

SENATE BILL REPORT

SHB 1394

As Reported By Senate Committee On:
Ways & Means, March 22, 2005

Title: An act relating to the department of licensing.

Brief Description: Creating the business and professions account.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Wood, Condotta and Kenney; by request of Department of Licensing).

Brief History: Passed House: 3/11/05, 95-0.

Committee Activity: Ways & Means: 3/22/05 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Zarelli, Ranking Minority Member; Brandland, Kohl-Welles, Parlette, Pflug, Pridemore, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Thibaudeau.

Staff: Paula Faas (786-7449)

Background: The Department of Licensing's Business and Professions Division oversees the licensing of many non-health businesses and professions. The respective licensees are required to pay fees sufficient to cover the costs of their regulation. Regulatory fees from 13 businesses and professions are deposited into the General Fund. The remaining regulatory fees are deposited into dedicated accounts. Appropriations from the General Fund lapse at the end of each fiscal year. Dedicated funds are typically appropriated for an entire biennium, and unspent appropriations remain in the dedicated fund.

Summary of Bill: The Businesses and Professions Account is created in the State Treasury. Fees for licenses, registrations, certifications, renewals, examinations, and penalties associated with regulating the following 13 businesses and professions, previously deposited into the General Fund, will be deposited into the new account: auctioneers; landscape architects; private investigators; bail bond agents; employment agencies; sellers of travel; timeshares; cosmetologists, barbers, and manicurists; court reporters; security guards; collection agencies; camping resorts; and notaries public.

Funds in the account are subject to appropriation and are to be spent only on activities related to the licensing of business and professions included in the account. At the end of the biennium, funds are to accumulate within the account rather than revert to the General Fund.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2005.

Testimony For (From SB 5365): Dedicated accounts provide for more predictable and accurate fund management, and allow for license and regulatory fee stability. The General Fund programs are more costly to administer because the unspent funds lapse at the end of the fiscal year and the fees change more often as a result.

Testimony Against (From SB 5365): None.

Who Testified (From SB 5365): PRO: John Swannack, Department of Licensing; Bob Mitchell, Washington Association of Realtors.