



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

August 28, 2003

Mr. Steven D. Fritts
Chairman
Appraisal Subcommittee
2000 K Street, NW
Suite 310

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Dear Mr. Fritts:

Director Stevens has reviewed your letter concerning the Appraisal Subcommittee's review of Washington's appraiser regulatory program and has asked me to respond on his behalf.

We appreciate your positive remarks about our investigative documentation, our disciplinary actions and our evaluation of education providers. We have worked hard since the last review to reduce the backlog of complaint investigation and eventual resolution in our program. I need to clarify the statistical information that was provided in response to the request for information from your review staff. The Department has received 275 complaints alleging violations of our law and USPAP from November 2000 through March 2003. Approximately 45 of the complaints received involved more than one respondent.

We have had new support staff hired in the Department that did not fully comprehend the functions of our complaint tracking system. The staff failed to understand the importance of entering data in the tracking system when multiple complaint files are collapsed into one disciplinary action file. The complaint tracking system is a part of the new technology we implemented since the last review and was mentioned as a step we were taking to improve our complaint resolution. Rather than as was observed one-third of the total number of cases still being open as of March 2003 the effective number should have been reported as one-fourth of the total open complaints. Since March 2003 we have closed 77 complaints with 68 complaints more than one year old and in various stages of investigation, legal or adjudicative process.

We have, in an attempt to provide stable funding and revenue sources, established through legislation a dedicated Real Estate Appraiser Account. How the dedicated funding will affect our ability to provide more resources will become clearer during the 2003 – 2005 biennium. We will continue to increase fees on a regular basis within established growth limits.

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After reviewing our entire complaint investigation and adjudicative process we have determined that the following thresholds and efficiency measures are appropriate and will result in a reduced complaint backlog.

- Closing complaints that include an appraisal report with an effective date older than 5 years.
- Closing complaints submitted regarding appraisal reports issued prior to subsequent disciplinary action already taken against a respondent.
- Closing complaints that are ancillary to other civil litigations already in progress.
- Providing technical assistance for single violations where the appropriate action is requiring the respondent to complete education.
- When no consumer or lender damage is indicated providing a Notice of Correction (NOC) to respondent regarding complaints on appraisal reports 2-3 years old indicating that a subsequent complaint within twenty-four months of the NOC will subject the appraiser to an investigation of both complaints.
- Utilizing outside expert reviewers (volunteers) only on cases scheduled for formal hearings.
- On disciplinary cases where appropriate, providing the respondent an opportunity to accept an informal settlement by providing the appraiser with an Agreed Order along with the Statement of Charges.

These thresholds will be applied to the existing backlog as well as new complaints received by the department. As a result, we will be able to better use our limited resources to respond to complaints in a timely manner.

If you have any questions, please contact me at (360) 664-6504.

Sincerely,


Cleotis Börner, Jr.
Program Manager
Real Estate Appraiser
Program
P.O. Box 9015
Olympia, WA 98507-9015

cc: Fred Stephens, Director
Syd Beckett, Acting Assistant Director