

SENATE BILL REPORT

ESSB 5294

As Passed Senate, March 3, 2025

Title: An act relating to transferring dedicated accounts for certain professional licenses to the business and professions account.

Brief Description: Transferring dedicated accounts for certain professional licenses to the business and professions account.

Sponsors: Senate Committee on Business, Financial Services & Trade (originally sponsored by Senators Gildon, Stanford, Dozier and Nobles; by request of Department of Licensing).

Brief History:

Committee Activity: Business, Financial Services & Trade: 1/23/25, 1/29/25 [DPS].

Floor Activity: Passed Senate: 3/3/25, 49-0.

Brief Summary of Engrossed First Substitute Bill

- Consolidates seven small professional accounts into the Business and Professions Account administered by the Department of Licensing.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Majority Report: That Substitute Senate Bill No. 5294 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kauffman, Chair; Cortes, Vice Chair; Dozier, Ranking Member; Fortunato, Hasegawa, Lovick, McCune, Stanford and Wilson, J..

Staff: Clint McCarthy (786-7319)

Background: The Business and Professions Account (account) was created in 2005. Receipts from business or professional licenses, registrations, certifications, renewals, examinations, or civil penalties assessed and collected by the Department of Licensing are

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deposited into the account. The following professions are required to use the account:

- auctioneers;
- cosmetologists, barbers, and manicurists;
- court reporters;
- private investigators;
- security guards;
- bail bond agents;
- home inspectors;
- collection agencies;
- employment agencies;
- camping resorts;
- sellers of travel;
- notaries public;
- timeshares;
- boxing, martial arts, and wrestling;
- body art, body piercing, and tattooing;
- whitewater river outfitters;
- commercial telephone solicitation; and
- scrap metal businesses.

Summary of Engrossed First Substitute Bill: The list of professions that are required to deposit receipts from business or professional licenses, registrations, certifications, renewals, examinations, or civil penalties assessed and collected by the Department of Licensing into the account is expanded to include the following professions:

- architects;
- embalmers and funeral directors;
- landscape architects;
- certified real estate appraisers;
- geologists;
- appraisal management companies; and
- the funeral and cemetery board.

The following accounts are repealed:

- Architects License Account;
- Funeral and Cemetery Account;
- Landscape Architects License Account;
- Real Estate Appraiser Commission Account;
- Geologists' Account; and
- Appraisal Management Company Account.

Any residual amounts remaining in the repealed accounts as of December 31, 2025, will be transferred to the Business and Professions Account. The transfer will be made by the state treasurer once the Office of Financial Management has completed the financial statement for fiscal year 2025.

The Department of Licensing is directed to report annually on expenditures and revenues for each of the professions that use the Business and Professions Account. The first report is due on September 30, 2026.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on January 1, 2026.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This is agency request legislation. There are a lot of small accounts where the fees are unstable and the larger pool helps even out the differences between when revenue flow in and expenses. These accounts are appropriated singularly. We monitor the funds in the account to make share the professions pay and receive their fair share. The broader account will reduce volatility and smooth it out over time. Had a profession opposed this, they would have not been included in this bill.

Persons Testifying: PRO: Senator Chris Gildon, Prime Sponsor; Alejandro Sanchez, Department of Licensing.

Persons Signed In To Testify But Not Testifying: No one.