

HOUSE BILL REPORT

HB 2833

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to modifying the definition of sellers of travel.

Brief Description: Modifying the definition of sellers of travel.

Sponsors: Representatives Conway, McMorris, Wood, Hudgins and McCoy.

Brief History:

Committee Activity:

Commerce & Labor: 2/3/04, 2/5/04 [DP].

Brief Summary of Bill

- Requires those for whom consulting or advising regarding travel and accommodation arrangements is a part of their job, but not a principal duty, to register with the Department of Licensing as a seller of travel.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 6 members: Representatives Conway, Chair; Wood, Vice Chair; McMorris, Ranking Minority Member; Hudgins, Kenney and McCoy.

Minority Report: Do not pass. Signed by 3 members: Representatives Condotta, Assistant Ranking Minority Member; Crouse and Holmquist.

Staff: Susan Kavanaugh (786-7106).

Background:

The definition of a "seller of travel" covers persons and companies that transact business with Washington consumers, and includes travel agencies, travel agents, and others whose "principal" business duties include consulting with and advising people regarding travel or accommodation arrangements.

Since 1996, sellers of travel have been required to register with the Department of

Licensing (Department). Registered sellers of travel pay an annual \$234 licensing fee. Sellers of travel who hold customers' money for more than five days are also required to maintain a trust account, post a surety bond, or maintain membership in a national organization that provides professional liability and errors insurance. Sellers of travel must keep records and adhere to prescribed cancellation and refund policies.

The Department and the Attorney General's Office report that persons, firms, and corporations that consult and advise regarding travel and accommodation arrangements as something less than a principal part of their business include schools, colleges, religious groups, and travel clubs.

Summary of Bill:

The definition of "seller of travel" is amended to delete the requirement that consulting with and advising people regarding travel or accommodation arrangements be among the "principal" business duties. Any person, firm, or corporation who has such consulting and advising as any part of their work duties is required to register as a seller of travel.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: (Information only) The Department of Licensing has not historically received a large number of complaints on this issue. About 50 percent of the complaints the Department of Licensing gets on travel issues are travel agents complaining about unlicensed activities. Even with "principal" in, these calls are generally resolved through a phone conversation, and the individual decides either to register or to work through a licensed travel agent.

Testimony Against: None.

Persons Testifying: (Information only) Trudy Touchet and Randy Renfrow, Department of Licensing.

Persons Signed In To Testify But Not Testifying: None.