

CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1797

Chapter 464, Laws of 2023

68th Legislature
2023 Regular Session

REAL ESTATE APPRAISERS—VARIOUS PROVISIONS

EFFECTIVE DATE: Contingent.

Passed by the House April 13, 2023
Yeas 96 Nays 0

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate April 5, 2023
Yeas 48 Nays 0

DENNY HECK

President of the Senate

Approved May 15, 2023 3:09 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1797** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 16, 2023

**Secretary of State
State of Washington**

ENGROSSED HOUSE BILL 1797

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Representatives Cheney, Goodman, Hutchins, and Graham

Read first time 02/08/23. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to real estate appraisers; amending RCW
2 18.140.030; adding new sections to chapter 18.140 RCW; and providing
3 a contingent effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 18.140
6 RCW to read as follows:

7 (1) A state-licensed appraiser or state-certified appraiser may
8 perform evaluations for financial institutions. An appraiser
9 performing evaluations is not engaged in real estate appraisal
10 activity, requiring compliance with the uniform standards of
11 professional appraisal practice, when the appraiser includes a
12 disclaimer as described in subsection (3) of this section.

13 (2) A state-licensed appraiser or state-certified appraiser
14 engaged to perform an evaluation is still engaged in real estate
15 appraisal activity and remains under the regulatory authority of the
16 state of Washington.

17 (3) When completing an evaluation, the appraiser must include a
18 disclaimer that: (a) Is located immediately above the appraiser's
19 signature; and (b) includes the following language in at least 10-
20 point boldface type: "I am a state-licensed appraiser or a state-
21 certified appraiser. This evaluation was not prepared in my capacity

1 as a real estate appraiser and might not comply with the uniform
2 standards of professional appraisal practice."

3 (4) As used in this section, "evaluation" means an estimate of
4 the market value of real property or real estate provided to a
5 financial institution in conformance with the interagency appraisal
6 and evaluation guidelines adopted jointly by the federal financial
7 institution's regulatory agencies for use in real estate-related
8 financial transactions that do not require an appraisal. Nothing in
9 this subsection may be construed to excuse a financial institution or
10 affiliate from complying with the provisions of Title XI of the
11 federal financial institutions reform, recovery, and enforcement act
12 of 1989 (12 U.S.C. Sec. 3310 et seq.).

13 **Sec. 2.** RCW 18.140.030 and 2005 c 339 s 4 are each amended to
14 read as follows:

15 The director shall have the following powers and duties:

16 (1) To adopt rules in accordance with chapter 34.05 RCW necessary
17 to implement this chapter and chapter 18.235 RCW, with the advice and
18 approval of the commission;

19 (2) To receive and approve or deny applications for certification
20 or licensure as a state-certified or state-licensed real estate
21 appraiser and for registration as a state-registered appraiser
22 trainee under this chapter; to establish appropriate administrative
23 procedures for the processing of such applications; to issue
24 certificates, licenses, or registrations to qualified applicants
25 pursuant to the provisions of this chapter; and to maintain a roster
26 of the names and addresses of individuals who are currently
27 certified, licensed, or registered under this chapter;

28 (3) To provide administrative assistance to the members of and to
29 keep records for the real estate appraiser commission;

30 (4) To solicit bids and enter into contracts with educational
31 testing services or organizations for the preparation of questions
32 and answers for certification or licensure examinations;

33 (5) To administer or contract for administration of certification
34 or licensure examinations at locations and times as may be required
35 to carry out the responsibilities under this chapter;

36 (6) To enter into contracts for professional services determined
37 to be necessary for adequate enforcement of this chapter;

38 (7) To consider recommendations by the real estate appraiser
39 commission relating to the experience, education, and examination

1 requirements for each classification of state-certified appraiser and
2 for licensure;

3 (8) To consider recommendations by the real estate appraiser
4 commission relating to the educational requirements for the state-
5 registered appraiser trainee classification;

6 (9) To consider recommendations by the real estate appraiser
7 commission relating to the maximum number of state-registered
8 appraiser trainees that each supervisory appraiser will be permitted
9 to supervise;

10 (10) To consider recommendations by the real estate appraiser
11 commission relating to continuing education requirements as a
12 prerequisite to renewal of certification or licensure;

13 (11) To consider recommendations by the real estate appraiser
14 commission relating to standards of professional appraisal conduct or
15 practice in the enforcement of this chapter;

16 (12) To employ such professional, clerical, and technical
17 assistance as may be necessary to properly administer the work of the
18 director;

19 (13) To establish forms necessary to administer this chapter;

20 (14) To establish an expert review appraiser roster comprised of
21 state-certified or licensed real estate appraisers whose purpose is
22 to assist the director by applying their individual expertise by
23 reviewing real estate appraisals for compliance with this chapter.
24 Qualifications to act as an expert review appraiser shall be
25 established by the director with the advice of the commission. An
26 application to serve as an expert review appraiser shall be submitted
27 to the real estate appraiser program, and the roster of accepted
28 expert review appraisers shall be maintained by the department. An
29 expert review appraiser may be added to or deleted from that roster
30 by the director. The expert review appraiser shall be reimbursed for
31 expenses in the same manner as the department reimburses the
32 commission; and

33 (15) To do all other things necessary to carry out the provisions
34 of this chapter and minimally meet the requirements of federal
35 guidelines regarding state certification or licensure of appraisers
36 and registration of state-registered appraiser trainees that the
37 director determines are appropriate for state-certified and state-
38 licensed appraisers and state-registered appraiser trainees in this
39 state, except as provided for in section 1 of this act.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 18.140
2 RCW to read as follows:

3 The department shall adopt administrative rule amendments to
4 chapter 308-125 WAC that require:

5 (1) Appraisers and appraiser trainees to adhere to the
6 nondiscrimination and fair housing provisions as provided in the
7 ethics rule in accordance with the appraisal standards board and the
8 uniform standards of professional appraisal practice;

9 (2) Appraiser and appraiser trainees to adhere to all education
10 criteria in accordance with the appraiser qualifications board as
11 provided in the real property appraiser qualifications criteria.

12 NEW SECTION. **Sec. 4.** (1) This act takes effect upon the
13 adoption of the administrative rules required in section 3 of this
14 act.

15 (2) The department must provide notice of the effective date of
16 this section to affected parties, the chief clerk of the house of
17 representatives, the secretary of the senate, the office of the code
18 reviser, and others as deemed appropriate by the department.

Passed by the House April 13, 2023.
Passed by the Senate April 5, 2023.
Approved by the Governor May 15, 2023.
Filed in Office of Secretary of State May 16, 2023.

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