Washington State House of Representatives Office of Program Research

BILL **ANALYSIS**

Commerce & Labor Committee

ESSB 5002

Brief Description: Marketing, offering, or selling camping resort contracts.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Regala, Swecker, Hargrove, Brandland, Doumit and Shin).

Brief Summary of Engrossed Substitute Bill

- Creates a requirement that camping resort contracts can only be marketed, offered, or sold in this state, or to a resident of this state, if the contract is registered with DOL.
- Exempts private party sales from registration requirements.

Hearing Date: 3/17/05

Staff: Rebekah Ward (786-7106).

Background:

In order to offer or sell a camping resort contract in Washington, the contract must be registered with the Department of Licensing. There are twelve camp resort companies currently registered in Washington, and 94 registered salespeople.

In order to be licensed, camp resort companies or sales persons must pay a fee, and meet certain requirements such as providing written disclosures, financial statements, and non disturbance agreements for the contracts that are sold to consumers. There is no exam for registration, and renewals are good for one year. In some circumstances, the number of properties one sells will increase the required fees.

There are also some exceptions to the registration requirements. These exceptions for registration have been interpreted to include exempting out-of-state persons or businesses from registering their camping resort contracts, which often results in the contract being sold at a lower price. Additionally, the law does not require the resale of more than one camp resort contract to be registered, or the sale by a government or government agency. The Director of the Department is also authorized to exempt any person from the registration requirements in certain circumstances.

Summary of Bill:

A camping resort contract can only be marketed, offered, or sold in this state, or to a resident of this state, if the contract is registered with the Department of Licensing (DOL).

The sale of resale camp resort contracts requires that the contract be registered with the DOL. However, the sale of up to three resale private party camping resort contracts are exempted from the registration requirements.

Rules Authority: The bill contains no provisions requiring regarding agency rule making.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

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