

HOUSE BILL REPORT

HB 2875

As Reported by House Committee On:
Consumer Protection & Business

Title: An act relating to creating a review process for professional licensing regulations and requiring a report to the legislature.

Brief Description: Creating license review and reporting requirements.

Sponsors: Representatives Hoff, Vick, Corry, Graham, Gildon and Mosbrucker.

Brief History:

Committee Activity:

Consumer Protection & Business: 1/28/20 [DPS].

Brief Summary of Substitute Bill

- Creates a review process for professional licensing regulations and requires a report be made to the Legislature.

HOUSE COMMITTEE ON CONSUMER PROTECTION & BUSINESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Kirby, Chair; Vick, Ranking Minority Member; Hoff, Assistant Ranking Minority Member; Barkis, Blake, Duerr, Dufault, Johnson, J., Ryu, Santos, Volz, Walen and Ybarra.

Staff: Robbi Kesler (786-7153).

Background:

The Department of Licensing (DOL) regulates a number of businesses and professions. For regulated professions, the DOL issues licenses and ensures compliance with professional standards and laws.

Examples of professions regulated directly by the DOL, or in coordination with a board or commission, include:

- architects;

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- cosmetologists;
- funeral directors;
- real estate brokers; and
- security guards.

Requirements for a professional license, certificate, registration, or permit vary considerably. Some professions may require:

- college level coursework;
- experience;
- an examination;
- some type of background check;
- a surety bond, insurance, or other minimum financial standards;
- minimum safety standards;
- continuing education for licensees; or
- duties of care for clients.

Many professions have provisions for some form of reciprocity or consideration of experience from other states or military service. In addition, the DOL and other licensing authorities must expedite the issuance of a broad range of professional licenses, certificates, registrations, or permits for qualified military spouses.

Summary of Substitute Bill:

Beginning in 2021, the Department of Licensing (DOL) must review and analyze all professional licensing regulations and prepare and submit an annual report to the Chief Clerk of the House of Representatives, the Secretary of the Senate, and each legislator by August 31 of each year. The DOL must review 20 percent of the professional licensing regulations per year, and complete a review of all professional licenses within five years. The DOL should provide notice of an upcoming review to the relevant professional review board or commission.

The report must include the DOL's recommendations regarding whether the professional licenses should be terminated, continued, or modified.

Report requirements include, but are not limited to:

- the title of the regulated occupation and the name of the board responsible for enforcement of the professional license;
- citation of the statutory or other authorization for the creation of the professional regulations and board;
- the number of members of the professional board and the process for how members are appointed;
- the qualifications for membership on the professional board;
- the number of times the professional board is required to meet annually, and a report of the number of times it actually met during the preceding five years;
- annual budget information for immediately preceding five years for which the information is practically available;

- the number of government certifications, professional licenses, and registrations the professional board has issued, revoked, denied, or assessed penalties against for the past five years;
- a review of why the professional regulations were created;
- a comparison of whether and how other states regulate the profession;
- a review and analysis of the hours or other amount of education, training, or experience required to obtain the license or credential;
- a summary of any regulatory changes made by the DOL or professional board as a result of the review; and
- a summary of any recommendations regarding whether the professional license should be terminated, continued, or modified.

The DOL is required to analyze whether the regulations meet the state's professional licensing reform policies and recommend a course of action that is directly related to the need, consistent with the health, safety, and welfare of the public. If the DOL recommends a change to a professional regulation, the DOL must recommend the least restrictive regulation consistent with the public interest.

Substitute Bill Compared to Original Bill:

The substitute bill adds a requirement that DOL provide notice of an upcoming review to the relevant professional review board or commission.

Appropriation: None.

Fiscal Note: Available (for HB 2357, which is identical to HB 2875 except for the title).

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

Staff Summary of Public Testimony:

(In support—from testimony on HB 2357, which is identical to HB 2875 except for the title, on January 22, 2020) It would be prudent for the DOL to review the current licensing programs. This bill does not require the DOL to take action, instead the DOL can review the current licensing programs, and then report back to the Legislature so that the Legislature can take action if needed. The DOL should take a look at licensing on occasion to help determine if any changes should be made to further improve the state's licensing program. It is also helpful that this bill would provide a process for collecting information about the structure and administration of the applicable oversight boards.

(Opposed—from testimony on HB 2357, which is identical to HB 2875 except for the title, on January 22, 2020) The bill is unnecessary because the remedies it seeks are already available. The processes currently in place includes rulemaking and the ability to request legislative change. It is concerning that there is no mandate for participation of relevant

boards. Some barriers to entry are good and necessary for protection of the public and profession.

Persons Testifying: (In support—from testimony on HB 2357, which is identical to HB 2875 except for the title, on January 22, 2020) Representative Hoff, prime sponsor; and Patrick Connor, National Federation of Independent Business.

(Opposed—from testimony on HB 2357, which is identical to HB 2875 except for the title, on January 22, 2020) Elizabeth Harvey, Washington Court Reporters Association.

Persons Signed In To Testify But Not Testifying: None.