 62, but that's still a decent pass rate. So I think we're doing okay with the state, but it is that [00:57:00] scenario base change that we implemented that seems to have caused the problem, and I 100% agree that the issue could be that the coursework our candidates are required to take is just not preparing them for that, and no, I'm not volunteering to fix that, but I don't know what it will take to fix that, but that's an issue.

Deb Allenbaugh : And I think maybe that is something that the subcommittee can dive into and [00:57:30] we can look at how to revise that curriculum and get it updated. I know that ARELLO puts out information about the national examination and then Tim has been connecting with ARELLO on that. So we're starting to do the research behind the scenes here at the department to figure out how we can support that and get that curriculum updated. So probably more to come. I imagine Chair Clausen will be asking for the subcommittee to dive into that [00:58:00] as soon as they're completed with the core curriculum updates. No volunteering though.

Jen: Well, you just did.

Deb Allenbaugh : No, no, no, no, not me.

Jen: And this is boggling my mind a little bit. It's the managing broker national, but this is not clearly the same test that's being administered in all the states, even though it's the national portion.

Deb Allenbaugh : It is, and [00:58:30] I can only think of the acronym. We've asked the Washington Center on Real Estate Education to help us out with a study to look at the passing rates for the managing broker national exam across the nation. They're doing a bit of research and just seeing what they can pull together for us. Our [00:59:00] suspicion is that the national portion, we are lagging in that because our curriculum hasn't stayed up to date with the examination. So this is the theory at this point. When we have more data, we will present it to the commission.

Jen: Can PSI not present that data if they're testing in all the states and administering the managing broker national, can't they provide that data?

Deb Allenbaugh : In theory, yes. [00:59:30] We've asked for it. Sandy, you're about to speak. Go ahead.

Sandra: Yes. So I do have a short report out on this for the action items when Chair Clausen had requested that we have this research done. We are not only asking for what PSI is doing. We're asking for what all the testing companies are doing nationwide. We want [01:00:00] to see where we fall within the nation and if

| | there are any other testing companies that might be doing a better job, but I'll save the rest of that report up for the action items. |
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| Sabrina: | So looking at the changes, so is there a disconnect then between the material that is covered in the PSI test at the national portion and [01:00:30] what we are I guess our educational requirements in Washington state, cannot PSI be better or give more accurate information on what is currently on those tests so that our instructors can better prepare the students? |
| Sandra: | That's a really great question, and in the process of looking all of this stuff up, [01:01:00] the only thing that I can find is what is in the candidate handbook, but that list, the percentages that the questions come from subject. For instance, 15% of the test comes from contracts. I don't have that memorized at the top of my head, but it's in the candidate handbook. I believe it's pages, [01:01:30] I want to say 14 through 17. |
| | But that is the only documentation that I can find as to how this test works, and there, it's listed in broker and in managing broker and that's all I could find, but that might be something that the [01:02:00] education subcommittee might be able to take up as well. All right. Any other questions on the passing data rates for the last 10 years? Okay. I see Chair Clausen had to log out for her 11:00 meeting. Vice Chair Chang, is it okay if I go ahead and move on to the licensee counts? |
| Vice Chair Chan: | Please. |
| Sandra: | [01:02:30] Okay, we'll move on to the licensee counts. These are the total licensee counts through May 8th. I just wanted to make a quick note. I hope you guys are able to see the screen better. We are trying something a little bit new today with our presentation rather than having the tiny packet that you have to really try [01:03:00] and see. Is everyone able to see the numbers presented on the screen? Great. Excellent. So just a quick rundown, we have a grand total of 50,000, over 50,000 active licensees, and I have them broken down in age groups. Any questions on the licensee counts? |
| Sabrina: | [01:03:30] I think what would make this information more meaningful would be to see it in relative terms, let's say an increase of 5% or 20 more brokers than last month or last year. |
| Sandra: | Absolutely. That's really good feedback. Thank you. Okay, moving on. We have our licensee counts, which are real estate [01:04:00] firms. We have real estate firms for a grand total of just over 4,000, real estate branches for a grand total of just over 600. Any questions on the firm counts, and again, would you like me to apply the impact on all of these counts going forward? Excellent. I can totally do that. |

