

# HOUSE BILL REPORT

## HB 1176

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### As Passed Legislature

**Title:** An act relating to providing consistency and efficiency in the regulation of auctioneers and auction companies, engineering and land surveying, real estate, funeral directors, and cosmetology.

**Brief Description:** Providing consistency and efficiency in the regulation of auctioneers and auction companies, engineering and land surveying, real estate, funeral directors, and cosmetology.

**Sponsors:** Representatives Hoff and Kirby; by request of Department of Licensing.

#### **Brief History:**

##### **Committee Activity:**

Consumer Protection & Business: 1/22/19, 1/23/19 [DP].

##### **Floor Activity:**

Passed House: 2/14/19, 96-0.

Senate Amended.

Passed Senate: 4/10/19, 45-1.

House Concurred.

Passed House: 4/22/19, 96-0.

Passed Legislature.

#### **Brief Summary of Bill**

- Eliminates requirements that applicants for certain professional licenses provide specific documents to the Department of Licensing (DOL).
- Removes the Board of Registration for Professional Engineer and Land Surveyors from the DOL and establishes it as a separate state agency.
- Modifies the requirements for providing personal references on applications for engineering and land surveying licenses.
- Eliminates the provision allowing an applicant for an embalmer or funeral director's license to retake the exam with no additional fee.
- Removes the requirement that the DOL mail notice of statutory and regulatory changes to cosmetology, hair designer, barber, manicurist, and esthetician licensees.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

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## HOUSE COMMITTEE ON CONSUMER PROTECTION & BUSINESS

**Majority Report:** Do pass. Signed by 13 members: Representatives Kirby, Chair; Reeves, Vice Chair; Vick, Ranking Minority Member; Hoff, Assistant Ranking Minority Member; Barkis, Blake, Dufault, Ryu, Santos, Stanford, Volz, Walen and Ybarra.

**Staff:** Serena Dolly (786-7150).

### **Background:**

The Department of Licensing (DOL) regulates a number of businesses and professions. The DOL issues licenses and ensures compliance with professional standards and laws. Some of the professions regulated by the DOL include auctioneers and auction companies, real estate brokers, funeral directors, cosmetologists, hair designers, barbers, manicurists, estheticians, and funeral directors. Other professions, such as architects, are regulated by a separate board or commission.

The State Board of Registration for Professional Engineers and Land Surveyors (Board), through the DOL, regulates engineering practices and land surveying. On-site wastewater system designers are also licensed and regulated by the Board. The Board consists of seven members, five professional engineers and two land surveyors, appointed by the Governor.

Some professional licensing laws require that applicants provide certain documentation of corporate, business, and tax registration and that the DOL maintain the documentation. The following are a few examples:

- An applicant for an auctioneer or auction company license must show the proper tax registration certificate from the Department of Revenue (DOR).
- A corporation or limited liability company applying to obtain a certificate of authorization to practice engineering or land surveying must provide a Washington state business license and a certificate of incorporation or certificate of authorization as filed with the Secretary of State.
- An applicant for a license as a real estate firm or real estate or managing broker must provide certain certified copies and evidence of business filings.
- An applicant for registration with the state Board for Professional Engineers and Land Surveyors (Board) must provide at least five references, three of which must be from engineers with personal knowledge of the applicant's engineering experience.

An applicant for an embalmer or funeral director's license who fails the license exam is allowed to retake the exam with no additional fee. A third-party vendor is used to conduct the exams. The DOL covers the cost for the retaken exam.

The DOL is required to mail notice of statutory and regulatory changes to cosmetology, hair designer, barber, manicurist, and esthetician licensees.

### **Summary of Bill:**

Auctioneer or Auction Company.

In addition to other requirements, an applicant for an auctioneer or auction company license must continue to be registered with the DOR. No documentation of the registration needs to be provided to the DOL. An auction company must also be registered with the Secretary of State (SOS) if it is not a sole proprietor or general partnership.

#### Engineers and Land Surveyors.

The Board is removed from the DOL and established as a separate agency. The Board, rather than the DOL, must:

- issue and renew certificates of registration and licenses for professional engineers, land surveyors, and on-site wastewater system designers; and
- set fees for applications, examinations, licenses, registrations, and renewals. Fees set by the Board must be at a level adequate to pay the Board's administration costs.

The DOL, through an interagency agreement, must provide specified administrative staff support and associated technical services, materials, and equipment to the Board. The initial agreement must be for three years and may be renewed.

The Governor must appoint the Executive Director of the Board. The Executive Director must hold a valid Washington license as a professional engineer or professional land surveyor.

An applicant for registration with the Board must provide verification of technical work from professional engineers that supervised the applicant's technical work and have personal knowledge of the applicant's engineering experience.

#### Real Estate Firms and Brokers.

If the applicant is a legally recognized business entity, except a general partnership, it must be registered with the Secretary of State. No documentation of the registration needs to be provided to the DOL. If the applicant is a general partnership, it must provide a copy of the signed partnership agreement. All entities must provide certain information about their owners and governing officers.

#### Embalmers and Funeral Directors.

Applicants for an embalmer or funeral director's license are no longer entitled to retake the exam with no additional fee.

#### Cosmetologists.

The DOL is no longer required to mail notice of statutory and regulatory changes to cosmetology, hair designer, barber, manicurist, and esthetician licensees.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This is DOL request legislation to accommodate its system modernization and prevent the need to enter unnecessary information into the new system. The intent is to eliminate duplication and streamline the licensing process. Currently, businesses have to scan and upload documents that the DOL can automatically verify with the DOR and SOS. Funeral directors are the only licensees that are allowed to retake a licensing exam with no fee. This bill will require engineer references to only relate to professional experience. It will give the Department of Licensing the option to send certain notices electronically.

(Opposed) None.

**Persons Testifying:** Representative Hoff, prime sponsor; Beau Perschbacher, Department of Licensing; and Mary Hull-Drury, Washington REALTORS.

**Persons Signed In To Testify But Not Testifying:** None.