

# Transcript of public hearing for changes to Chapter 308-125 WAC

December 29, 2023

Ellis Starrett (00:02):

Good morning. This is a public hearing before the Washington State Department of Licensing being held to elicit public testimony, both oral and written, with regard to proposed rules amending Chapter 308-125 WAC. These proposed rules align state rule with recognized national industry guidance for real estate appraiser qualifications, allowing an alternative pathway to appraiser licensure. This hearing is being held via Zoom and in person at 1125 Washington Street, Southeast Olympia, Washington.

(00:36):

This hearing is taking place at 10 AM on December 29, 2023. Public notice of this hearing was given by notice number WSR 23-23-177, filed with the code reviser's office on November 22, 2023. The department posts all of our rulemaking information on [dol.wa.gov/about/rulemaking-activity](http://dol.wa.gov/about/rulemaking-activity). This is where you can access all rulemaking notices and proposed language for this rulemaking.

(01:13):

The sign-in sheet, your testimony, and any documents you provide are public documents. This rule is proposed pursuant to the provisions of RCW 18.140.030, and RCW 46.01.110. My name is Ella Staratt and my title is Rules and Policy Manager. The director of licensing has designated me to preside over this hearing.

Dawn (01:43):

Under here, you will see a lot of different support information. We also want to mention, I guess, we actually had some people still calling for on Window 7 or Windows-

Ellis Starrett (01:52):

Kelsey, can you mute Dawn?

Dawn (01:53):

... Support Window 7. We haven't [inaudible 00:01:59].

Ellis Starrett (02:01):

There we go. Representatives of the Washington State Department of Licensing are present today if there are questions, Sandy Bauer program specialist five, Shawna Herron, Management Analyst three, Kelsey Stone, Legislative and Policy Analyst. Sorry, Bennett, you're not on the list. Can you say your name and your title?

Bennet Harbaugh (02:25):

Sure. I'm Bennett Harbaugh. I'm the Professional Licensing representative over the appraiser program.

Ellis Starrett (02:32):

Thank you. The procedures today will be as follows. The department is required to make a record of this hearing by sonographic, mechanical, or electronic means. Therefore, we are audio recording this hearing. For virtual attendees wishing to testify. Please provide your name and contact information in the chat or unmute and tell me you would like to testify when I call on your screen name. For those in the room wishing to testify who have not already noted their desire to testify on the sign-in sheet, please wait for me to ask the room if there's anyone else who wishes to testify, and notify me at that time.

(03:09):

The sign-in sheet will be used to call forward individuals for testimony and is later used to ensure hearing participants are notified of rule-making results and the agency's response to comments. You'll be called to testify in the order in which I collect your information. To assist in preparing the record for this public hearing, individuals testifying today should state their name, who they represent if they're representing or testifying on behalf of others, and whether they support or oppose the proposed rules.

(03:36):

The department has received written comments on these proposed rules. For those wishing to provide written comments, please email [rulescoordinator@dol.wa.gov](mailto:rulescoordinator@dol.wa.gov) and we will include them in the formal record and our response to questions. Copies of these written comments will be added to the rule-making file. Now we will hear oral statements from those wishing to testify.

Kelsey Stone (04:03):

Justin Slack.

Ellis Starrett (04:04):

Justin Slack?

Justin Slack (04:07):

Yeah. Hi, my name is Justin Slack. I'm a certified general real estate appraiser in the state of Washington, just here representing myself. I'm in favor of the state of Washington adopting the PAREA program. Thank you.

Ellis Starrett (04:21):

Thank you so much for your testimony.

Kelsey Stone (04:24):

Scott DeVosio.

Scott DeVosio (04:26):

Hi, good morning. This is Scott DeVosio. I'm with the Appraisal Institute and don't have any substantive comments other than to say that we are in strong support of both the changes to the experience requirements as well as the adoption of PAREA. Wanted to thank the commission and department staff for all your hard work on this rule-making. Other than that, I wish everyone a happy New Year and appreciate the opportunity to be here this morning.

Ellis Starrett (05:02):

Thank you so much for your testimony.

