

Washington Real Estate Appraiser Commission Meeting Transcript

August 18, 2022

Shari:

Okay, Dean.

Commissioner Dean Potter:

Okay, good morning. This is Dean Potter. I'm chair of the Washington Real Estate Appraiser Commission currently, and it is now 9:04 and I'm calling the Real Estate Appraiser Commission to meeting, meeting to order. It's August 18th, 2022 meeting. The board will provide an opportunity for public comment during the meeting. As a courtesy, we encourage participants to mute their mics and turn their cameras off when you are not speaking. My camera is off due to technical difficulty, so that's not going to be an issue for me. To reduce the background noise when others are speaking and have the focus directly on the commissioners during the meeting. One challenge is remembering to unmute your mic when you are speaking. Also, for board members to help us capture information correctly, please state your name when making comments, thank you. Shari, would you please call the role in.

Shari:

Yes. First, can you guys see the packet? Okay. Thanks, Heather. Okay. Thanks, Commissioner Potter. So, Dean Potter.

Commissioner Dean Potter:

Here.

Shari:

Scott Biethan.

Commissioner Scott Biethan:

Here.

Shari:

Claire Elston.

Commissioner Claire Elston:

Here.

Shari:

Heather Sullivan.

Commissioner Heather Sullivan:

Here.

Shari:

Sheryl Knittel.

Commissioner Sheryl Knittel:

Present.

Shari:

And Stan Sidor.

Commissioner Stan Sidor:

Here.

Shari:

Thank you. And then we'll move on to staff. Debra Allen-Ba.

Debra Allen-Ba:

Present.

Shari:

Katherine.

Katherine:

Present.

Shari:

Thanks, Katherine. Tanya. I don't think she's here. Mahua.

Mahua:

Present.

Shari:

Tim.

Tim:

Here.

Shari:

Mike George.

Mike George:

Here.

Shari:

Is Aneesa here? Or Carly?

Mahua:

(Inaudible 00:02:19).

Shari:

Did I miss anybody? Whoops, sorry. Did I miss anybody?

Mahua:

Ben is here, but [inaudible 00:02:21].

Shari:

Okay. Thank you. All right. Commissioner Potter, back to you.

Commissioner Dean Potter:

Okay. Everyone got their agenda in the packet sent to them, and I think I looked at the order of the agenda up here, it was okay to me. Are there any changes that you want to make in the order of the agenda? If not, I'm looking for a motion to approve the agenda as presented.

Commissioner Stan Sidor:

So moved, Stan Sidor.

Commissioner Dean Potter:

Second.

Commissioner Sheryl Knittle:

Second. Sheryl Knittle.

Commissioner Dean Potter:

All in favor.

Commissioner Stan Sidor:

I.

Commissioner Sheryl Knittle:

I.

Commissioner Dean Potter:

In your packet also, you had the copy of the minutes of the May 19th, 2022 meeting. I looked them over, they appear to be a good representation of what occurred at our meeting. Anyone have any changes, deletions, amendments, additions to the meeting minutes? If none, I'm looking for a motion to approve the minutes as presented.

Commissioner Stan Sidor:

Commissioner Sidor, so moved.

Commissioner Dean Potter:

A second?

Commissioner Heather Sullivan:

I second. Heather Sullivan.

Commissioner Dean Potter:

All in favor?

Commissioner Heather Sullivan:

I.

Commissioner Stan Sidor:

I.

Commissioner Dean Potter:

Okay. And now we move on to review communications and that's Debra And I wanted to make a note, just a second, just before Debra speaks. I wanted to make a note that we got a couple of communications after the agenda was set, and those will be responded to or processed in whatever fashion is appropriate in our next meeting. If we get communications in after the agenda is set, it's a little problematic to incorporate them into the consideration of communications in the current meeting. So if you sent something in the last couple of weeks and don't hear it discussed today by Debra, then it will be forwarded to the next meeting or dispensed within some other fashion. Now go ahead, Debra.

Debra:

Thank you, Commissioner Potter. Shari, can you move forward on the slide deck please?

Shari:

M-hmm. What is it? Are you looking for the communication?

Debra:

Yeah. Did we have any communications that made it into this packet?

Commissioner Dean Potter:

Yes, there are.

Debra:

Yep. Can you open those please?

Shari:

Yep. Was that the one you were talking? This one?

Commissioner Dean Potter:

Nope.

Debra:

No.

Commissioner Dean Potter:

We had some emails from Bob Mussuto.

Shari:

Right. Hang on. Hang on one second. I'm going to stop sharing. Well, if you want to go and I'll get that up. Sorry.

Debra:

We'll give it [inaudible 00:05:28]

Commissioner Dean Potter:

One is on page 13.

Shari:

Got it.

Commissioner Dean Potter:

And there's 12 has a reference 12 and 13, I think.

Shari:

Okay. So do we want to continue with the agenda at, as it is? And then we can talk about those where they are?

Commissioner Dean Potter:

Well, I don't think it matters where they are in the packet. I think we have to honor the order of the agenda. So...

Debra:

Yes. Pull it up page 13.

Commissioner Dean Potter:

There were two emails from Bob Mussuto. One had to do with the trainee experience log complaint.

Debra:

Right.

Commissioner Dean Potter:

And the other one had to do with blacklisting appraisers.

Debra:

Right.

Commissioner Dean Potter:

Yeah.

Debra:

Okay. So Dean, are you able to see the communication that's on the screen at the moment?

Commissioner Dean Potter:

Right. That's the experience log complaint.

Debra:

Oh, correct. Okay. So that has been brought to the attention of our licensing unit. And so this communication, we did a little bit of research here at the department to try and determine what, from a historic perspective, was there a reason that we were including this. Working with the licensing unit and Mike George is on the call, he reached out to our associates with the AQB and determined there was really no reason to include that. So we are working, and Mike, are you able to give a update on where we're at with the form?

Mike:

Yeah. It's already done. So yeah, for all of those on this call, reach out to [inaudible 00:07:20] the AQB, talk with them. Our goal is to, if we don't need to collect certain data, we're not going to. If it's not required, not going to collect it. And that particular, the data that Bob talks about in this particular email reached out to them and it's not a requirement. And so with that, it's not a problem. We took it right off the experience log and it's already done.

Commissioner Dean Potter:

Okay. So that one's resolved, right?

Debra:

That has been resolved. Any questions from the commission?

Commissioner Heather Sullivan:

Did we send out a notification to let the constituents know it's been updated or changed?

Mike:

No, that's coming. We haven't sent out because it just got changed, I think about a week ago or so. And we'll work on sending out through Listserv. I know that Bob has already sent something out to the constituents that he communicates with, but we'll send out an official one through Listserv as well.

Commissioner Heather Sullivan:

Just from a administration side of things, if they've already started on a different log, do they just switch over?

Mike:

No, no. We'll still accept the old logs. Not a problem. Okay. Yep.

Commissioner Heather Sullivan:

Okay, perfect. Thank you.

Debra:

Thank you, Mike. Okay. And so on page, Shari, do you want to move forward to the next communication that was received? Go back. You're skipping around.

Shari:

That one?

Commissioner Dean Potter:

One more.

Debra:

One more back.

Shari:

That one?

Commissioner Dean Potter:

No, it's an email.

Debra:

You had an email in the packet.

Shari:

Okay. Hang on. Sorry, one second. Wow. Deb, which ones we're looking for?

Debra:

There was another one from Bob Masudo on blacklisting and it's on, I believe in the packet page 13, 12 or 13. You skipped past it.

Commissioner Stan Sidor:

I don't believe it was in the packet that I received.

Debra:

Was it not in the packet?

Shari:

Yeah. I'm not seeing it. Yeah.

Commissioner Dean Potter:

I'm looking in the packet and I don't find it in the packet.

Shari:

Hang on. Let me find his email here.

Debra:

Dean, was this received after we sent out the packet?

Commissioner Dean Potter:

No.

Debra:

No. Okay.

Commissioner Dean Potter:

No, this was the email in connection with having the real estate agents board address this issue. And you and I talked about it three weeks ago.

Deborah:

Okay. Yeah, we did. When we were looking through it just didn't make it into the packet. So my apologies, we've got a lot going on with the department. We received an email from ACOW in reference to some allegations that there is blacklisting happening with real estate agents against appraisers. So there had been a complaint case that was filed, I believe that it's in an investigation status right now to determine, but it sounded like it was more of a federal blacklisting and a violation of the Dodd Frank Act, and really wasn't something that was within our jurisdiction within the real estate program. The request was whether or not this would be something that could be included in the real estate broker core curriculum in terms of an ethical practices for real estate brokers. That is a curriculum that is offered. It's a mandatory curriculum offered to real estate brokers every two years for their renewal. The real estate commission has not met, so this is something that Bob Mussuto has been encouraged to bring up as a commissioner topic when that commission meets.

Commissioner Dean Potter:

So you're saying Bob would go to the meeting of the real estate agents, right?

Debra:

Yeah. You would want to bring that up with the real estate commission as a proposal for that commission to determine whether it's something that they would like to include in their continuing education core curriculum.

Commissioner Dean Potter:

Okay. Bob, are you there?

Bob Mussuto:

I am here, yes.

Commissioner Dean Potter:

Yes. Oh, okay. And did you hear Debra's discussion just then?

Bob Mussuto:

Yes, I did.

Commissioner Dean Potter:

Okay.

Bob Mussuto:

In regards, can I have a couple minutes, Dean?

Commissioner Dean Potter:

Yeah. Yeah. I was just going to tell you you had a couple minutes.

Bob Mussuto:

Oh, thank you. Thank you. In regard to this blacklisting, here's the file. So it's not something that I'm taking lightly. This is on my radar. We have right now, Michael in the meeting with us. He filed a formal complaint with both the state and with the federal government, the CFPB, and on both occasions, he's gotten nothing. The state says it's not our problem. And the federal government, they only investigate as far as lending, but when somebody else commits the crime; a buyer, a seller, a real estate agent, whatever the case, there's nobody to report it to. Now I talked, or I communicated with Lisa Desnaris from the appraisal foundation on this particular subject, and she told me that the complaint process should start at the state level.