| Speaker 5: | Yeah, I think just a year to date- |
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| Sandra: | Very helpful. |
| Speaker 5: | Yeah, [01:04:30] it is very helpful, but a year-over-year comparison would be cool. |
| Sandra: | Would it be helpful if I had a little graph underneath here and referenced prior years, just so that you could see where the total counts are? Okay. |
| Speaker 5: | I don't know that you need to go back how many years back, commissioners? One year back, two years? |
| Shelley: | Five? |
| Sandra: | [01:05:00] Shelley, you're muted. Five? |
| Shelley: | Sorry. Yeah, I think five years, maybe sometime between three to five years just so that we can see trends. |
| Jen: | And I'm just curious as you're reporting out these numbers, so we're counting canceled, expired, and inactives? |
| Sandra: | Correct. That was a misspoke on my part. |
| Sabrina: | [01:05:30] No, no, no, it's not a problem. So we're just over 44,000 active licensees if you total up the active columns, but so canceled, give me a point of reference for canceled, expired, inactives. Those are licensees who canceled, expired, or went inactive in 2023. Obviously, there's a whole lot more expired licensees. Those 739 expired real [01:06:00] estate brokers, expired since when? |
| Sandra: | That's a good question and I can ask our licensing team to drill into that data just a little bit better so that I can present the actual canceled timeframes. |
| Deb Allenbaugh : | I could help if you'd like, Sandy. |
| Sandra: | Yes, please. |
| Deb Allenbaugh : | Okay. So Sabrina, this is a snapshot in time. So at the time that this report was pulled, [01:06:30] it tells us how many of our licensees were in expired status. If you remember, that expired status is the first year after you failed to renew your license. So if your expiry date was May 8th, you've got an entire year that you will be in expired status. If you fail to renew within that, then it goes into cancellation. You have one more year in cancellation and then you drop out of the system. |

| Sabrina: | Got it. [01:07:00] Perfect. Thank you. |
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| Sandra: | That's very helpful. Thank you. |
| Deb Allenbaugh : | No problem. |
| Sandra: | And finally, we have real estate team names, and with that, are there any questions about the licensee count report out? [01:07:30] Okay. |
| Vice Chair Chan: | All right. Let's go on to the next staff report. |
| Sandra: | All right. So this is a review of the master action items. First up was PSI updates. So PSI updates has been an ongoing master action item and agenda item in the old business. So as you can see, we did things just a little bit differently today [01:08:00] where we added PSI to its very own report agenda item, and therefore, we're not going to be reporting out on old business anymore and I will be removing it from an action item because we're just going to report out at every single meeting, and if that changes, we can always revisit maybe changing it to an action item for every other meeting, but at this point, I really feel [01:08:30] it's important to report on it every single meeting with its own specific agenda item. So we'll be removing it from the master action item list going forward. So the next action item was whether or not the service ticket fixes the system issue of not being able to pull up team names, assume names. So all the updates have been completed and this issue has been resolved to the best of my ability. I haven't heard any [01:09:00] issues yet. So if there are any further issues, please email me at DOLboards.wa.gov, but as far as I know, this issue has been fixed and it's complete. The next action item, and that was from the December meeting, was to provide the passing rates for the last 10 years. So this was on the agenda for the meeting today so that agenda item is complete. [01:09:30] And then we've got the research request for the UDub, for the countrywide pass and fail rates for licensing tests. So this is actually in progress. We've met with that research team a few times. They're still in the data gathering phase. They are checking not only PSI, but all national test providers. So we wanted to get a clear picture of everything that's going on. [01:10:00] Once they have all of that data collected, they will analyze the data and put it into a report that we are able to present to the board. We should have this ready to present at the August meeting, and if that changes, I'll be sure |
| | has some updates about this. |
| Jen: | Great, thanks. So we have a new website that's going to be rolling out for DOL.wa.gov. We've been working on it for the last year and a half with a human- |

centered design approach. So we've been hearing feedback about what's working and what's not working for customers, how they find stuff, and we're actually rolling it out June 19th and I was able to quickly find [01:11:00] the link and I think I'll share it with you all if I can take control. Do you mind, Sandy, if I take... Okay. And I'll share what we're going to see. We're still working on some of our stuff. So our professions pages aren't built out as solidly as some of our other pages yet, but they will by the end of September be complete.

