

**SENATE BILL REPORT**

**ESB 6184**

**AS PASSED SENATE, FEBRUARY 17, 1992**

**Brief Description:** Revising provisions for the regulation of real estate brokers and salespersons.

**SPONSORS:** Senators Newhouse, Bauer, Anderson, Gaspard, Snyder, West, Johnson and L. Smith

**SENATE COMMITTEE ON COMMERCE & LABOR**

**Majority Report:** Do pass as amended.

Signed by Senators Matson, Chairman; Anderson, Vice Chairman; Bluechel, McDonald, McMullen, Moore, Murray, and Skratek.

**Minority Report:** Do not pass as amended.

Signed by Senator McCaslin.

**Staff:** Catherine Mele (786-7457)

**Hearing Dates:** January 30, 1992; February 6, 1992

**BACKGROUND:**

The Department of Licensing currently provides an education program for the benefit of real estate licensees. The program is funded through fines charged real estate licensees and from 25 percent of the earnings from the brokers' trust fund account. These funds are placed into the real estate commission account and require legislative appropriation before used by the department for education programs.

**SUMMARY:**

The Director of Licensing is required to institute a program of real estate education that includes the establishment of minimum levels of ongoing education for licensees and the development and implementation of curricula courses, educational materials, and approaches to continuing real estate education.

The director is authorized to enter into contracts to assist in the development or implementation of the real estate educational program.

The real estate education account is established at the treasury. All moneys from fines and 25 percent of the earnings from the brokers' trust fund account are deposited into this account.

The Director of Licensing is to authorize disbursements from the real estate account for real estate education programs for

licensees. The director's authority to spend money from the education account is limited to developing an overall program of real estate education. All expenses and costs relating to the program, as well as fees and charges paid for outside contracts, may be paid from the account. No appropriation is necessary for expenditures and payment of obligations from the real estate education account.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**Effective Date:** July 1, 1993

**TESTIMONY FOR:**

In 1987 the Legislature identified and pooled the brokers' trust fund account as a primary source of funds to support the housing trust fund. However, when the Legislature identified 75 percent of these funds for the housing trust fund, it failed to codify the intended educational use of the remaining 25 percent of the funds. This bill clarifies the director's spending power by creating the education account and allowing the director to spend money for education without the need for legislative appropriation.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Glen Hudson, Washington Association of Realtors (pro); Van Anderson, Washington Association of Realtors (pro); Bob Mitchell, Department of Licensing (pro)