

SENATE BILL REPORT

SHB 1496

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 27, 1991

Brief Description: Changing the disposition of professional license fees.

SPONSORS: House Committee on Revenue (originally sponsored by Representatives O'Brien, Holland, Morris, Brumsickle, Leonard and Vance).

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Metcalf, Murray, Newhouse, Niemi, Saling, Talmadge, West, Williams, and Wojahn.

Staff: Mary Poole (786-7715)

Hearing Dates: March 26, 1991; March 27, 1991

BACKGROUND:

The Department of Licensing is charged with establishing all fees associated with licensing or regulation of non-health professions administered by the department. Fees typically are set at a rate which will generate enough revenue to cover the costs associated with professional board activities, department overhead, the administration of exams, and other administrative functions. Current law establishes that the cost of each professional licensing program shall be borne by the members of that profession.

A portion of the fees raised for two professions, professional engineers and real estate brokers and salespersons, is diverted to the general fund. Specifically, the general fund receives 20 percent of the total revenue collected from professional engineers' fees, and \$5 per each license fee and each renewal fee paid by members of the real estate profession. All other monies which are not dedicated to the general fund are deposited into either the professional engineers' account or the real estate commission account.

Interest on all professional accounts, including the professional engineers' account and the real estate commission account, is deposited into the general fund.

SUMMARY:

The requirement that \$5 from each license fee and each renewal fee received from a member of the real estate profession be placed in the general fund is removed.

The requirement that 20 percent of all fees collected from members of the professional engineers' account be placed in the general fund is removed.

The requirement that all interest earnings in the professional engineers' account be credited to the general fund is stricken. Interest earnings on this account are credited to the professional engineers' account.

Appropriation: none

Revenue: yes

Fiscal Note: available

SUMMARY OF PROPOSED SENATE AMENDMENT:

Interest earnings in the professional engineers' account will continue to be deposited into the general fund.

TESTIMONY FOR:

All licensing programs are required to be self-sufficient since 1983. This bill will have no impact during the 1991-93 biennium since it goes into effect July 1993.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Glen Hudson, WA Assn. of Realtors; Cliff Webster, Architects & Engineers Legislative Council