So I know you all are familiar with our website and probably use it quite a bit [01:11:30] in your different interactions that we have, but here's what our homepage is going to look like after June 20th and some exciting stuff on our professions page. This is my favorite part so far, but I can show you how you can look up our professions. So you can go through and look alphabetically through there, or you can actually search by key name. So if I just type [01:12:00] in the word real estate, for example, it's going to bring up anything that has to do with a real estate profession. So you'll be able to see appraisal management companies, real estate appraiser license reciprocity.

So there's all different types of search functions that we'll be able to bring up by just simply typing in a keyword. So this is a great piece that we're really excited about on the real estate pages themselves. One of the things that we looked at as we were designing this new website [01:12:30] was what are the top tasks that folks come to our website for and how do we bring those top tasks up to the front so they're not buried within our website? So there's going to be some communication actually coming out this next week about some different things and how you can find different parts of our website. So a map to some of the changes.

So in the next couple of weeks, you'll see the next round of communication. It'll be like two or three more [01:13:00] rounds of communication sharing through our listservs and such what it is that we have coming out. I was trying to think. I think also the file a complaint has been completed so folks can find that a little bit easier. So this also, this comes back to our old website and how it was used. So the search functionality will also start to show in this once this page has been rewritten.

[01:13:30] So you can kind of see a little bit of the old and the new as we move to our new platform, but just wanted to share with all of you that's up and coming. We're really excited about it and our professions pages will all be rewritten and completed by the end of September. So the first launch will have a majority part of our website focused on the driver and vehicle side of things, but by the end of September, all of our website pages will have been rewritten and [01:14:00] be ready for all of you. So with that, Sandy, I'm going to stop sharing and hand it back to you.

| Jen: | So at the risk of being Debbie Downer. |
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| Jen: | Go ahead, yeah. |
| Sabrina: | Given the last time we had an overhaul of the licensing software, do we have any concerns that we're going to roll out the updates to the DOL website and [01:14:30] we're going to have any issues? I know it's a little bit different, it's a redesign of an existing website versus introducing a whole new licensing software, but any concerns with the beta testing that's been done or? |
| Jen: | Great question. So no, we don't have any concerns. So I'm actually the project sponsor of this activity also, and there's two things that we're doing with it. One, the main focus of it was readability and accessibility. We weren't up to standards for that with our website, [01:15:00] but the other part was actually a- |
| | PART 3 OF 4 ENDS [01:15:04] |
| Jen: | The other part was actually, that hosting software that we used was really old and clunky. So we've replaced that with proven website software that other state agencies use and that's gone super smooth. We did lots of testing. The main testing issues that we found are links that aren't working or things like that. And we've done about, we've gone through about 400 tickets, we've been testing it with our state, [01:15:30] with our staff, our internal staff, and they've been able to show us things that aren't working right for the last couple of weeks that we've been able to get fixed before rollout. |
| | So, we're feeling really good about it. I think the worst case scenario would be somebody finds a broken link and they reach out to us and we're able to get it fixed, or they call us 'cause they can't find something and our team members will have the tools to be able to help you get redirected to that spot. But we're feeling pretty confident about it. Much different than a big system [01:16:00] rollout, for sure. But thanks for the question. It's a concern [inaudible 01:16:06]. I get a little anxious about it too. For sure. |
| Sandy: | Okay. And that concludes the master action item review. |
| Jen: | Great. So now it's, we're going to head into the public comment portion of the [01:16:30] meeting. And just a reminder to, you can raise your hand if you have got a public comment and our team members will call on you. State your name, you'll have three minutes to be able to share your comments, and then you can see all the other rules here posted for you. So with that, I'll turn it over to, Sandy, are you leading this part or Sandra? |
| Sandy: | Yes, I sure am. |

