

HOUSE BILL REPORT

HB 2576

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to master license system fees.

Brief Description: Giving the director of the department of licensing authority to adopt master application fees by rule.

Sponsors: Representatives Hunt, Conway and Kenney; by request of Department of Licensing.

Brief History:

Committee Activity:

Commerce & Labor: 1/31/02, 2/4/02 [DPS].

<h4>Brief Summary of Substitute Bill</h4>

- Authorizes the department to set master license fees by rule.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Conway, Chair; Wood, Vice Chair; Clements, Ranking Minority Member; Chandler, Kenney and Lysen.

Minority Report: Do not pass. Signed by 1 member: Representative McMorris.

Staff: Sydney Forrester (786-7120).

Background:

The Master License Service is administered by the Department of Licensing, Business and Professions Division. The program functions as a central licensing service for a variety of businesses in Washington. A master license is a single license that incorporates endorsements, certificates, approvals, and registrations, and certifies state agency approval for the various regulated activities in which a business may be engaged. The program also provides information to the business community concerning state licensing and regulatory requirements, including local and federal information regarding

state-regulated activities.

Master license fees currently are set in statute and have been unchanged since 1992. The master application fee is \$15, and the renewal fee is \$9.

Summary of Substitute Bill:

The department is authorized to set the handling fees by rule for master license applications and renewals in accordance with existing policy. A nonrefundable handling fee is collected from each new applicant, and from each licensee upon renewal. Fee-setting authority is granted until September 1, 2008.

Substitute Bill Compared to Original Bill:

The substitute bill grants the department fee-setting authority until September 1, 2008. The original bill did not provide a sunset date.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect on September 1, 2002.

Testimony For: The master license program is required to be self-supporting, meaning that fees must cover administrative costs. Most of the department's self-supporting program license fees already are set in rule. The bill proposes the handling fee be made nonrefundable. Occasionally a regulatory agency denies a license and the applicant wants the fee refunded. At that point the department already has processed the application and fulfilled its role and does not want to refund the fee.

Testimony Against: None.

Testified: Nancy Skewis, Department of Licensing, Business and Professions Division.