Bob Mussuto:

My complaint to her was we have a federal law that prohibits blacklisting, and that's exactly what it is. It's real estate agents attempting to prevent an appraiser from appraising a property because they're known to come in low on value, which is the whole reason that Dodd Frank and [inaudible 00:15:28] was written. It's also addressed in title 12, and to date, it's like I told Lisa, there's no place to really report anybody other than the lender for the violation. So TAF's on board. They're looking for places to address this, but as she said, it starts as a state level.

Bob Mussuto:

And since we know that we probably will not be able to change state law for this specific complaint, what we are looking for is to educate real estate agents, brokers, and let them know that; A. You're violating several laws, not just Dodd Frank, not just title 12, you're also violating the blacklisting law that's in the WAC here in the state of Washington, and you're violating several ethics laws in the real estate ethics or in the real estate laws here in the state of Washington. By educating, we suggest that this be put in the core so that agents and the real estate broker board cannot say, "Oh, well, we didn't know. Or that's not a law in the state of Washington. That's not a real estate broker law in the state of Washington." 'Cause that's just BS folks. It's a federal law and there's people out here. Okay.

Commissioner Dean Potter:

Bob?

Bob Mussuto:

Yes.

Commissioner Dean Potter:

Just so we can, maybe you can incorporate any summary comments in your time on the public comment, but let me ask you this. Are you going to be able to attend the real estate brokers commission meeting and make the suggestion?

Bob Mussuto:

Do we know when that meeting is Dean?

Commissioner Dean Potter:

I do not, but Debra will. Debra knows everything.

Bob Masudo:

Okay.

Debra:

I wish Dean. That meeting will be on September 22nd, and I believe the meeting time is at 10:00 AM. It is posted on our real estate website. It'll have the links for that meeting. It's either a Zoom meeting or a Teams meeting and you would be able to attend and during the public comment section, make that suggestion to our commissioners.

Commissioner Dean Potter:

Okay.

Bob Mussuto:

Sure. Yeah, I can attend that if somebody can just email me the link.

Commissioner Dean Potter:

Shari, can you email Bob that link when you have a chance?

Shari:

Yep.

Commissioner Dean Potter:

Okay. Okay, Bob, I don't mean to cut you off, but we got to kind of keep more focused on our agenda here and when I...

Bob Mussuto:

[inaudible 00:18:24].

Commissioner Dean Potter:

...come around. Okay, good. Thank you. Go ahead, Debra.

Bob Mussuto:

Thank you, Dean.

Commissioner Dean Potter:

Uh-huh.

Debra:

I believe that's all the communications.

Commissioner Dean Potter:

Okay.

Debra:

Commissioner Potter.

Commissioner Dean Potter:

Okay. Thank you very much. And I would want to make a note that commissioner Palmer is absent from this meeting, he has an excused absence. I forgot to say that. Okay. Under old business, licensing fees update, that's Deb and Stan. And I assume the two of you have worked out who's going to go first.

Commissioner Stan Sidor:

Yeah. I mean, I don't really have anything to add or say at this time other than to ask, I saw the comment or that was in our packet that they did not need to do, maybe I didn't see all of that.

Debra:

I can help you out Commissioner Sidor.

Commissioner Stan Sidor:

Yeah. So there will be increases or there may be increases?

Debra:

Well, let me share some good news with you, which feels great today. We had shared your questions with our budget office. And I think I shared during the last meeting that we have a new budget officer who has joined the department. Part of the work that she has been working on with her team is kind of unraveling where we're at, and particularly in those indirect expenditures. During the analysis, they determined that there was an error in the calculation, the projections for the indirect cost for this program. And what that has resulted in is there will not be fee increases at this time.

Stan Sidor:

Great. Thank [inaudible 00:20:22]

Debra:

So, you will see when we get to the part where we're looking at the budget reports, the budget reports are getting a little bit more in depth and in detail and I really appreciate all the feedback that Commissioner Sidor put into writing because we were able to share those with the budget office so that they were able to create some consistent reports for each of our boards and commissions to share. So, they've been doing an amazing job of really unraveling that and helping us to understand the full budget picture. Not just for this program, but for all of our programs. So, thank you on behalf of the department for that work.

Commissioner Stan Sidor:

You're welcome. I appreciate that. I am curious if you could address the last sentence on this license fee update says the division will be taking a more holistic approach to fee increases and it may be that the increases will still be necessary in October '22. Is that now not the case?

Debra:

We discovered that that is now not the case. So between the publication of this and the conversations that I had, the last word was this program will not be seeing fee increases.

Commissioner Stan Sidor:

Thank you.

Debra:

You are welcome.

Commissioner Dean Potter:

Stan. Thank you very much.

Commissioner Stan Sidor:

You're welcome.

Commissioner Dean Potter:

Appreciate it very much, and all the appraisers in the state of Washington, I assume appreciate it as well. Okay. Training experience, log, update, Deb and Tanya. Did we kind of already cover that, Deb?

Debra:

I believe that we did. I don't see that Tanya is on this call today.

Mike:

We already covered it. That's where we just took off the client name and client number. So just real quick for those that are, are like, well, the whole thing's changed. It looks the exact same. We just took off the client name and client phone number, real small, small change, nothing crazy. We'll still accept the old ones also. Just those that are questioning that.

Commissioner Dean Potter:

Okay. So it can be a mix and match, so nobody has to refill out a form, right?

Mike:

Nope. They don't have to refill out a form. And the one online is updated. So, if you're going to print it, but if you already have you're working through the one that you have just keep using the one that you have. It's all good.

Commissioner Dean Potter:

Okay. Yeah. We had a couple comments on the screen here about people listing in asking about mixing and matching and refilling it. So, that's making it easy on everyone. That's a good thing. Okay. Moving on qualifying and continuing education update. Scott and Heather.

Commissioner Scott Biethan:

Yep. Heather, I mean Commissioner Sullivan. Would you like me to just kind of jump out there if that's okay with you?

Commissioner Heather Sullivan:

Absolutely.

Commissioner Scott Biethan:

Good. So, the long and short. We made good progress, not as much progress as we would've wished. Summer schedules and summer travel between Commissioner Sullivan and myself, and then just getting everything organized. We did have, so the issue is, is trying to understand if there are ways that we can better have, what I would call portability of education and experience credits. Both qualifying and continuing between the accreditation given by the department of revenue, typically for mass appraisal, and the department of licensing for real estate appraisers. And so those are the two big topics. So we did have a phone call with the AQB and with some folks from the AQB folks from the state. And we explored really what are the questions? And then what they did was they came back and said, could you please give us these questions in writing? So, that came back to us.

Commissioner Scott Biethan:

We would've rather have been a little bit further on this, and that's just full disclosure, but Commissioner Sullivan and I have put together some questions, we've got some questions that are into the state. And these are questions actually for the state, and kind of vetting, are these kind of the questions that we've talked about, it's this way to what we're trying to accomplish. And then we've got a proposed list of questions that will go back to the AQB, I suspect fairly shortly. And so, again, the goal is to find out if there are ways to have what I would call the ability for folks that are really becoming trained appraisers over our trained appraisers, to be able to supervise other appraisers. What are the criterion? If they're taking education for continuing or qualifying, can they apply to both and how would that work? And right now we don't have a good mechanism for that, but we're trying to explore how might that look. So Commissioner Sullivan, please fill the blanks 'cause she's really the subject matter expert in this anyway.

Commissioner Heather Sullivan:

Yeah, I think just our focus is to get clarification on the AQB requirement that in order to be a supervising appraiser you have to be state certified and what that looks like for the mass appraisal discipline. The other thing that we're looking at is the qualifying education for mass appraisal is classified a little bit differently on the AQB website. And so we're hoping to get an understanding of if those are transferable between, I think it's listed as QE for us and CEE for the mass appraisal side of things. So just to determine that they are transferable and if not, which ones do count, which ones don't count. So just to get a better path forward, a little more clearer for those that are from the mass appraisal side, looking to get licensed by the department of licensing, just what that would entail exactly so there's not as much gray area.

Commissioner Dean Potter:

Okay. So basically, this is Commissioner Potter, there's three components. You're looking at qualifying education [inaudible 00:26:14] that's a great term stock, portability. I like that. And so the portability of qualifying education from the Department of Revenue, and are you also looking at the assessor organization? The AARO or the, what is it?

Commissioner Scott Biethan:

Bureau?

Commissioner Dean Potter:

No, the what?

Mahua:

That, yeah, go ahead.

Commissioner Dean Potter:

Yeah, the it's a [inaudible 00:26:55]. IAAO, yeah, IAAO, yes. Are you looking at the IAAO and the deal, are courses for qualifying education and for continuing education. And then, so those are two components qualifying and continuing education from those two sources of education. And then you were also looking at the supervisory appraiser component of it. If there is some work around where a supervisory appraiser does not have to be a certified appraiser. So there's those three components. Is that about summarize what you're doing?

Commissioner Heather Sullivan:

Yeah. And when we say certified, we mean certified with the Department of Licensing.

Commissioner Dean Potter:

Right, yes.

Commissioner Heather Sullivan:

Okay.

Commissioner Dean Potter:

Yeah. Okay. All right. Well, good. I think you're doing a good job for the assessors out there, and I appreciate it. The fact that you didn't get all your work done before this meeting, we have to recognize

that you also have a work life elsewhere. So appreciate all your volunteer time on this project. Any summarizing comments? Okay. You guys are done? Okay. Okay. Appreciate it. Thank you very much. Okay. That concludes the old business. Want to review the master action item list, Shari?

Shari:

Yes. Thank you, Commissioner Potter. So, first off was the email commissioners, the questions that Stan created around licensing fees and I did that right after the meeting.

Commissioner Dean Potter:

Okay.

Shari:

The setting up the meeting with the Department of Revenue and AQB qualifying and continuation, that was set up in June. They've met once and they are, there's still work going on there, so that's in progress.

