

SENATE BILL REPORT

ESHB 1704

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 22, 1996

Title: An act relating to sellers of travel.

Brief Description: Eliminating registration requirements for sellers of travel.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Lisk, L. Thomas, Ballasiotes, Kremen, Chappell, Cooke, Goldsmith, Padden, Radcliff, Mulliken, Pennington, McMorris, Smith, Delvin, Hickel, Mastin, Sehlin, Beeksma, Robertson, Cairnes, Koster, Brumsickle, D. Schmidt, Horn, Reams, Campbell, Chandler, Backlund, McMahan and Elliot).

Brief History:

Committee Activity: Labor, Commerce & Trade: 3/31/95, 2/22/96 [DPA].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass as amended.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; A. Anderson, Deccio, Franklin, Fraser, McDonald, Newhouse and Wojahn.

Staff: Traci Ratzliff (786-7452)

Background: In 1994, the Legislature adopted a bill requiring sellers of travel, including travel agencies and others who arrange travel services for consumers on a retail basis, to be registered with the Department of Licensing as of January 1, 1996. Registered sellers of travel are also required to abide by certain business practices related to the handling of customer funds, customer disclosures, and advertising of products.

Summary of Amended Bill: The striking amendment makes modifications to the sellers of travel registration act in order to clarify certain provisions of this act.

Wholesalers of travel services who do not retail travel services to Washington consumers are exempt from the provisions of the sellers of travel registration act. Direct providers of transportation services, or hotel or lodging accommodations who do not book or arrange other travel services are also exempt from the act.

Independent contractors or outside agents of a registered seller of travel are not required to be registered if certain conditions, outlined in the bill, are met.

The requirement that sellers of travel provide the names, addresses and social security numbers of employees is modified to require that a seller of travel provide the names, business addresses and business phone numbers of employees, independent contractors or outside agents.

A seller of travel is required to deposit customer funds in a trust account or other approved account only if the funds are held for more than five business days.

A Joint Legislative Task Force on the sale of travel services is established. This task force is directed to examine: options for improving the implementation of the sellers of travel registration program; methods of reducing regulatory burdens of the registration program; and methods for improving protection for consumers of travel services. The task force consists of legislative members, representatives from the Attorney General's office, the Department of Licensing, and the travel industry. The task force is required to make any recommendations to the Legislature by December 1, 1996.

Amended Bill Compared to Substitute Bill: The substitute House bill was not considered.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: This striking amendment is acceptable to the travel industry because it corrects difficulties with certain provisions of the current law.

Testimony Against: None.

Testified: PRO: Joe Daniels, WA State Coalition of Travel; Ed Fleisher, Sun Makers Travel Group; Jerry Farley, Let's Go Travel; Greg Hanon, AAA of Washington.