| Jen: | Okay. |
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| Sandy: | All right, so we are ready to [01:17:00] take public comments. The first hand I see is Natalie Danielson. |
| Natalie Daniels: | Can you hear me? |
| Sandy: | Yes. |
| Natalie Daniels: | Okay. The video doesn't work. Okay, I have to speak fast. Sandy, your information on the pass rates is incorrect. In 2017, we had a test that was a story problem test, there were like 10 questions and they went from one to the next. The pass rate went from 85% [01:17:30] down to 30%. Then in 2020, in the middle of COVID, the test was changed to a multiple choice test. PSI presented those statistics of 85% pass rate or something like that between 2017 and 2020, that's incorrect. I will go back. You have documentation from the meetings. I'm sure Sabrina remembers. We sat at a live meeting, which of course was before COVID, and discussed the fact that the pass rates at 30% are less than the bar [01:18:00] exam, and that was before COVID. So I will get that It's in your documentation. The Department of Licensing documentation from the meetings, which I say, it saved all of it. It turned to a multiple choice test in 2020 and the pass rate continued to be 30%. It has been 30% since 2017. So, it's not that people don't know how to take the test. That is what PSI said in one of the meetings, it's ridiculous." |
| | The problem we [01:18:30] have been asking forever for other states, everyone who takes the test and fails, gets between 69 and 74%, from my experience. Nobody gets their actual pass rate. I think in our state we should get the pass rate. I'm thinking they pass at 75%, so they're still missing about a quarter of it. The exam itself is old. Having four to six questions on amortization is ridiculous. No lender, no title person, no escrow, no broker has ever used [01:19:00] an amortization schedule for probably 10 to 20 years. There's questions that are not applicable to our business and finance. Nobody in our state knows what a CLO is. There's stuff on there that should not be on the test. |
| | The curriculum for the managing brokers classes was written in 2009, does not match the outline for the test. So, it doesn't matter what curriculum you take, you're not taking it. There's no preparation. PSI changed the name of the broker test to managing broker. I paid [01:19:30] for it more than once, I have it in my hand. It's a managing It's a broker pre-license test. |
| | Something needs to be done. I wrote and I did a complete thing of screenshots and everything of the PSI website, nobody wrote back. The PSI website is 12 years old, nothing works right. I have over 12 or 15 people, I'm trying to coach people to pass who have had their test loss. This is not the center, [01:20:00] |

| | this is their computer. So before you go to a computer thing, which may be great, it's their computers that are losing the test. And I don't know At least a dozen. So why aren't we helping them? I don't understand. I have one person who's trying to schedule the test now, hers wasn't lost since February, there's no consumer help. You need to do something. |
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| Sandy: | Thank you. |
| Natalie Daniels: | And I want to make one appointment, the court class- |
| Sandy: | Thank you. Thank you, Natalie. That's your three minutes. Thank you. [01:20:30] Next up we have Tammy Tate. |
| Tammy Tate.: | Hi. Thank you. Very quick question. I heard at the beginning of the, well at the start of the meeting that there was going to be a designated broker meeting at the end of the month. Can you clarify that? When is it? Or did I [inaudible 01:20:51]? |
| Sandy: | We can send out a Listserv on that or we can contact you individually if you would like. |
| Tammy Tate.: | I [01:21:00] would love that. Thank you. |
| Sandy: | Okay, thank you. We'll gather that information and send it out on Listserv. Thank you. |
| Tammy Tate.: | Thanks Sandy. |
| Sandy: | You're welcome. Okay, next up we have Keller Williams. |
| Keller Williams: | Hi. Thank you. Can you hear us? |
| Sandy: | Yes. |
| Keller Williams: | We were just hoping that you could share the link for the videos of [01:21:30] the how to on the self, when people are able to start testing from home or from their own location or just hoping, those videos that you mentioned watching, could you share that link with us? |
| Sandy: | We sure can. If you would shoot an email to dolboards.wa.gov, we can get that sent out to you. |
| Keller Williams: | Thank you. |
| Sandy: | Are there any other comments today? |

| Speaker 6: | [01:22:00] I would like Can you hear me? |
|------------|---|
| Sandy: | Yes. |
| Speaker 6: | Yes. I would like to know if there's any talk of live instruction coming back for managing broker license, new licensees. I've had a lot of people share with me that the computer led instruction is just [01:22:30] not a great way for them to learn. In addition to there being multiple ways that people learn in this world, we are only offering one at this time. So what is the plan to bring back some live instruction for new licensees and managing and designated brokers? |
| Sandy: | That's a great question. Thank you. |
| Speaker 6: | Is there any answer? |
| Sandy: | We cannot have an actual discussions [01:23:00] on something that isn't an action or that is not an agenda item. |
| Speaker 6: | Okay. |
| Sandy: | But following this, we will have our conclusion, where the commissioners may be able to take your public comment and assign it to, either the staff for further action, maybe they can edit agenda item for the next meeting, that sort of thing. Thank you so much. That's a great [01:23:30] question. |
| Speaker 6: | And thank you. Thank you. |
| Sandy: | Are there any other comments for today? Okay. Well that concludes our Oh, wait a minute, we've got one more. We have Roberta Anderson. Go ahead, please. You're muted. [01:24:00] Roberta Anderson, did you have anything you would like to say? Oh, and the hand just went down. Roberta Anderson, if you're having technical [01:24:30] difficulties. Okay, I think we lost Roberta Anderson. So that concludes our public comments today. Thank you. |
| Jen: | Thanks Sandy. Thanks for leading us through that. Our next agenda item is our conclusion [01:25:00] and under that is 10.1 for announcements. [inaudible 01:25:09] |
| Eddie: | Before we go on for regarding the public comments. The DB forum, I believe that's not something I believe what Shelly was referring to is not something that's handled by the commission, that is being sponsored and run by Washington Realtors. [01:25:30] So it is out outside the purview of this commission, but if you reach out to the Washington Realtors, I'm sure you can get on the call. And then with regards to the education portion, again, I feel it's out of our scope of this commission because that is up to the schools to decide |