Commissioner Dean Potter:

OK.

Shari:

I put on the DLL website that continuing education checklist.

PART 1 OF 4 ENDS [00:29:04]

Shari Honeywell:

The DOL website, that continuing education checklist that's on there and will be updated that as well. Follow up on PAREA, minimum AQB, that is in progress. Then... Yes.

Commissioner Dean Potter:

Yeah, on that particular item, I've been aware of some interest in that throughout the Appraisal community of Washington, about the PAREA and the minimum AQB. What's the status of that? That needs to have a whack change and that's in progress. Can you give me a little more specifics as to where that is, in the public hearing and whack change process?

Shari Honeywell:

Yes.

Sandy:

Yeah, I-

Shari Honeywell:

I think I have Sandy speak on that. Yeah.

Commissioner Dean Potter:

Okay.

Sandy:

Yeah. I can go ahead and give a quick update on that. We now have the resources in DOL to move this forward. We have a committee already formed, we have already built the plan and it has already been submitted to DOL for approval. Once we have that approval, then we'll go ahead and move forward suggesting the whack changes and we'll get that started.

Commissioner Dean Potter:

You do not have the director's acceptance of our recommendation yet, is that correct?

Sandy:

Not yet, but we're expecting it at any time.

Commissioner Dean Potter:

Okay. Let's just look down the road here, because like I say, there's quite a bit of interest in this, particularly the minimum AQB requirements being put in place. Let's say by the middle of September, you have the director's acceptance of our recommendation. What's the timing moving forward and far as the public hearings? And when might we see this as being effectively part of the whack?

Sandy:

I don't have an actual date for the conclusion of that. Because of course, we still have to do the CR101s and in the CR102, but we are moving forward and we'll be able to get this done as soon as possible.

Commissioner Dean Potter:

Okay.

Sandy:

That's our goal is-

Commissioner Dean Potter:

Yeah.

Sandy:

... We don't want to drag this on any more than it already has been.

Commissioner Dean Potter:

Yeah.

Sandy:

We now have the resources to get this done and we are pushing forward.

Commissioner Dean Potter:

Okay.

Sandy:

Very aggressively.

Commissioner Dean Potter:

Hey Sandy, I apologize for being a thorn in your side here, but I'm going to ask another question. Do you know what the timing is? Filling out the CR101 and then the 102, those are pretty simple forms to fill out and that-

Sandy:

Right.

Commissioner Dean Potter:

... There's a time limit in between the CR101 and then the CR102 and the public hearings associated with that.

Sandy:

Right.

Commissioner Dean Potter:

And then there's-

Sandy:

30 days.

Commissioner Dean Potter:

30 days?

Sandy:

Yeah.

Commissioner Dean Potter:

Okay.

Sandy:

30 days, 20 days. The CR101 is 30 days prior, then the CR102 is 20 days prior.

Commissioner Dean Potter:

Okay. Then the public hearing would be by zoom, right? Or Teams or something like that?

Sandy:

We're hoping by zoom. Yeah.

Commissioner Dean Potter:

Okay. By zoom. Okay. Then how long after the public hearing does it take that you can make this effective?

Sandy:

Hopefully within that 31 days.

Commissioner Dean Potter:

Okay. We could have this done by early winter, you think?

Sandy:

Yes.

Commissioner Dean Potter:

Okay.

Sandy:

That's quite possible.

Commissioner Dean Potter:

All right. Okay.

Sandy:

We're pushing quite aggressively to get this done.

Commissioner Dean Potter:

Okay. Before the first snowfall?

Sandy:

Depends on when the first snowfall is.

Commissioner Dean Potter:

Well that... There you go.

Sandy:

Because this is Washington you have to say that.

Commissioner Dean Potter:

It may be early, so I wouldn't let any grass grow under your feet. Okay. Sounds good, thank you. Sandy, thank you very much for taking all my questions. I appreciate it. Go ahead Shari.

Shari Honeywell:

Yes, Chair Potter.

Commissioner Stan Sidor:
Chair Potter.

Commissioner Dean Potter:
Yes.

Commissioner Stan Sidor:
This is Commissioner Sidor, I'm trying to recall when the DOL works on revising a whack, I know obviously there's public input and comment sought and receipt and potentially acted on. Is there a member of the commission or anybody working with DOL in the drafting of the whack before it's presented to the public or is that not typical? Or even needed?

Commissioner Dean Potter:
Typically... In the past, we've got it two different ways. The Appraiser Commission has drafted up a whack rule and a lot of times that would be situations where there's a whack rule where we're taking the same rule and tweaking it to be more clear or something like that.

Commissioner Dean Potter:
When it's a brand new rule, this is going to be on PAREA and therefore that kind of section, the minimum AQB requirements too, generally speaking that is done by the DOL and the Attorney General's Office. Because they have to... It is a legal document that it has to be signed off at the Attorney General's Office.

Commissioner Dean Potter:
I sense... And Sandy clarify with this if I'm misstating it, but I sense in this case, it's going to be DOL and the AG's office that are going to draw up the wording on PAREA and the minimum AQB requirements. The minimum AQB requirements are just the amending of the current requirements to it, different time number. Is that correct Sandy?

Sandy:
Yes, sir. At that time, that's the plan right now.

Commissioner Dean Potter:
Okay.

Sandy:
I do expect though, if needed that we will bring in members of the commission for their input, if needed.

Commissioner Dean Potter:
Also, Stan typically one or more members from the Appraiser Commission attend those public hearings. We make a statement to affirm that this is a furtherance of a recommendation that the Appraiser Commission made to the director. It might be me as chair, if I'm still chair and you might attend or whoever, anyone's welcome to attend, it's a public hearing. But typically, at least one or more members of the commission attends those public hearings.

Commissioner Stan Sidor:

Thank you.

Commissioner Dean Potter:

Okay. Thank you very much, Sandy. Thank you, Stan. Go ahead, Shari.

Shari Honeywell:

Okay. Thank you. Then what was the next one? Provide data on how long-

Commissioner Dean Potter:

Provide data. Yeah.

Shari Honeywell:

Providing data on how long it took to process applications and renewals in packet.

Debra:

I could speak to that Shari. I asked our data folks, if they could create a report like that and they've been scratching their heads on it. It doesn't seem like it was as easy as it should be, but we'll keep asking. We'll leave that on the in progress. Perhaps at some point someone will figure out, they'll crack the nut on how to get that information for us

Commissioner Dean Potter:

Yeah. Just weigh in on that, if you think back when this became an item on our radar, it was at our February meeting and Commissioner Elston, we were talking about how long was taking to process applications and renewals and there was quite a bit of focus on the extensive amount of time that it took to process that.

Commissioner Dean Potter:

And there were some discussions about how the process could be made simpler and facilitate it and speed it up and so forth and so on. Commissioner Elston in her great wisdom said, "It might be a good idea to have the DOL report to us, how long it has been taking to process applications so we have some feedback and are able to monitor this and do our job as a liaison between the appraisal community and the DOL."

Commissioner Dean Potter:

I always appreciated Commissioner Elston's thoughtful consideration of that, it was so on target that we should... That would be a good way to monitor it. I know you can't push a string up a hill Debra, but I would appreciate it if you would just let everyone know that we're still looking for this information. Okay?

Debra:

Absolutely understood, Commissioner Potter and Michael George is on this call and I imagine that if it's available, he'd be interested in this information as well. We'll continue to look for it.

Commissioner Dean Potter:

Okay. Thank you very much. Okay and go ahead, Shari your ticket, it's taking you a long time to get through the list, I'm sorry. You're on ASC grant now.

Shari Honeywell:

Yep. That we'll bring that back in November and see where we're at with that. That's been put on hold.

Commissioner Dean Potter:

Okay.

Shari Honeywell:

I think that's the plan to bring it back for November.

Commissioner Dean Potter:

Okay. All right. Thank you very much, Shari and thank you everyone for participating in that.

Commissioner Dean Potter:

Okay. New business, I don't believe we have any.

Shari Honeywell:

Mm-mm.

Commissioner Dean Potter:

On far as our committee work group, we have our ongoing committee of diversity equity and inclusion and we now know that this is a rather broad reaching concept that's going through residential lending and so forth and so on. It's something that it's very important that we keep our constituents, our stakeholders aware of what's going on out there.

Commissioner Dean Potter:

I know there's people out there like Dave Town that had the big mailing list that is keeping a lot of people informed on this. I want us to do the same in... Stan and Heather are going to do that in just a second, but it's a lot of times appraiser just keep their nose to the grindstone and they keep doing the same thing they've done over and over and over again.

Commissioner Dean Potter:

Sometimes you need to change the wording you might have used in an appraisal for years and years and years to correspond with what is considered the appropriate contemporary method of communicating whatever thought that might be associated with that.

Commissioner Dean Potter:

We're not taking a political position here in any sense, but we're trying to keep everyone aware of what's going on. In particular, now we have some potential changes to use PAT, incorporating DEI considerations. Go ahead, Stan and Heather.

Commissioner Stan Sidor:

Thank you, Chair Potter. I think you just gave my report, our report.

Commissioner Dean Potter:

No I didn't. No. I expect a lot more from you Stan.

Commissioner Stan Sidor:

Well, I appreciate it. The commission as Chair Potter noted, we just want to keep our constituents aware of what's going on at the federal level and even really at any other level, if we obtain information to that effect. But to promote diversity equity and inclusion in the appraisal process, I have been attempting and working to keep track of anything that comes over the internet, any reports of studies, laws, bills that are proposed or presented and use PAT changes, etc.

Commissioner Stan Sidor:

I reached out to Commissioner Sullivan and also to a couple of other appraisers, including Dave Town and Kathy Walsh, who are kind of also on top of this topic and watching out for information. I compiled what we found were the four most relevant current elements at the federal level, in terms of some bills and also the AQB effort to hold forums, to explore the education requirements on Fair Housing laws and valuation, and also changes in use PAT.

