

HOUSE BILL REPORT

HB 1141

As Passed Legislature

Title: An act relating to the Washington real estate research account.

Brief Description: Changing the expiration date of the Washington real estate research account.

Sponsors: By Representatives Conway, Tom, Wood, Buri, Miloscia, Condotta, Armstrong and Kenney.

Brief History:

Committee Activity:

Commerce & Labor: 1/26/05, 1/27/05 [DP].

Floor Activity:

Passed House: 3/4/05, 96-0.

Passed Senate: 4/12/05, 44-0.

Passed Legislature.

Brief Summary of Bill

- Extends the Department of Licensing's authority to collect a \$10 fee from real estate licensees to fund the Washington Center on Real Estate Research's activities for five additional years.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Crouse, Hudgins, McCoy and Sump.

Staff: Rebekah Ward (786-7106).

Background:

In 1989 the Washington Center for Real Estate Research (Center) was established at Washington State University. The Center's purpose is to provide research and education services to real estate licensees, others in the industry, and the public, including consumers, agencies, and communities in Washington and the Pacific Northwest.

Since 1999 the Center has been funded, in part, with revenues from a \$10 fee assessed on real estate brokers and sellers when their licenses are issued or renewed. During the 2003-05 biennium, the fees totaled \$300,000, providing approximately two-thirds of the Center's funding. Grants and private funding sources provided the other third of the funding.

The Department of Licensing (Department) collects the fees and deposits them in the Washington Real Estate Research Account. Moneys in the account must be appropriated. The Department's authority to collect the fees and related provisions expire September 30, 2005.

Summary of Bill:

The Department of Licensing's authority to collect a \$10 fee from real estate brokers and sellers to fund the Washington Center on Real Estate Research's activities is extended for five additional years (from September 30, 2005- September 30, 1010). Related provisions are also extended for five years.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The bill provides for a renewable source of funding. The real estate licensees are the direct beneficiaries of the tasks and services that this 1999 legislative mandate addressed. The citizens of the state are the direct and indirect beneficiaries. A good example of how the Center has benefited these groups is the development of the Housing Affordability Index. The Center's development of the Affordable Housing Index has helped first time homebuyers across the state by answering questions regarding affordable housing units, locating the housing projects using a GSI mapping service, and has helped allocate resources more efficiently as well as identify areas of need in both rural and urban counties. The Center is the only source of statewide information services.

The Center prospectively identifies policy areas in advance of legislation, not just reactive legislation driven by the licensees. The current project focus is on a predatory lending study, and senior housing.

Testimony Against: None.

Persons Testifying: (In support) Bob Mitchell, Washington Real Estate Association; Glen Cellin, Director and Trustee, Washington Center for Real Estate Research; Kim Herman, Director of Housing Funding Association and former Trustee for the Center.

Persons Signed In To Testify But Not Testifying: None.