

HOUSE BILL REPORT

SSB 5378

As Passed House - Amended:

April 10, 2021

Title: An act relating to real estate brokers and managing brokers license renewal requirements.

Brief Description: Concerning real estate brokers and managing brokers license renewal requirements.

Sponsors: Senate Committee on Business, Financial Services & Trade (originally sponsored by Senators Das, Nobles, Hasegawa, Lovelett, Randall, Saldaña and Wilson, C.).

Brief History:

Committee Activity:

Consumer Protection & Business: 3/18/21, 3/22/21 [DP].

Floor Activity:

Passed House: 4/10/21, 85-12.

Brief Summary of Substitute Bill (As Amended By House)

- Requires course instruction in fair housing and consumer protection within the existing education requirements for obtaining or renewing real estate broker licenses.
- Directs the Department of Licensing to provide specific training concepts for fair housing education after receiving input from other entities.

HOUSE COMMITTEE ON CONSUMER PROTECTION & BUSINESS

Majority Report: Do pass. Signed by 6 members: Representatives Kirby, Chair; Walen, Vice Chair; Vick, Ranking Minority Member; Corry, Ryu and Santos.

Minority Report: Without recommendation. Signed by 1 member: Representative

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Dufault, Assistant Ranking Minority Member.

Staff: Serena Dolly (786-7150).

Background:

Real Estate Broker Licensing Requirements.

The Department of Licensing is responsible for licensing and regulating real estate brokers and managing brokers. To obtain a license, real estate brokers and managing brokers must meet the following minimum requirements:

- be at least 18 years of age;
- have a high school diploma or its equivalent;
- complete 90 hours of approved real estate education; and
- pass a broker's license examination.

To qualify for a license, a managing broker also must have three years of full-time experience as a real estate broker, pass a managing broker's license examination, and complete an additional 90 hours of real estate instruction unless other qualifying experience is met.

Licenses must be renewed every two years. Renewal requirements include completion of continuing education requirements and payment of a renewal fee. For the first renewal after licensure, a real estate broker must complete an additional 90 hours of instruction. For subsequent renewals, a real estate broker must complete at least 30 hours of instruction. A managing broker must complete 30 hours of instruction for each license renewal.

Fair Housing.

Federal, state, and local laws prohibit discrimination in the sale or rental of housing. The Washington Law Against Discrimination prohibits housing discrimination based on race, color, creed, national origin, citizenship or immigration status, families with children, sex, marital status, sexual orientation, gender identity, age, honorably discharged veterans, or military status. The law also protects persons from discrimination based on the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability.

Summary of Amended Bill:

The education required to obtain or renew a real estate broker or managing broker license must include instruction hours in fair housing as follows:

- three of the 90 hours required for an initial real estate broker license;
- three of the 90 hours required for first renewal of a real estate broker license; and
- three of the 30 hours required for every subsequent renewal of a real estate broker or managing broker license.

Any real estate broker or managing broker who did not complete three hours of fair housing training for an initial license and three hours for the first license renewal must complete six hours of fair housing training for the first license renewal after June 1, 2022.

The Department of Licensing must provide more specific training concepts within fair housing education after receiving input from the following entities:

- associations that represent real estate brokers and agents;
- the Washington State Commission on African American Affairs;
- the Washington State Commission on Hispanic Affairs;
- the Governor's Office of Indian Affairs;
- the Washington State Commission on Asian Pacific American Affairs;
- the Washington State Human Rights Commission;
- the Governor's Committee on Disability Issues and Employment;
- the Washington State LGBTQ Commission; and
- the Washington State Housing Finance Commission.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on June 1, 2022.

Staff Summary of Public Testimony:

(In support) The huge disparities in access to housing has been apparent over the last year. This bill will open more doors for families across the state and provide more education to a diverse real estate workforce. It establishes fair housing and consumer protection coursework throughout the real estate licensing education and continuing education requirements.

(Opposed) None.

Persons Testifying: Senator Das, prime sponsor; and Mary Hull-Drury, Washington REALTORS.

Persons Signed In To Testify But Not Testifying: None.