

SENATE BILL REPORT

SB 5267

As Reported By Senate Committee On:
Commerce & Labor, February 11, 1997

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

Brief Description: Correcting real estate brokers and salespersons statutes for administrative and practical purposes.

Sponsors: Senators Horn, Heavey, Schow and Newhouse; by request of Department of Licensing.

Brief History:

Committee Activity: Commerce & Labor: 1/30/97, 2/11/97 [DPS].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: That Substitute Senate Bill No. 5267 be substituted therefor, and the substitute bill do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

Staff: Aurora Almeda (786-7488)

Background: The Department of Licensing has identified a number of provisions in the real estate and salespersons licensing and practices statutes that require modifications to make the provisions consistent with current department practices and policy and the Administrative Procedure Act.

Summary of Substitute Bill: A number of modifications are made to the real estate brokers and salespersons licensing and practice act. They include the following:

Changes to the Department's Administrative Procedures: Licensing procedures cover limited liability companies and limited liability partnerships, in addition to corporations. An automatic stay— of administrative decisions against a licensee is replaced by requiring a motion for stay— to be filed with, heard and granted by superior court. Any real estate broker or real estate salesperson is prohibited from sharing any part of his or her commission or other compensation with any unlicensed real estate practitioner in any foreign jurisdiction which has a real estate regulatory program.

Changes to the Director's Duties: References to frequency of exam administrations and mandated geographical region references are removed. However, the Real Estate Commission must ensure that examinations are prepared and administered at examination centers throughout the state.

Technical modifications to the statute, such as updating the terminology to reflect current standards of practice, industry terms, and to maintain gender neutral references are also made.

Substitute Bill Compared to Original Bill: Licensing procedures cover limited liability partnerships.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Changes to the department's licensing and administrative procedures and updating the statutory language would make the licensing law more consistent with the Administrative Procedure Act and reflect current department practices. Extending licensing to limited liability partnerships would clarify the real estate brokers and salespersons licensing law. Adding foreign countries to the list of jurisdictions for sharing of brokers' fees would enable licensed real estate brokers to cooperate with other licensed real estate practitioners in foreign countries.

Testimony Against: None.

Testified: PRO: Bob Mitchell, Program Manager, Real Estate Commission Support, Dept. of Licensing; Sydney Beckett, Administrator, Business and Professions Division, Dept. of Licensing; Glen Hudson, WA Association of Realtors.