Commissioner Stan Sidor:

I asked Shari Honeywell to distribute to the Commissioners a summary of this legislation and I assume everybody got it. Was only really four bullet point items. The top one HR4495, even though that doesn't directly pertain to an effect appraisers necessarily, I thought it was fairly relevant and pertinent to highlight some of what's going on on the Fair Housing front.

Commissioner Stan Sidor:

This is an act to provide down payment assistance to first generation home buyers as it's stated in the Act to address multi-generational inequities, to access home ownership and to narrow and ultimately closed racial home ownership gap in the United States.

Commissioner Stan Sidor:

At this time the most recent data I have on that, in terms of its status is, a House Committee on Financial Services filled a hearing about the bill on July 20th. That's the most current information I have in terms of where it is in the process. Sometimes it's legislative process, have to go through multiple committee levels and either the House Ambulance Senate and then... Either the House has to pass it and it goes to the Senator vice versa before they ever considered voting on it to become a law or not.

Commissioner Stan Sidor:

We'll just continue to monitor this and the others, others are HR2553, which is the Fair Act or Fair Appraisal and Inequity Reform Act. Data that we have on that right now is, it's in discussion draft form only and pending action by the House Committee on Financial Services. Again, we'll keep monitoring that to see if it moves forward to any other committee and/or to a full House for the vote.

Commissioner Stan Sidor:

There's also the PAVE Act, which is an Interagency Task Force on Property Appraisal and Valuation Equity that president Biden established. It's an Interagency Task Force that includes several federal agencies and offices. At this time I understand they... Things are only in a discussion phase.

Commissioner Stan Sidor:

July 11th, Representative Waters sent a letter to the PAVE Task Force, asking that they move quickly to implement the plan administrative actions and also provide the committee with a clear timeline for implementation of each action. I have no information that there's actually been a response to her letter on that request.

Commissioner Stan Sidor:

Then the AQB as noted, is going to hold a forum on September 12th at 10:00 AM Pacific standard time, to explore the education requirements on Fair Housing laws. Also, the third exposure draft, I believe it's the third exposure draft. Isn't it Heather? Thank you. For use PAT is come out and pending input and comment regarding changes to use PAT, that will more extensively highlight the issue in terms of all the different anti-discrimination laws that are on the books and ethics requirements that appraisers need to be perhaps a little bit more attuned to, than maybe they are currently.

Commissioner Stan Sidor:

That's all I've got on that now. Heather, did you have anything you wanted to add on this topic?

Commissioner Heather Sullivan:

I think you did a great job covering that. Thank you, Commissioner Sidor.

Commissioner Dean Potter:

Hey, Heather.

Commissioner Stan Sidor:

I appreciate it.

Commissioner Dean Potter:

Heather, you-

Commissioner Heather Sullivan:

Yeah.

Commissioner Dean Potter:

Is there some states that are, since your reach is multi-state here, is there some states that are already requiring some type of DEI education as a licensing requirement, a continued education requirement for appraisers?

Commissioner Heather Sullivan:

Yeah, last I checked, which has been a little while, but New York, Minnesota, California have all implemented various. I think New York has the most stringent with seven hours for Fair Housing and

Appraisal Bias Training. Minnesota, I think is four hours and then California actually has two different types, they have Cultural Competency and then an Appraisal Bias or Valuation Bias requirements.

Commissioner Heather Sullivan:

I'm seeing a lot more of the states kind of pick up. I think many states are waiting to see what's required by the AQB. That's kind of what's on the agenda for the September 12th meeting, is to discuss how we should incorporate more training into qualifying and continuing education.

Commissioner Heather Sullivan:

I would just tell everybody, there's so many webinars and resources out there to educate yourself on understanding, not just what the problem and what the thought leadership throughout the industry is thinking about, but also some of the solutions that they're proposing, which would dramatically change how we become appraisers and complete appraisals.

Commissioner Heather Sullivan:

I just think it's really important that we're all staying on top of that and they've really made those resources available to us to understand what the conversation is. Definitely take advantage of those. It's incredible when you sit through some of those meetings, the amount of information you learn and the different perspectives you gain on things. It's really invaluable.

Commissioner Dean Potter:

Also, I think language that you used in your appraisals years and years ago, might not be appropriate today, phrases that you may have used. There was a lawsuit in California, I believe where a lady appraiser was criticized for language. She had an appraisal that this is not something that is considered consistent with DEI today.

Commissioner Dean Potter:

It's good to keep up on things like that, review your work. We as appraisers always pick up an old report and find the one closest to the last one you did and go with it and proof it and reproof it.

Commissioner Dean Potter:

I think there's a lot of different aspects to this, that we need to keep on top of. Okay. Thank you very much Stan and-

Commissioner Scott Biethan:

Chair Potter.

Commissioner Dean Potter:

Yes, sir.

Commissioner Scott Biethan:

This is Biethan, Scott Biethan. There was an article this morning in the New York times on just this topic. It was a fairly critical art... It criticized appraisers in general, but a specific situation. This is a hot topic.

Commissioner Dean Potter:

Yes. Yeah. It may not be a hot topic to you, until you become the hot topic. That's a good way to think about it.

Commissioner Dean Potter:

Okay. Thank you very much. We'll just stay on this and we'll have a nice discussion ongoing in our meetings. I appreciate everyone's participation. Okay.

Commissioner Dean Potter:

Moving on item five, commissioner executives report, information only, no action required. Program operations, Deb.

Debra:

Thank you for Commissioner Potter. As you're looking at the screen, we've got some statistics for you. Before, I just wanted to share a little bit of information that Mike George shared with me in our chat on the side.

Debra:

We don't have a pretty polished report right now, but in answer to our last question about where they are in terms of processing, he was able to share with me that for the workload data, they are actually processing... The Licensing Team is processing appraiser applications that were received today and they only have seven unread emails within their queue, that they're answering.

Debra:

They are very much on top of the workload and keeping that abreast. He thinks that he can help us with getting an ongoing report to share with this commission.

Commissioner Dean Potter:

Thank you very much, Deborah. That just realtime solutions. You're amazing.

Debra:

It's real time.

Commissioner Dean Potter:

You're amazing.

Debra:

Oh no, not me, that's Mike. That was not me, but yes. We will get this on an ongoing basis, because I know we're all interested in hearing how they're doing.

Debra:

Right now we're looking at the complaint cases and we have for the total cases, 107 that have been closed. We received 7 in intake and this was through January 2022. 24 of the cases have gone to the investigations and 8 are with legal. 25 are in management review, that can mean that they just haven't

been assigned out yet or they're in some place in between in the streamline. Then it looks like we have 1 that has been reopened. And 172 is the grand total on our complaint cases right now.

Commissioner Dean Potter:

Okay. [inaudible 00:52:52]

Commissioner Claire Elston:

Debra.

Debra:

Mm-hmm.

Commissioner Claire Elston:

This is Commissioner Elston. I was just wondering how that compares year over year.

Debra:

I don't think we produced that. I think that report is one that we have not decided as a group to continue with. Year over year, you see ebbs and flows in complaint cases, but they remain pretty much the same.

Commissioner Stan Sidor:

Hey Debra, this is Commissioner Sidor. I don't think I've ever been familiar with seeing a case status reopened. What would be involved in how or why a case would be reopened? Has it been the complainant appeals, the fact that it didn't proceed to any action and wants it reconsidered or what?

Debra:

That would typically be what would happen. I think my colleagues from the compliance unit are on and I'm actually going to let them speak to that, because that's not my wheelhouse.

Debra:

Mr. Dutra are you available to answer Commissioner Sidor's question?

Bill Dutra:

Certainly. Good morning. Thank you for the question, sir. There could be any number of reasons why something was reopened. Additional information may have come in, we may have closed the case. Initially discontinued, I'll use this term, discontinued or active inquiry, because something else was happening with that particular case.

Bill Dutra:

A very common situation that happens, is that if there's any sort of civil litigation that is currently ongoing, that is of the same matter, that something that our office is looking at, we may discontinue our active inquiry to allow that civil litigation to play out. That allows both parties, basically some relief from having to respond to multiple different entities at a time.

Commissioner Dean Potter:
Thank you, Bill. Good to see you.

Bill Dutra:
Nice to you, sir.

Commissioner Stan Sidor:
I appreciate it.

Bill Dutra :
No problem.

Commissioner Claire Elston:
This is Commissioner Elston. I just have a quick question to dovetail on the earlier discussion. I know you can't discuss case specifics, but it would be interesting to know how many of these cases might have to do with bias?

Bill Dutra :
I wouldn't be able to tell you that ma'am I'm sorry.

Commissioner Claire Elston:
All right.

Bill Dutra :
That is not something that we are currently tracking, of specifically we are looking at a specific case because of bias.

Commissioner Claire Elston:
Okay. Just wondered based on the discussion, if it has been a big issue in the State of Washington.

Bill Dutra :
No, unfortunately I'm not prepared to talk about that right now. I apologize.

Commissioner Claire Elston:
No, no problem. Thank you.

Bill Dutra :
You bet.

Commissioner Dean Potter:
Okay, Debra.

Debra:

Okay. For our licensing count, you're going to see that we've broken it down by our licensees, our total licensing count and then also just our Washington licensing count. We've also done a pretty good job of putting it within age brackets so that we have an idea of how many maybe retiring out of the profession and how many we have coming into the profession.

Debra:

Numbers holding pretty steady. Currently the grand total for everyone who is licensed is 3,148. Of those that are only specifically Washington licensees there are 2,373. This was a snapshot in time, this was as of July 25th, 2022.

Debra:

Okay. Any questions on this slide?

Commissioner Dean Potter:

This top includes all people out-of-state and in-state, right?

Debra:

Correct.

Commissioner Dean Potter:

Okay. At the bottom. Okay. I see.

Debra:

Yeah.

Commissioner Dean Potter:

Okay. It looks like our ages are starting to be more in the 45 to 55 age.

Debra:

Mm-hmm.

Commissioner Dean Potter:

45 to 64, that's good. That's good. Yeah. Okay. All right. Thank you very much.

