

HOUSE BILL REPORT

ESSB 5294

As Passed House:

April 15, 2025

Title: An act relating to transferring dedicated accounts for certain professional licenses to the business and professions account.

Brief Description: Transferring dedicated accounts for certain professional licenses to the business and professions account.

Sponsors: Senate Committee on Business, Financial Services & Trade (originally sponsored by Senators Gildon, Stanford, Dozier and Nobles; by request of Department of Licensing).

Brief History:

Committee Activity:

Appropriations: 3/17/25, 3/20/25 [DP].

Floor Activity:

Passed House: 4/15/25, 97-0.

Brief Summary of Engrossed Substitute Bill

- Repeals six accounts administered by the Department of Licensing and adds the related businesses and professions to the list of professions for which all receipts from licenses and other fees must be deposited into the Business and Professions Account.
- Transfers fund balances from the six repealed accounts to the Business and Professions Account.
- Requires the Department of Licensing to report annually on expenditures and revenues for each of the professions that use the Business and Professions Account.

HOUSE COMMITTEE ON APPROPRIATIONS

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.

Majority Report: Do pass. Signed by 30 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Caldier, Callan, Corry, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Staff: Xianyu Li (786-7094).

Background:

The Department of Licensing (DOL) regulates and issues licenses for a number of businesses and professions, including architects, landscape architects, embalmers, funeral directors, the Funeral and Cemetery Board, certified real estate appraisers, geologists, and appraisal management companies. The receipts from licenses, registrations, certifications, and other fees for these professions are currently collected under the following six accounts administered by the DOL:

- the Architects' License Account;
- the Landscape Architects' License Account;
- the Funeral and Cemetery Account;
- the Real Estate Appraiser Commission Account;
- the Geologists' Account; and
- the Appraisal Management Company Account.

The Business and Professions Account (Account) is also administered by the DOL. It is used only for expenses incurred in carrying out certain business and professions licensing activities of the DOL. Receipts from business or professional licenses, registrations, certifications, renewals, examinations, or civil penalties assessed and collected by the DOL are deposited into the Account. The following professions are required to use the Account:

- auctioneers;
- cosmetologists, barbers, and manicurists;
- court reporters;
- private investigators;
- security guards;
- bail bond agents;
- home inspectors;
- collection agencies;
- employment agencies;
- camping resorts;
- sellers of travel;
- notaries public;
- timeshares;
- boxing, martial arts, and wrestling;
- body art, body piercing, and tattooing;

- whitewater river outfitters;
- commercial telephone solicitation; and
- scrap metal businesses.

Summary of Bill:

The six accounts administrated by the DOL are repealed and their existing fund balances are transferred to the Account. The related businesses and professions are added to the list of professions for which all receipts from licenses and other fees must be deposited into the Account. The DOL is directed to report annually on expenditures and revenues for each of the professions that use the Account. The first report is due on September 30, 2026.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on January 1, 2026.

Staff Summary of Public Testimony:

(In support) This bill is requested by the DOL. Its companion bill, House Bill 1300, has passed out of the House's floor. This bill consolidates smaller professional licensing accounts into the Account, which allows more resources to be available and protects the professions from having sudden significant fee increases. The DOL is fine with Senate's amendment for Senate Bill 5294, which requires the DOL to provide annual report.

(Opposed) None.

Persons Testifying: Molly Voris, Department of Licensing.

Persons Signed In To Testify But Not Testifying: None.