

HOUSE BILL REPORT

HB 1056

As Reported by House Committee On:

Financial Institutions & Insurance

Title: An act relating to notifying home buyers of where information regarding registered sex offenders may be obtained.

Brief Description: Notifying home buyers of where information regarding registered sex offenders may be obtained.

Sponsors: Representatives Simpson and Campbell.

Brief History:

Committee Activity:

Financial Institutions & Insurance: 1/28/03, 2/12/03 [DPS].

Brief Summary of Substitute Bill

- Adds a section to the seller's real property transfer disclosure statement informing a prospective purchaser that sex offender information may be obtained from the county sheriff.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Schual-Berke, Chair; Simpson, Vice Chair; Benson, Ranking Minority Member; Newhouse, Assistant Ranking Minority Member; Cairnes, Carrell, Cooper, Hatfield, Hunter, Roach and Santos.

Staff: Thamas Osborn (786-7129).

Background:

Sex offender registration: Convicted sex offenders who are released into the community are required to register with the county sheriff in the jurisdiction where the offender resides. When registering, the offender must provide a variety of personal information, including his or her address, place of employment, Social Security number, conviction history, fingerprints, and a photograph.

Public agencies are authorized to release information to the public regarding sex offenders when the disclosure of such information is necessary in order to protect the public. County sheriffs, in particular, must publish information regarding certain classes of sex offenders so as to notify the public of their presence in the community. In addition, county sheriffs must maintain “ and make available to the public “ a database that includes the sex offender’s identity, neighborhood of residence, relevant convictions, physical description, and a photograph.

Seller’s disclosures: Sellers of residential real estate are required by law to provide prospective buyers with a completed form known as the seller’s real property transfer disclosure statement. The statement must be in the format specified by statute and must include extensive disclosures regarding the condition of the property, utility systems, hazardous conditions, legal restrictions, etc.

Summary of Substitute Bill:

The substitute bill adds a section to the seller’s real property transfer disclosure statement informing a prospective purchaser that sex offender information may be obtained from the county sheriff.

Substitute Bill Compared to Original Bill:

The substitute bill eliminates the provision in the original bill requiring mortgage lenders to provide buyers with disclosures regarding sex offenders. Similarly, it deletes the provision requiring the seller to make the disclosures at the time of the transfer of the deed or the signing of a real estate contract.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Substitute Bill: The bill takes effect ninety days after adjournment of session in which bill is passed.

Testimony For: (Original bill) This bill is necessary to ensure that prospective home buyers are informed that information is available regarding sex offenders who may live in the area of the home being purchased. This is a good bill that is modeled after California law.

Testimony Against: (Original bill) The disclosure requirement comes much too late in the mortgage lending process. It needs to be done much earlier in order for a buyer to make a truly informed decision. Also, there are currently far too many legally required

disclosures that must be done at the time of closing.

Testified: (In support) Representative Simpson, prime sponsor; Gary Gardner, Boeing Employees Credit Union; and Rosemary Queensbury.

(In support with concerns) Bob Mitchell, Washington Association of Realtors.