Debra:

Absolutely. It sounds like there was a question?

Commission Heather Sullivan:

Oh, mine was the same question. Sorry, Debra.

Debra:

Okay.

Commissioner Heather Sullivan:

I just wanted clarification on, if it was out-of-state or just singular Washington licenses.

Debra:

Right. These reports have been interesting, having it broken down by age. This is something that was new for the Real Estate Commission and some of the other ones that I've... Boards and commissions I've interacted with. But it's interesting to look at the demographic changes into different industries and how it does play into the importance of making sure-

PART 2 OF 4 ENDS [00:58:04]

Debra:

... and how it does play into the importance of making sure that new licensees are getting into the profession so that it remains robust and viable. As we see our populations starting to retire, we want to make sure that there are still good numbers in the industry. Some other boards and commissions have taken it upon themselves to start doing outreach to different schools, and that may be something that this commission will think about in the future. Do we have one more slide? Yes, we do. All right. I'm not sure if I've shared this with this commission or not, but we wanted to give you an idea of our structure, our new structure from kind of a high level of how we have now completed our reorganization within our business and professions division. What we're seeing is now, we are fully functioning, getting our work done.

Debra:

Our assistant director is Jennifer Clawson. We have, within that, six units that are reporting to her, which includes our Boards and Commissions Support Services, that's myself and Shari and Sandy and Sydney and Kim Hall, so there's four of us currently. Our administrator, Rick Storvick, recently retired as of Friday.

Speaker 3:

Wow.

Debra:

I know. He's decided to go and sit on a beach and play with his grandchildren instead of being here with us today. But we will be hopefully hiring a new administrator soon to lead this group. But in the meantime, we're still here to support you. Working very closely with our colleagues in the centralized investigations and audit unit, and Bill Dutra just spoke on behalf of that unit. One of the groups that you haven't had an opportunity to meet yet is our regulatory compliance and UCC firearms unit. They will be here with us in our fall meeting in November.

Debra:

We'll have representatives from that group to talk to you about the work that our compliance unit's doing. The Licensing and Customer Service Support Services, Mike George is with us in this meeting and you've had an opportunity to hear from him and his assistant administrator, Julia Manley, and the work that they're doing, and you've interacted with quite a few of the members from the licensing staff. Today, I am really happy to introduce you to members from our Pro Rate and Fuel Tax Unit that will be joining us to talk about the work that they do. What's interesting is that the business and professions division, we are very diverse in the work that we do. One of the areas that is the most diverse from the

licensing work that we do is our Pro Rate and Fuel Tax. In just a few minutes, my colleague, Katherine Ataman, will be talking about what they do in Pro Rate and Fuel Tax.

Debra:

Next slide. Another slide real quick, Shari. So this is just a breakdown on the Boards and Commission Support Services Organizational chart. It shows who you're interacting with. As I said, Rick has left us, but myself, we have in the role of supporting this board, we're going to do a little bit of shifting. This is an older slide, but we have Sandy Bauer, who's on the call and we spoke with. We have Shari Honeywell, directly reporting to her, so this side is flipped. We have Sydney Muhle, who is supporting Kim Hall. What you're going to notice is that we have nine boards and commissions, and we have a lot of members that we're supporting with those boards and commissions. Something that we have realized as we've been moving into this functional alignment that we haven't had an opportunity to do is train and support our commissioners and board members.

Debra:

This is particularly important with our regulatory boards that have the authority to actually regulate the professions that they're licensed in, but it's really important for all of our board members. We'll be talking to you about either at our November meeting or in our first one at the beginning of the year, having a board training, where we will take part of our board meeting and actually do a training. This will include our information on Open Public Meetings Act and some of the other things and about some standardizations that we're working on within our boards and commissions. More to discuss at the next meeting, but I just wanted to give you a quick overview of what we're looking at. I've highlighted all of the boards that we actually have vacancies that we are trying to work on fulfilling those positions at this time. Luckily, the appraiser commission is not one of them, happy to say that you are fully staffed and glad to not have to go out and be filling those vacancies at this time. Any questions?

Commissioner Stan Sidor:

Yeah. Hey, Debra, Commissioner Sidor. So does the regulatory, compliance, UCC firearms, I call it division or arm, are they the ones now that will be interacting with the ASB when they come to audit us regarding compliance and such?

Debra:

I think that when ASB comes for compliance, it's going to be different. They're actually probably going to interact with all aspects of it because there'll be parts of it that the licensing will be interacting with them. There'll be parts for our investigative units and there'll be parts that will be our regulatory. So probably I hope only the boards and commissions and rate and fuel tax won't be interacting during that audit, but all the other lines of business will be working with them.

Commissioner Stan Sidor:

Thank you.

Debra:

All right. With that said, if there's no other questions, I am going to turn it over to my colleague Katherine to talk to you about rate and fuel tax.

Katherine Ataman:

Hi, good morning, everybody. Can you hear me?

Commissioner Dean Potter:

Yes.

Katherine Ataman:

All right. Thank you for allowing me to come today and talk to your meeting. It's my first introduction into the boards and commissions area. This is only the second time I've had an opportunity to join a meeting. So I really appreciate you allowing me to come. I am Katherine Ataman, I'm the Assistant Administrator of Pro Rate and Fuel Tax. What is Pro Rate and Fuel Tax? Basically, we are a section in BPD with 69 employees that are tax examiners and auditors. Our budget is \$13.1 million, by annum, but we are supported by transportation dollars specifically. So that means our funding comes directly from the fuel tax, which is a tax you pay at the pump when you buy your gas or diesel. We are one of the six operational areas in BPD and we are organized in two, four different groups in our area.

Katherine Ataman:

So there's the Fuel Tax and Unlicensed Refunds Group, the Motor Carrier Services Group, the Audit Group and Administration Office Support Services. So basically what do we do? We collect the tax that is imposed upon fuel that is used for proportional motor vehicles upon the rows of this state. That tax is at 49.40 cents per gallon. So unlike a sales tax, which is assessed on say the full purchase price of an item, we're actually taxing per gallon. The rates are set by statute. So it's not something that moves quite frequently. It'll have to be a bill passed and a law passed for that rate to change. Our tax is actually imposed as something called the rack, the terminal rack. So a terminal rack is a big storage facility where fuel is housed in the millions of gallons usually. And then trucks pull up and fill up in the back, in the bulk fuel in the back and take it to the gas station.

Katherine Ataman:

That is where the tax actually applies. And about 300 fuel companies pay most of the fuel tax in the state. They pass that tax on down to you at the pump, and it's included in the price at the pump. There are some exceptions to the fuel tax. It's usually exports out of state by licensed suppliers. If it wasn't taxed previously, that tax will be imposed on the first entity, what is called below the rack. So if fuel lets say broad in the back of the truck across the state line from Oregon, it will be taxed as soon as it crosses the state line on the first taxable entity. So the customer base for us are fuel tax licensees, which are called suppliers, distributors, blenders, aircraft distributors, terminal operators, carriers. And then there's a small group of home heating oil. That list is in proportion to the amount of tax those groups would pay.

Katherine Ataman:

So suppliers pay the largest amount and those are the largest fuel companies, usually in the world you can imagine. So we are also a member jurisdiction of two international agreements that are providing a single licensing point for vehicle registration and fuel tax reporting for commercial vehicles that cross state and international lines. So those are semi trucks. So we're also regulating the semi truck industry and they pay their taxes, their fuel taxes and their registration for their plates in a much different way than you and I do. These are two ... They participate in international agreements to allow them to cross state and international lines easily. I know for us, that's easy. We just get in our car and we go where we

want. But for them, semi drivers or semi truck companies have to pay their taxes to every single state and Canadian province they drive in.

Katherine Ataman:

So an IRP agreements, they're called the International Registration Plan or basically the license plates and the International Fuel Tax Agreement are IFTA, which is the tax, the fuel tax they pay, and these agreements that we have signed onto in the early 80s when they were first made to allow trucking companies to easily cross lines without having to stop at each state's line and a purchase, a permit to pass through that state. Basically the unit in this is going to get the license to the companies in the vehicles, they put a decal on the side of the pickup or the semi truck. So you know about Yebig, it's colorful, it'll say the year and it'll have a state outlined in it. So you can actually tell where that trucking company is from, by just looking at the side of the semi truck.

Katherine Ataman:

So Washington, it's blue this year. It has a picture of Washington and it will say 2022 on it. Every year, every truck that passes through state lines without a special permit has to have one of those stickers on the side of it. So when you're going down the freeway next time, and you see a semi, turn your head to the left or right, and look for the sticker, you'll know exactly where that company's from. And that is how they register and pay their fuel taxes. We also process the commercial vehicle registrations, which is the license plates and credentials that allow the fees, license plate fees to be distributed across the entire country. So when a semi truck driver wants to pass through, they need to play plate fees to every state they pass through the vehicle for that is the international registration plan. They come to us, they tell us the mileage, they're going to drive and they get a plate from us.

Katherine Ataman:

And then we proportion the fees to where they're actually going to drive their vehicle on a yearly basis. So they come in every year for that. So the motor vehicle fuel taxes for IFTA that are imposed for every single state and Canadian province, we pass through to a clearing house every month and it nets up there. So other states are doing the same for Washington, Idaho, Oregon, British Columbia. They will collect from their drivers, their base drivers, the fees that were due to the state of Washington for those vehicles passing through our borders and tearing up our roads. And the fuel tax's primary purpose is to fix the roads, get in bridges, produce public transportation options for the citizens of our state. Another section that we have in put in fuel taxes audit. So our audits are financial. They're not compliance. They're looking to see that these companies have properly paid their taxes to the state of Washington.

Katherine Ataman:

We are required through the IFTA and IRP agreements to red audit 3% of all licensees for the fueled, if NIRP program, so the trucking program, so we audit 3% of the trucking base every year. The audits can result in refunds. If they've overpaid, they can be result in taxes or to the state, they can also be no change. If the companies were able to keep their books in good order, they may not owe anything. So basically in 2021, we collected 1.6 billion in revenue for the straight transportation department and we had approximately 18,000 licensees. And earlier I said 300, 300 is on the fuel tax side, specifically the big fuel companies. The difference of that relates to fuel tax company ... Sorry, trucking companies that are registered with us and having their vehicles on the road. We work quite frequently with the WSDOT and federal department of transportation.

