

WSR 24-09-085

PROPOSED RULES

DEPARTMENT OF LICENSING

[Filed April 17, 2024, 11:17 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 24-04-103.

Title of Rule and Other Identifying Information: Chapter 308-124C WAC, Real estate—Records and responsibilities.

Hearing Location(s): On May 23, 2024, at 10:00 a.m. Join Zoom meeting <https://dol-wa.zoom.us/j/87840383439?pwd=YRbQ0x0qw2aaVxvt3jLVKbartzMF30.1>, Meeting ID 878 4038 3439, Passcode 224974; or One-tap mobile +12532158782,,87840383439#,,,,*224974# US (Tacoma), +12532050468,,87840383439#,,,,*224974# US, Meeting ID 878 4038 3439, Passcode 224974. Find your local number <https://dol-wa.zoom.us/j/87840383439?pwd=YRbQ0x0qw2aaVxvt3jLVKbartzMF30.1>. If you are having difficulty joining the Zoom meeting at the time of the public hearing, please call 360-902-0131. An in-person option is available at the Highways and Licensing Building, 1125 Washington Street S.E., Olympia, WA 98504.

Date of Intended Adoption: May 24, 2024.

Submit Written Comments to: Kelsey Stone, 1125 Washington Street S.E., Olympia, WA 98504, email rulescoordinator@dol.wa.gov, by May 23, 2024.

Assistance for Persons with Disabilities: Contact Kelsey Stone, phone 360-902-0131, email rulescoordinator@dol.wa.gov, by May 13, 2024.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: To provide clarity concerning the documentation required to be maintained.

Reasons Supporting Proposal: Updated language will provide more clarity for licensees on their recordkeeping requirements.

Statutory Authority for Adoption: RCW 18.85.041 Director—General powers and duties.

Statute Being Implemented: WAC 308-124C-105 Required records.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Department of licensing, governmental.

Name of Agency Personnel Responsible for Drafting: Kelsey Stone, 1125 Washington Street S.E., Olympia, WA 98504, 360-902-0131; Implementation and Enforcement: Catharine Naegeli, 405 Black Lake Boulevard S.W., Olympia, WA 98502, 360-664-1891.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. These proposed changes do not impose any additional compliance costs for the public because they are not changing the recordkeeping requirements for licensees related to broker price opinions, but rather clarifying how those need to be retained.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(3) as the rules only correct typographical errors, make address or name changes, or clarify language of a rule without changing its effect; and rule content is explicitly and specifically dictated by statute.

Scope of exemption for rule proposal:

Is fully exempt.

April 17, 2024
Ellis Starrett
Rules and Policy Manager

OTS-5230.1

AMENDATORY SECTION (Amending WSR 14-16-054, filed 7/29/14, effective 8/29/14)

WAC 308-124C-105 Required records. The designated broker is required to keep the following on behalf of the firm:

(1) Trust account records:

(a) Duplicate receipt book or cash receipts journal recording all receipts;

(b) Sequentially numbered, nonduplicative checks with check register, cash disbursements journal or check stubs;

(c) Validated duplicate bank deposit slips or daily verified bank deposit;

(d) Client's accounting ledger summarizing all moneys received and all moneys disbursed for each real estate or business opportunity transaction or each property management account, contract or mortgage collection account;

(e) In conjunction with (d) of this subsection, separate ledger sheets for each tenant (including security deposit), lessee, vendee or mortgagor; for automated systems, the ledger sheets may be a computer generated printout which contains required entries;

(f) Reconciled bank statements and canceled checks for all trust bank accounts.

(2) Other records:

(a) An accurate, up-to-date log of all agreements or contracts for brokerages services submitted by the firm's affiliated licensees.

(b) A legible copy of the transaction or contracts for brokerage services shall be retained in each participating real estate firm's files.

(c) A transaction folder containing all agreements, receipts, contracts, documents, leases, closing statements and material correspondence for each real estate or business opportunity transaction, and for each rental, lease, contract or mortgage collection account, broker's price opinions, and referral agreements.

(d) All required records shall be maintained at one location where the firm is licensed. This location may be the main or any branch office.