how they want to teach their class. And I don't think we have any rules regarding them being online or not. And it's up to the schools [01:26:00] whether or not they want to. But Sabrina, do you have any thoughts on that as chair of education?

Sabrina Jones S...: Yeah, I agree. Yeah, wasn't sure when the appropriate time to talk about that was. But to Christina's point that, I think many education providers are starting to reintroduce live classes, I know we are at the Spokane Realtors and other instructors around our area. [01:26:30] But I agree, Eddie, that would be the purview of the education providers around the state, how they want to offer their courses. The challenge, to your point, of offering pre-licensing or managing broker courses live, is it's a huge time commitment. And so, I don't know that you're going to see, I mean, a lot of those courses are going to continue to be distant, offered in a distance learning or an online scenario, [01:27:00] because those 30 hour courses or those 60 hour courses, those are really hard to put on as a school or as an instructor to carve out that kind of time.

So just my own opinion about that is, I don't know that you'll see a lot of those classes go live, but I don't think there were a lot of them offered live before COVID. I think many of those pre-licensing and managing broker courses, those longer 30, 60 hour courses were mostly done online anyway. But I do think you're seeing a shift back towards live [01:27:30] or at least hybrid classes. And I agree, Eddie, that's that's going to be up to education providers to decide how they want to offer their course offerings.

Sandy: Okay, thank you. Thank you for that clarity.

Sabrina Jones S...: [inaudible 01:27:45] that yes, those videos will be shared, if and when we decide to adopt the online proctoring tests, I don't think it makes any sense to send those out on the Listserv or to anyone individually, because they're instruction's [01:28:00] how to take the online class or the online exam and we're not offering it yet. Right?

Sandy: Right [inaudible 01:28:08].

- Sabrina Jones S...: So, I think what everyone would want to know, and I think, I assume is the point, is that if we decide to go to the online proctoring system, that those tutorial videos are available on the [inaudible 01:28:26] website. If a candidate is deciding to go that route, [01:28:30] those videos are there to walk people through how to register, how to take the exam, what's going to be expected. So, I don't know it makes sense to send those videos out now, because that's not an option now.
- Sandy: Okay, great. Thank you, I appreciate that clarity. To continue with announcements. The department does have one announcement and we are

| | said to announce that Commissioner Sherry Song, her term [01:29:00] expires in August and therefore today will be her last official meeting with us. I know. We will be opening a recruitment through the governor's office. |
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| Sabrina Jones S: | I just want to go on record. This is Sabrina. And thank Sherry, I've really enjoyed my time serving on the commission with her. She's always been extremely thoughtful and professional, and I appreciate her years [01:29:30] of service and the opportunity to have served with her. So thank you, Sherry. I appreciate you. |
| Sherry: | Thank you. I really appreciate that comment, Sabrina. And it was nice getting to know everyone that was on the commission. Sorry I didn't get a chance to meet all the new commissioners in person, but I know you guys are all committed and I'm looking forward to following the continued work and the things that we started. And it's been my honor for [01:30:00] serving for the last six years. Thank you. Thanks to staff, you guys have been great. Yeah, |
| Jen: | Thank you, Sherry. We are going to miss you on the commission and appreciate your time with us here. For sure. |
| Eddie: | Is she eligible to reapply? |
| Sherry: | I have some other things going on, so I've opted not to reapply. Thank you, Eddie. |
| Jen: | Okay, well [01:30:30] great. Thanks again, Sherry, for your service on this commission. Now we'll move to 11.2, Request for Future Agenda and Action Items, which I think, we started talking a little bit about the public comment a few minutes ago with action items that we wanted to come forward. Is there anything else that anyone has for a future action item or agenda item? |
| Sabrina Jones S: | I would love to hear a report out, and even if you have a general sense of [01:31:00] it, because my sense is it's gotten better, but I would love to hear a report out on response times to phone calls and response times to emails to candidates and licensees who are calling in who need help still with the licensing software. I know somebody, I heard the other day, somebody called and got someone on the phone and got their issue resolved right then and there. And that's how it should be, in my opinion. That's how it is with other [01:31:30] states licensing entities, and I was tickled beyond measure to hear that there was an immediate answer and the problem got dealt with. So, if you can speak to it today, great. If not, at the next meeting, I'd love to hear what those numbers are. |
| Sandy: | I must apologize. I did get that request, however, I was not timely in making that request and therefore I didn't get the information back in time to put into the |