Katherine Ataman:

We have partnerships with Washington State Patrol, OFM, our lawmakers, and the other states that are our jurisdictional partners, including tribal governments. So though we are not the same as the rest of BPD and Deb kind of alluded to it. Well, they have a processor going through and we're not participating because we're doing something different. We are similar in a lot of ways, we do license companies. We also do training of businesses. We have customer education, we have audits compliance. We have policy actions and we have online services. So we do have a lot of similarities in the type of work we're doing. So the customer base is obviously very, very different. And the purpose we have is a slightly different purpose with tax collection and basically high level that's PRFT. Does anybody have a question they want to ask me? I know sometimes people do have some fuel questions. I'd be happy to answer them.

Commissioner Dean Potter:

Katherine, it sounds like we're good. I appreciate you letting us know about what your mission is. And I see you collect some pretty serious money there, one and a half billion dollars. So glad you're on our side.

Katherine Ataman:

Yeah. Yeah. Truthfully speaking, in state tax collection sales tax is number one, marijuana tax is number two and fuel tax is number three, a close third. So we're the third highest tax collection in the state of Washington.

Commissioner Dean Potter:

Thank you very much.

Katherine Ataman:

No problem. And thank you all for letting me attend.

Commissioner Dean Potter:

Okay.

Debra:

Yeah. Thanks, Katherine.

Commissioner Dean Potter:

Deb, do you have anything else you want to add to your part there?

Debra:

No comments. I was just a little bit shocked by Katherine's statistics there on where fuel tax falls in the line, but that's interesting. So thank you, Katherine. Appreciate it. She's been helping us out in doing these presentations for each of our boards and commissions, so we appreciate her time.

Commissioner Dean Potter:

Okay. And does that wrap up the commission executives report, Deborah?

Debra:

Yes, it does. Thank you.

Commissioner Dean Potter:

Okay. Okay. Thank you. To the commission, any other business? I have done. Anyone else? Action items from this meeting.

Shari:

That's me. I'm going to email Bob the link for the real estate commission meeting on October 2nd. And then we're going to get out on Listserv the update on log update, that change. We're going to get that out on Listserv. And then we're going to bring back DEI on the agenda next time. That's what I have.

Commissioner Dean Potter:

Okay. And then we'll keep working on that progress report on processing applications. Good. Any agenda items for the next meeting?

Shari:

I have ... Well, we're going to bring back the ASC grants. See what? Get that moving. And then next year we'll have the calendar to set the calendar for 2023. So that'll be on the agenda. That's all I have, Commissioner Potter.

Commissioner Dean Potter:

Okay. Election of officers too.

Shari:

Okay.

Commissioner Dean Potter:

Yeah. Our chair and vice chair. We do that in the November meeting.

Shari:

Oh, you do? Okay.

Commissioner Dean Potter:

Yeah.

Shari:

Oh, okay. Thanks, Commissioner Potter.

Commissioner Dean Potter:

Yeah.

Debra:

Commissioner Potter, can I bring up one thing I did not mention during any other business?

Commissioner Dean Potter:

Yeah, sure. Certainly.

Debra:

Okay. Thank you. I was contacted by our licensing unit about the upcoming October AARO conference to find out if this commission would have any interest in sending a commissioner to attend.

Commissioner Dean Potter:

I think that would be good if we have a commissioner that has the time to do that. I personally would not. I'm speculating that Scott, Vice Chair would not. Is that correct, Scott?

Commissioner Scott Biethan:

I don't know the dates, and I will say this, I think that Arrow conference is actually useful. What I don't want to do is have any appearance of misuse of taxpayer dollars, but I have been to some of the events around the Arrow conference and I actually thought they do a pretty good job and there's a lot to be learned and gained from that.

Commissioner Dean Potter:

When and where is it?

Debra:

It's in October, I'm just reaching out. Mike.

Mike:

I can speak to it a little bit. So I actually went to the last one because they usually have just two conferences a year. They talk a lot of different things. There's portions that are geared towards regulators, such as myself. And then there's also portions that are geared towards commissioners, such as the commissioners here on this call. They do talk about things such as Korea. They do talk about things such as the fair housing bills that are coming through at a national level, as well as asking around for different jurisdictions, which is extremely helpful. Things like the rule making that we're currently going through, creating the connections with different jurisdictions, different states is extremely helpful.

Mike:

So that way we don't have to reinvent the wheel as it were when we're going through our processes. So it's been extremely helpful. But October 14th through the 17th, it is in Washington DC. And again, last time I went, I was able to make some really helpful connections with all the different jurisdictions that attend, as well as some of the national organizations, being able to see them in person and just networks. It was really helpful, really valuable. So it'd be great if we were able to get one commissioner to come along as well because I think there's the agenda they have said. It's going to be a lot of really interesting things. It's going to be a lot of good learning that happens.

Commissioner Scott Biethan:

Are they also doing it in conjunction? Because a lot of times the fall AARO meeting has been with either the AQB or stand before sometimes, the board of trustees.

Mike:

Yeah. So the AQB is there. All the different national organizations are in attendance in there.

Commissioner Scott Biethan:

But my question is a lot of times there is a meeting from the foundation the day before. So it might be either AQB, ASB or the board of trustees. Do you happen to [inaudible 01:19:48]?

Mike:

No, I don't see that on the current agenda from them specifically. So nothing.

Commissioner Dean Potter:

I went to the Arrow conference sometime back when I was vice chair. And I think the information I got from that was very useful, it gave me a greater understanding of appraisal licensing regulation and why some of the things are done that are done and some of the problems and this and that. And I would just toss this out to the rest of the group here. I would ask that we send Scott Bethan to the AARO conference this year, assuming his schedule permits. And if somebody would like to put that in the formal motion so we could discuss it, I would look to that.

Commissioner Claire Elston:

This is commissioner Elston. I would just like to quickly ask the other members of the commission, if someone else is already planning to attend, in which case they would be there already?

Commissioner Dean Potter:

Good idea. Is anyone expecting to attend?

Commissioner Heather Sullivan:

Not at this time. There is a chance that I would attend, but I don't have it as a scheduled trip at this point.

Commissioner Dean Potter:

Okay. Is that good for you, Claire?

Commissioner Claire Elston:

Yes. Thank you. And Heather would be great too.

Commissioner Dean Potter:

Yeah. Okay. All right. So if somebody had to make a motion about Scott attending and second it, we can discuss it and move forward with it.

Commissioner Stan Sidor:

I so move that we send Vice Chair Bethan to the AARO conference in October

Commissioner Claire Elston:

I second to a motion.

Commissioner Dean Potter:

Okay. Now, let's have a little discussion. Claire, do you have any further comments, one way or the other about this?

Commissioner Claire Elston:

If Scott can't attend or doesn't want to, I would like to also nominate Heather who I think would be excellent.

Commissioner Dean Potter:

Okay. Well, the motion maker accept that amendment to his motion.

Commissioner Stan Sidor:

Yes.

Commissioner Dean Potter:

Yeah. And the second?

?

Yes. Second.

Commissioner Dean Potter:

Okay. All right.

Commissioner Scott Biethan:

I agree with that as well. I think that commissioner Sidor's pretty wired into all these things as well, more than me, I would say.

Commissioner Dean Potter:

Okay. All in favor.

Audience:

Aye.

Commissioner Dean Potter:

Okay. Thank you very much. Debra, thank you for bringing that to our attention. We haven't done that for a few years. And like I say, when I did, it was very, very worthwhile. So I appreciate that very much.

Debra:

Well, absolutely. Appreciate that. So Scott, we will be in contact with you or commissioner Sullivan to talk about travel arrangements. Shari can help you coordinate on that.

Commissioner Heather Sullivan:

Okay.

Commissioner Dean Potter:

Okay.

Debra:

Thank you.

Commissioner Dean Potter:

Okay. Other business? Any other business? I have none. Does anyone else have any other business? Action items, agenda items. We've been through that. Now we're going to open it up for public comment. What I'd like to do on the public comment is I limit that to three minutes. And if you happen to be a head of an organization, appraisal organization, such as the Appraisal Institute, American Society, a foreign manager, Real Appraisers, ACAL, something like that. Speak your three minutes when you are in the queue. And then if we have time at the end, we'll let you talk with some concluding comments if you have any, because we appreciate the time and effort you make to your organizations. And I think that would be a worthwhile way to handle it. So anyway, we'll start out with ... and Shari, can you help me with the queue here?

Shari:

Yeah.

Commissioner Dean Potter:

Who is waiting to talk?

Shari:

Yes. Commissioner Potter, I have Michael Aynes who would like to speak.

Commissioner Dean Potter:

Okay, Michael, go ahead. You're on. Michael.

Michael:

Yeah. I got it.

Commissioner Dean Potter:

Oh, okay.

Michael:

Space bar didn't unmute me. Sorry.

Commissioner Dean Potter:

Oh, okay.

Michael:

I had to find the button. So hello commissioners, thank you for your hard work. State of Washington, to all employees also thank you for serving us. I just wanted to clarify what was going on with the blacklisting situation. I feel it was since we didn't have the email, probably showing all the details. I just wanted to give you a brief overview of it and the reason we brought it to React was because we were hoping, or at least I was hoping that React and or DOL would work somehow with the real estate licensing people. Also, I don't know if that requires in the background or if it has to go through their commission or how it all works. But I was hoping the DOL and React could get involved because obviously nobody else is. And in brief, what had happened was several years ago, I filed a complaint where me and another appraiser and a home inspector were being barred from seeing properties in the listing.

