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## Consumer Protection & Business Committee

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### HB 1301

**Brief Description:** Creating license review and reporting requirements.

**Sponsors:** Representatives McClintock and Cheney.

#### Brief Summary of Bill

- Directs the Department of Licensing (DOL) to review and analyze 20 percent of professional licenses each year.
- Requires the DOL to submit an annual report to the Legislature with recommendations as to whether the professional licenses reviewed should be terminated, continued, or modified.

**Hearing Date:** 1/25/23

**Staff:** Michelle Rusk (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;
- cosmetologists;
- funeral directors;
- real estate brokers; and
- security guards.

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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 part of the legislation nor does it constitute a statement of legislative intent.*

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 Bill:**

Beginning in 2024, the DOL must annually review and analyze approximately 20 percent of the professional licenses it regulates. The DOL must complete a review of all professional licenses within five years, and every five years after that.

By August 31 of each year, the DOL must prepare and submit a report to the Legislature and recommend whether each professional license reviewed should be terminated, continued, or modified. Report requirements include, but are not limited to:

- the title of the regulated occupation and the name of any board responsible for enforcement of the professional license;
- the statutory citation or other authorization for the creation of the professional regulations and board;
- the number of members of the board and the process for appointing members;
- the qualifications for board membership;
- the number of times the board is required to meet annually and the number of times it actually met during the preceding five years;
- the board's annual budget information for the previous five years;
- the number of government certifications, professional licenses, and registrations that the DOL or the board has issued, revoked, denied, or assessed penalties against for the past five years;
- a review of why the professional regulations for each license 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 the 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 Legislature may request the DOL to further analyze whether a profession's licensing regulations meet the state's licensing reform policies and recommend a course of action that is directly related to the need, and consistent with the health, safety, and welfare of the public.

If the DOL recommends a change to professional regulations, the DOL must recommend the least restrictive regulation consistent with the public interest.

**Appropriation:** None.

**Fiscal Note:** Requested on January 16, 2023

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