



STATE OF WASHINGTON
DEPARTMENT OF LICENSING
PO Box 9020 • Olympia, Washington 98507-9020

October 30, 2008

NOV 04 2008

Ms. Virginia M. Gibbs
Appraisal Subcommittee
1401 H Street NW, Suite 760

Dear Ms. Gibbs:

Thank you for your letter regarding your visit on May 14-16, 2008. We recognize your concern and have initiated processes and reallocated resources to ensure that Washington State is in substantial compliance with Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Washington's compliant investigation and resolution process did not comply with Title XI and ASC Policy Statement 10E.

In May of this year during your visit, the Department's investigative unit was fully staffed. However, shortly thereafter, one investigator resigned on short notice.

The Department was in the midst of receiving applications for the vacant position, when in August of this year, in an attempt to mitigate the unforeseen impact of rising fuel costs and a continued softening of the national economy, Governor Christine O. Gregoire imposed a hiring freeze for all state agencies. This included hiring for our vacant investigator position.

1. The Department has taken the following steps to reduce the backlog of outstanding complaints and to process all complaints on a timely basis and to come into compliance:
 - Requested exception to the hiring freeze for the investigator position.
 - Reallocated real estate investigators to investigate real estate appraiser complaints.
 - Provided the real estate investigators with appraisal training to provide them with basic appraisal knowledge.
 - Placed a higher priority on appraiser cases in all phases of the process.

Ms. Virginia M. Gibbs
October 30, 2008
Page 2

2. The Department has hired a full-time employee to update and maintain the Complaint Tracking System.

We are committed to having an Appraiser program that is compliant with Title XI and the Appraisal Subcommittee's policies and one that reflects the Governor's commitment to quality service and protection of the public.

If you have further questions or concerns you may contact Lee Malott, Administrator for Real Estate/Appraisers/Camp Clubs/Time Shares, at (360) 664-6525 or by mail at Post Office Box 9015, Olympia, Washington 98507-9015.

Sincerely,

Liz Luce
Director

LL:rcb

cc: Ralph C. Osgood, Assistant Director
Lee Malott, Administrator
Ralph C. Birkedahl, Program Manager
Cheryl Farivar, Chair, Real Estate Appraiser Commission
Roosevelt Currie, Chief Administrative Law Judge
Jody Lee Campbell, Assistant Attorney General