Michael:

At the conclusion of that investigation, I was notified by DOL that since they hadn't actually tried to stop somebody, they couldn't do anything. But once they did make an effort to stop somebody, then they could step in and do something. So this time I did have ... it actually happened to me, not it wasn't another appraiser. So I refiled a complaint for the same thing and then DOL comes back and says, "Well, we can't do anything because that's a federal issue." Yes, it is. But it's also an RCW violation. It's a misdemeanor what they did. And I'm like, "Well, wait a minute, you can't go tell your licensee people not to violate state law." And I don't want to start a war between agents and appraisers, but if there are multiple appraisers I've talked to that are all having this problem. Many of them in smaller communities where everybody knows everybody and it's just nothing's being done.

Michael:

So I thought, "Okay, I'm going to pick the football up and run with it since I have an actual case." At this time, I just had the door shut on me everywhere I turn. So I guess the next step is to actually start filing criminal complaints with the AG or the county prosecutor or somebody for blacklisting because we can't get it solved in another manner in the background such as in their core class, advising them that you can't do this, it violates public trust, violates state law, violates federal law and it have the-

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Michael:

Federal law and have the DOL actually enforce it. If I violate USPAP, I get enforced. If I violate any other law, I get investigated.

Commissioner Dean Potter:

Okay.

Michael:

So why isn't DOL doing anything? I hope that's under three minutes. Thanks.

Commissioner Dean Potter:

Yeah. Yes. It is your three minutes. Thank you, Michael. As we send the meeting, Bob is going to attend the real estate agents, real estate commission brokers commission in September. That's one effort. You

appear to be making an effort on your behalf specifically. I think that's where it's at right now. Hopefully we'll monitor that. As things progress, we will keep trying to seek a solution within the mission of the appraiser commission and the real estate agents, and just let it play out as currently scheduled. I think that's where it's at right now. So I appreciate your comments, Michael. Okay. Next speaker.

Debra:

I have Bob.

Commissioner Dean Potter:

Bob Mussuto?

Debra:

Yeah, he just put Bob.

Commissioner Dean Potter:

Bob.

Bob Mussuto:

Yeah, it's just Bob. I don't know how to enter-

Commissioner Dean Potter:

It's probably Bob.

Bob Mussuto:

It's Bob.

Debra:

Okay.

Bob Mussuto:

I don't know how to enter my last name.

Commissioner Dean Potter:

Okay. It's okay.

Bob Mussuto:

Just real quick. A lot of the things that have been discussed today in this meeting have been addressed in the Appraisers' Coalition of Washington newsletters, which we publish monthly now. If you don't get our newsletter, you probably need to send me your email address so I can put you into our contact list. It's a little over 2000 appraisers within the state of Washington right now. That way you would know what we're up to. With that, I also have asked the commission as well as the DOL about information regarding appraisal complaints. In 2021, Fannie announced that they had scanned 14 million appraisals completed between 2019 and 2020. They were scanning specifically for bias, bias items. More recently Phil Crawford, the voice of the appraisers, did a podcast and he announced that states were beginning

to receive unsigned letters of complaint against appraisers within those states. I was just curious, and I've asked this of DOL, and I never got a response. I'm curious as to if the complaints that the DOL's recently received in regard to appraisers is from Fannie Mae and is regarding bias.

Commissioner Dean Potter:

Oh, I've got to pause your time there, Bob. Hold on just a second. Hey, Debra.

Debra:

Yes, commissioner?

Commissioner Dean Potter:

Are you there?

Debra:

I'm here. Go ahead.

Commissioner Dean Potter:

Okay. We talked about this, and this came in after the agenda was set and everything. First of all, is this information that the public should have access to it? Is it subject to FOYA or anything like that? Or is it something that is privileged or?

Debra:

Are you asking about complaint files?

Commissioner Dean Potter:

Well, the information that Bob was talking about. Bob, what are you talk... The form these, were they unsigned letters?

Bob Mussuto:

I'm talking about the complaints that have been filed by Fannie Mae against appraisers.

Commissioner Dean Potter:

Okay. For bias.

Bob Mussuto:

In the state of Washington.

Commissioner Dean Potter:

For bias.

Bob Mussuto:

Just trying to get a feel for those numbers, if they even exist. I don't know that the state of Washington has received any complaints from Fannie Mae.

Commissioner Dean Potter:

Okay. Okay. Thank you. Your time is still paused. Debra, is that information that the public is entitled to have or what? I don't want to ask for something that is privileged or something like that.

Debra:

No, that would not be. You can request a copy of any complaint that you know of, but it wouldn't be something that we would be putting out on our website. Unless there was an action, no.

Commissioner Dean Potter:

Would there be something that you could report to us and saying that we have received complaints from Fannie Mae? Can you say something like that?

Debra

I'm going to defer to my compliant unit, because that wouldn't be information that I would have.

Commissioner Dean Potter:

Okay.

Debra:

Mr. Dutra?

Bill Dutra:

Hello. So, Commissioner Potter, yes we do receive complaints from Fannie Mae. They've been coming in for as long as I've been involved with this. Again, though we did not program our system to say we're only reviewing something because of bias.

Commissioner Dean Potter:

Okay.

Bill Dutra:

We received complaints that, and they're generally stating is that Fannie Mae is reporting this to you. We identified this. It's usually ended with, we have no further comment regarding this. We leave it up to the states to review and make appropriate determinations. Something like that.

Commissioner Dean Potter:

This is with respect to a specific appraiser. Their letter is attached to a specific appraiser?

Bill Dutra:

Appraisal.

Commissioner Dean Potter:

Appraisal. Yeah.

Bill Dutra:

They identify what they believe is not sufficient or is in question for them.

Commissioner Dean Potter:

Okay. All right.

Bill Dutra:

Unless I counted everything that came in and looked at everything and said, well, this one might be biased, or this one might not be biased. I couldn't run a report that I'm aware of today. That says that's what this is about.

Commissioner Dean Potter:

Okay. So on Debra's report earlier, we had a situation where she said you had 107 new complaints. Was that right, Debra?

Debra:

I think your memory is better than mine, Commissioner Potter, but I believe that's correct.

Commissioner Dean Potter:

Okay. It seems to me like that's kind of a typical number for the number of complaints that come in. It doesn't seem to me like there would be an extraordinary number coming in from Fannie Mae. I don't know, Bob. You see where I'm headed with that?

Bob Mussuto:

Yeah, I do, Dean. I'm just looking to see if there was any significant difference in the number of complaints from Fannie. 107 seems like a pretty high number to me, but I don't know what you typically get.

Commissioner Dean Potter:

I think that's pretty typical from years past, if my memory is serving me appropriately.

Debra:

That's pretty typical.

Commissioner Dean Potter:

Yeah. I don't think there's been a significant uptick, which we might be able to say maybe attributable to bias.

Bob Mussuto:

Okay.

Commissioner Dean Potter:

I think that may be the best answer you're going to get. I'm going to resume your time now. Okay?

Bob Mussuto:

Thank you.

Commissioner Dean Potter:

Okay. You're back on the clock, buddy.

Bob Mussuto:

Okay. I want to thank everybody for letting me talk today, and I hope we can work out this racial bias or not the blacklisting piece, because that is important. There are several appraisers in the state that it has affected. There's a couple active cases right now, and we do need to tie that one up so that agents can be held accountable. With that, I am finished, and thank you very much.

Commissioner Dean Potter:

Thank you, Bob. Okay. Who is next, Shari?

Shari:

I have Jay Immelt who would like to speak.

Commissioner Dean Potter:

Okay, Jay.

Jay Immelt:

Good morning, everybody. I, again, echo the remarks. Thanks to everybody for their work, both the commission and the DOL staff. I am a certified general fee appraiser licensed by the state. I am also certified by department of revenue as an assessor. In that role, I am also the vice president of the West Puget Sound chapter of IAAO, which represents basically the South Sound counties, the assessor departments and employees of the South Sound counties, as well as the department of revenue staff. I will tell you that there's great interest in this idea of the portability between the assessor licensing and appraisal licensing. A lot of folks that are work as appraiser assessors would like to be cross pollinated as department of licensing fee appraisers. Having said that though, and looking through the WAC and the RCWs, this is going to be a daunting task.

Jay Immelt:

It's going to take a lot of rewriting of WAC to deal with how you're going to address assessor experience hours. We don't do things quite the same way as we do as fee appraisers. We don't create the same kind of forms or individual reports. There's going to be a lot of rewriting of statutes and WAC. I appreciate that the commissioners would have input into that, but I would encourage you to include people on the assessor side of it who are maybe both licensed as fee appraisers and assessors to help draft that language and deal with those situations. I don't think any of the commissioners are also certified by department of revenue. I could be wrong on that, but I would just encourage you to enlist or seek the input of people from the assessor's side of it too when you're drafting that language. That's that point.

Jay Immelt:

Secondly, you talked about the going towards the AQB minimum experience hours requirements. I just wonder, I pose this question, does that include not only going to the lower hour requirement, but also

the time in which those hours are accumulated? The AQB standard is they're accumulated in an unlimited period of time. Whereas currently in the state of Washington, it's limited to a seven year period. I wonder if you are going to be including the AQB minimum with respect to the amount of time that the hours are accumulated, as well as reducing the hours to a thousand hours.

Jay Immelt:

Lastly, in looking at the graph as to the age grouping of appraisers in our state, I would find that quite alarming to be frank. Basically, it's all a bunch of old white guys like me. In the under 30 group, you have 45 licensed appraisers that are under 25. I just think that's horrible. We've really got to do so much more to encourage new people to join the profession. That's all I have.

Commissioner Dean Potter:

Okay, Jay, thank you very much. Appreciate it.

Commissioner Stan Sidor:

Hey, chair Potter?

Commissioner Dean Potter:

Yes.

Commissioner Stan Sidor:

Can I make a quick comment to Jay's last comment?

Commissioner Dean Potter:

Certainly.

Commissioner Stan Sidor:

This is Commissioner Sidor. One thing that I was heartened by was seeing the number of trainees who were in the younger age categories. The total of all those trainees was higher than the number of older appraisers, so I'm hopeful that most are lucky, maybe all of those trainees, will get their licenses and continue to move on up over time. I'm a little more optimist.

