

SENATE BILL REPORT

SB 5288

As of February 10, 2015

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

Brief Description: Concerning expiration dates related to real estate broker provisions.

Sponsors: Senators Braun and Conway.

Brief History:

Committee Activity: Commerce & Labor: 2/09/15.

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Susan Jones (786-7404)

Background: Washington Center for Real Estate Research. The Washington Center for Real Estate Research was established in 1989 by the Washington State University (WSU) Board of Regents to provide continuing research, education, and technical assistance to licensed real estate brokers and salespersons, educational institutions, state and local governments, the real estate industry, and the general public.

Center's Original Funding. Originally, the center was supported by money from WSU, the Washington Real Estate Commission, and other individuals and organizations. For the 1997-99 biennium, the center was operating under an agreement with the Department of Licensing with funds from the real estate education account that is funded by interest earned on real estate broker trust accounts.

Washington Real Estate Research Account Created in 1999. In 1999 the Washington real estate research account (account) was created in the state treasury. This account was funded through a \$10 fee assessed on each real estate brokers originally licensed after October 1, 1999, and on each license renewal for licenses expiring after October 1, 1999. Expenditures from the account may be used only to support a real estate research center in Washington. The account is subject to appropriation.

Center's Purpose. The statutory purpose of a Washington real estate research center is to provide credible research, value-added information, education services, and project-oriented research to real estate licensees, real estate consumers, real estate service providers,

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institutional customers, public agencies, and communities in Washington State and the Pacific Northwest region.

Provisions Expire in 2015. The fee assessment provisions and the provision authorizing the establishment of a real estate research center in Washington were originally due to expire September 30, 2005. These provisions were extended twice to 2010 and 2015.

Summary of Bill: The expiration date for the \$10 assessment required for the original issuance and the renewal of licenses for real estate brokers and managing brokers, and for the provision authorizing the establishment of a real estate research center in Washington are extended until September 30, 2025.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is the same bill that passed out of committee last year. The licensed group had been supporting this center with five-year funding bills for the last 15 years. This would continue the funding of the center for another ten years. The center monitors real estate activities quarterly for all counties. This information is a resource to municipalities, counties, public officials, private industry, bankers, and appraisers.

Persons Testifying: PRO: Senator Braun, prime sponsor; Bob Mitchell, WA Realtors; Dr. Stephen O'Connor, Director, Runstad Center for Real Estate Studies.