Kelsey Stone (05:04):

Daryl Smith.

Daryl Smith (05:06):

Good morning and thanks to the DOL for holding this hearing and looking at these rules changes. I am Daryl Smith, Executive Director of Homesite CDC CDFI. We are a builder of affordable homes and a lender of affordable mortgages across the state of Washington for low and moderate income families. I'm also a core team member of the Black Home Initiative Network here in western Washington. BHI is focused on supporting 1,500 new LMI black home buyers in South Seattle, South King County, and Northern Pierce County. By the end of 2027.

(05:39):

42% of black Washingtonians have zero net worth. Historical discrimination practices in real estate and lending have complicated and exacerbated these numbers and this has contributed to a lack of intergenerational wealth for black households. It's become clear in recent years that bias in the appraisal process has exacerbated the issue greatly. I have personal experience with that as a real estate professional some years ago.

(06:07):

Black Home Initiative is focusing on all aspects of this challenge, including increasing the supply and modifying how we encourage and support potential home buyers, as well as addressing the policies and practices that have had a role in the entire gamut of the home buying process. We encourage the state of Washington to do all it can to transform the entire appraisal system, including but not limited to the recruitment of the professional training of, and certification, and support of those entering the profession of real estate appraisal, and doing so in a way that reduces barriers for black individuals to they,, themselves become real estate professionals. Thank you very much for taking on this work. We appreciate it very much.

Ellis Starrett (06:50):

Thank you so much for your testimony and for being here.

Kelsey Stone (06:53):

Dean Potter.

Dean Potter (06:57):

My name is Dean Potter. At the time, the Washington Real Estate Appraiser Commission recommended to adopt PAREA and lower the AQB requirements to the minimum suggested by the AQB, I was chairman of the Washington Real Estate Appraiser Commission. We made a positive recommendation to adopt PAREA as a way to broaden the opportunities for people to get into the appraisal profession. Other than that, I'm speaking on my own behalf right now. I am in support, full support of PAREA and lowering the AQB requirements in the state of Washington to those of the minimum of the national. So I'm speaking in support of it. Thank you very much.

Ellis Starrett (07:49):

Thank you.

Kelsey Stone (07:51):

Philip Bork. Philip?

Philip Bork (08:02):

Good morning. I am just here as far as a separate individual appraiser who has a couple of appraisers on staff, one of which is a trainee. Current economic situation has slowed his qualifications down to a crawl. Any opportunity we would have to lower those training levels to where we could still maintain a degree of professionalism, but get these individuals an opportunity to become licensed, I would be in favor of. I appreciate your efforts toward that.

Ellis Starrett (08:37):

Thank you for your testimony.

Kelsey Stone (08:44):

That's everybody on the sign-in sheet.

Ellis Starrett (08:45):

All right. Is there anyone else wishing to testify who has not had the opportunity? I'm going to give one more call for testimony. I see... Did Heather just enter?

Kelsey Stone (09:09):

Yes.

Ellis Starrett (09:10):

All right. Heather, go ahead.

Heather (09:14):

Hi everyone, and thank you for hosting this public hearing. I am going to count or not counter, but I, too, was on the commission back when Dean Potter was as we approved this as a commission. But I want to speak on behalf of myself and say that I am in support of both lowering the experience requirements to the AQB minimum and also the adoption of PAREA.

Ellis Starrett (09:43):

Thank you for your testimony, Heather.

Heather (09:44):

Thank you.

Ellis Starrett (09:47):

Anyone else who may have wished to testify but has not been able to? If you're struggling maybe with your mute button or anything, you can just go ahead and unmute. If you can't find the chat, if you are wishing to testify, I just invite you to jump in. All right. Oh, Denise, are you going to say anything? Want to make sure? [inaudible 00:10:25]. Are you wishing to testify?

(10:37):

All right, hearing no other comments, the department would like to thank you for your testimony. We will prepare a concise, explanatory statement which will, among other things, summarize all the oral and written comments received regarding the proposed rules and respond to them by category or subject matter. The hearing is adjourned. Please go ahead and turn off the recordings.