packet. But I will [01:32:00] do better and make my request sooner for the next meeting. I apologize.

Sabrina Jones S...: No worries, thanks.

Jen: Yeah. Well, and I can help a little bit from the standpoint of leading the licensing team. I don't have the specific response time on emails and phone calls, but what I can tell you is, we're processing work within our 10 business days requirement. So, that also is a huge impact to all of our future licensees and [01:32:30] our current ones, making sure that we're getting through those renewal processes. We've improved parts of our processes that are helping speed things up. So, I love hearing the feedback, Sabrina, 'cause it's been a long couple of years of hearing the other extreme of the feedback. So, we will have some data on our phones and on our emails for the next commission meeting. But I know our processing times, I just met with that leader yesterday. [01:33:00] Any other items?

- Sabrina Jones S...: I think Sandy has it down, I suspect it's coming in the action items. But a report out on the real estate licensing income added to the budget,
- Jen: Not hearing anything else, I'll [01:33:30] move to 11.3. And Sandra, are you the one that reviews our action items or I'm not sure if it's Sandy.

Sandra: Yep, that's me.

Jen: Okay.

- Sandra: So, actually, it's a combination of action and agenda items. So, I have the future agenda items, and like you said, the budget including income and fees from fees fines, and expenses, so you have that comparison. A report on response time to phone calls and emails, which I have that as an action [01:34:00] item as well for Sandy and myself to get on the ball with that. And then, include the percentage of increase or decrease for licensee count reports year over year. It wasn't really clear, you said three to five years, so I will go with five years and see what we can get so that you can see trends. And then, designated broker meeting, we'll send out a Listserv with information on that. [01:34:30] And then, also we'll Listserv for the listening session in June 14th, once we have clarification on which time slot it is, between 8:00 and 10:00 PM, or excuse me, 10:00 AM, and then we'll email the educators directly as well with that information. Did I miss anything?
- Sandy: I do think that for the designated broker meeting, Eddie gave some great clarity on that, that we probably won't be sending out the [01:35:00] Listserv on that, that is not through this commission. And that if anybody had any information on that, they could contact Commissioner Schmitz about that.

| Sandra: | Okay. I'll take that off. |
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| Sabrina Jones S: | Is Shelly still on the call? Could she just not If you've got that on your calendar, Shelly, could you just check out when that is? |
| Shelly: | Yes. So it's going to be May 30th at 11 o'clock. And in the Washington Realtors [01:35:30] email, and I don't know if it came out on the Tuesday or Friday one, there's actually a mention of this with a link because you do have to register in advance. |
| Sabrina Jones S: | Thank you for that clarity. |
| Jen: | Okay. Thanks for the action items. And at this time, we've hit the end of our agenda. [01:36:00] So, it's now 11:39 AM on Thursday, May 18th, 2023. This meeting is now adjourned. Our next meeting will be via Teams on August 17th, 2023 at 10:00 AM. |
| Sabrina Jones S: | Sorry. |
| Jen: | And thank you all. |
| Sabrina Jones S: | Oh, sorry. |
| | |
| Jen: | Sorry, Sabrina. |
| Jen: Sabrina Jones S: | Sorry, Sabrina. Is there any plan to have an in-person meeting? |
| | |
| Sabrina Jones S: | Is there any plan to have an in-person meeting? We are close. And I think that we Let's put that on an action item for our next agenda, because I do think that we're ready to [01:36:30] schedule that in- |
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PART 4 OF 4 ENDS [01:36:52]