Commissioner Dean Potter:

Yeah. I saw that too, Stan. I appreciate you bringing that up. Okay. Shari, you have the next speaker?

Shari:

Yep. Dallas you're up.

Commissioner Dean Potter:

Dallas, how are you?

Dallas:

Hey, thank you guys for letting me talk. Can you guys hear me?

Shari:

Yes.

Commissioner Dean Potter:

Yep.

Dallas:

Okay, great. Well, I just wanted to echo what everybody else has said. Thank you all for the commission and the DOL for all the work you guys have put in, especially on the mass appraisal thing. And AQB in Korea. I am actually a trainee. I got my trainee license in October 2021. It was really encouraging when the commission passed the AQB kind of thing or approved it. I was like, maybe I can get my license within a year. That was really exciting. I shared with my wife and everything like that, and it's been a tough year with the real estate market crashing a little bit and inflation and all that stuff. I just wanted to share my perspective as a trainee that's going through this. It's really stressful, because there's no guarantee that you're going to get your license.

Dallas:

You're working and spending all this time and trying to do these things. I really appreciate all the work that you guys are doing to lower the barriers of entry, especially from the mass appraisal side coming in. I think that will really be a huge thing for me as a person who used to work at the assessor's office. I'm accredited as well as a mass appraiser. It's been tough coming in as a trainee, because you get no carryover. I have to start over zero like anybody else. That's really encouraging to see that stuff coming to fruition.

Dallas:

I'm really passionate sometimes about all this stuff, because it does affect my livelihood and I have to go home and explain to my wife what's going on. When I may be able to get my license, which also means more salary and that kind of thing. These are really personal things, because I have a family and with cost going up and everything like that, it's even more critical that I get my license as soon as possible from my family's perspective. I'm doing all that things that I can to get that experience hours and all that stuff. I just wanted to say thank you to everybody for everything that you do. You guys are awesome. Thank you so much.

Commissioner Dean Potter:

Thank you, Dallas. Okay. Shari, do we have anybody else?

Shari:

Yeah. Dave Town wants. He's up next.

Commissioner Dean Potter:

Dave. Okay. Dave. Dave?

Dave Town:

There we go.

Shari:

There he is.

Dave Town:

Microphone turned on. My tuxedo is still in the dry cleaner, so I'll leave-

Commissioner Dean Potter:

Okay.

Dave Town:

The camera off today. Just have a couple of comments here. Number one, I would like to ask the department to send out a reminder for these meetings during the week of the meeting. The last reminder we got was on the 8th of August, and I had to go back through my emails to find the link and so forth. If you wouldn't mind, send the reminder out also on Monday or Tuesday before the meeting.

Dave Town:

Second comment, I am also a recipient of a black listing situation that happened over a year ago I think now. It had to do with doing an assignment in a particular area, and the real estate agent wasn't alone or very cordial. Well, of course I didn't come in at the stated contract price and the agent didn't like that. About a week or so later I received another assignment in the same community, and that same agent was involved.

Dave Town:

That agent notified the broker, the mortgage broker that I was not to be allowed to do the appraisal. That word got filtered down or sent down to the lender. Then they had to find another appraiser. A year ago we were all so dug on busy that I didn't take any time to try to counteract what had happened to me. This issue about black listing is absolutely critical. We cannot have licensees violating state law almost willingly. The DOL has got to put an end to this, and you've got to put a segment in the curriculum for real estate brokers that they may not violate our state law and the federal law in trying to get appraisers delisted from doing our work as independent people. Please take that under advisement, and thank you, Bob, for bringing that up this morning again.

Dave Town:

Another comment I have here is the USPAP up date course, the seven hour course, the appraisal subcommittee sent a letter out to states saying that the current course basically doesn't meet the criteria of properly educating appraisers. I don't know what the status is here in the state of Washington for perhaps not requiring that seven hour class. I realized we've got a whole bunch of layers of bureaucracy here to get through, to get that changed, but keep that in mind.

Dave Town:

Now, USPAP has also been extended one more year. It will take effect, or it will be in effect through the end of 2023. That means they may come out with another class. Keep that on your radar folks, and stay up on that one. I also have a concern about the Fannie Mae complaints that we've been hearing about. We were told during this meeting that you guys aren't keeping track of stuff from year to year. I think that's an important-

Commissioner Dean Potter:

Hey, Dave, you're timing out. Dave, you're timing out.

Dave Town:

All right. Thank you, chair Potter.

Commissioner Dean Potter:

Okay. Thanks. Okay. Shari, any more speakers?

Shari:

No, that's all of them. I looked over the questions in the chat, and it looks like they've all been addressed already, unless I miss something, or if somebody has something else to say,

Commissioner Dean Potter:

Did anyone on the commission... Okay, Justice Slack wants to know if we get any CE certificates for attending today. Let's see, 10:50. We started at nine. I guess we will get our two hours in. Is that right, Debra?

Debra:

If we're not splitting hairs on the 10 minutes, then I think we would give CE certificates. If everyone would please put in the chat that would like to receive a CE certificate for today's meeting, that would be very helpful so Shari can capture that information, and we'll produce those CE certificates.

Commissioner Dean Potter:

Yeah, I think the hour is actually less break time. One hour and 51 minutes would qualify. Does anyone have any information different than that?

Commissioner Heather Sullivan:

No, it's based off of 50 minute hours.

Commissioner Dean Potter:

Yeah. Okay. All right. Okay. Heather comes to the rescue again. Thank you, Heather. Okay.

Debra:

I just want to remind everyone that the CE certificates, you only are allowed to use one CE certificate per renewal cycle.

Commissioner Dean Potter:

Yes, that's perfect. I agree with that. Of the people that spoke, anything there that any of the commissioners would like to see on the next agenda? Okay. Hearing none. I'll assume there was none. Okay.

Bob Mussuto:

Commissioner Potter.

Commissioner Dean Potter:

Yes, sir?

Bob Mussuto:

It's Bob.

Commissioner Dean Potter:

Bob, unmute.

Bob Mussuto:

Can I have one more second of your time, please?

Commissioner Dean Potter:

You certainly can.

Bob Masudo:

I want to go back to what Dave was referring to as far as the use USPAP. Currently the state requires that we all take a seven hour USPAP course for renewal, but the appraisal foundation, specifically the appraisal subcommittee, the qualifications board, et cetera, has posted in a letter that states have the option of requiring that or not requiring that until the new USPAP is put out, which is looking more like 2024 right now. We need the state to think about what they're going to require and not require for renewal. That option has been made to the states to require or not require. I have a copy of that letter if anybody's interested, but I'm sure the DOL has it.

Commissioner Dean Potter:

Yeah, I think it'd be good if you sent that to Debra and she can, or DOL appraisers so it can get distributed. There's a couple of ways to think about that. I don't know how that's expressed in the WAC, but I think in the WAC we have to take a use back course every cycle. We look back and decide, even if you're taking the same course over again, it may seem to be a little redundant, but for the most part, every time I've taken USPAP, 95% of it is the same course anyway. It just serves as a refresher. I think that whole thing might start with how it's described in the WAC, what we have to do. If it's described in the WAC that we have to take the USPAP course every two years, I think we're going to be taking the USPAP course every two years, even if it's the same course. I don't know. I would have to look at the WAC.

Bob Mussuto:

What's been published, Commissioner Potter, is that what's in the current USPAP as well as the USPAP training is incorrect in regards to the whole bias issue. In fact, I talked with Peter Christensen and he says that he's got cases right now where what's in the USPAP is actually hindering his cases. What they're discussing of putting into the USPAP under the fourth section of the ethics rule, which basically it's almost two pages long-

Commissioner Dean Potter:

Right.

Bob Mussuto:

Will help with these cases once it's added to the USPAP, but again, 2024 is a couple days away. If we're requiring appraisers to take a class that's providing misinformation, I think we're doing an injustice to those appraisers. That's for you guys to decide, but I've said what I need to say on that.

Commissioner Dean Potter:

Yeah.

Bob Masudo:

Thank you very much.

Commissioner Dean Potter:

No, I appreciate very much you're bringing that up. Again, if it's in the WAC, I think it starts with the WAC, and whether or not the DOL has the power to waive what's in the MAC. Shari, let's put this down as an agenda item for our next meeting, okay?

Shari:

Yeah.

Commissioner Heather Sullivan:

The other thing that I would, this is Commissioner Sullivan, since we're taking a look at it anyway, they also remove the end date to USPAP. They just have a start date. That might affect our ruling in WAC as well.

Commissioner Dean Potter:

Yeah. Yeah. Did you look at the WAC to see if it says you have to have the USPAP every two year, every cycle?

Commissioner Heather Sullivan:

I think it's at least part of our application.

Commissioner Dean Potter:

Okay.

Commissioner Heather Sullivan:

So I believe it's probably in the WAC. I'm pulling that up right now.

Dave Town:

Commissioner Potter, this is Dave Town.

Commissioner Dean Potter:

Yes.

Dave Town:

I believe it is in the WAC, but the WAC can be changed so that the wording can say something to the effect of unless modified by the appraisal subcommittee or the AQB. So you might consider that as a-

Commissioner Dean Potter:

Okay.

Dave Town:

An amendment to the WAC.

Commissioner Dean Potter:

But it is in the WAC?

Dave Town:

Yes.

Commissioner Dean Potter:

It would take a WAC change for us to weigh. Okay. Yeah. That's no simple thing to make, do a WAC change. Okay. I appreciate that information, Dave. Okay. We're going to have this as a discussion item in November. Is there anything else from any of the Commissioners before I ask for a motion to adjourn? Okay. It is 10:58, and I'm looking for a motion to adjourn.

Stan Sidor

So moved.

Scott Biethan:

Second.

Commissioner Dean Potter:

All in favor?

Claire:

Aye.

Heather:

`Aye.

Commissioner Dean Potter:

Okay. We are adjourned. Thank you very much.

Bob Mussuto:

Thank you.

PART 4 OF 4 ENDS [01:54:03]

