HOUSE BILL 1242

State of Washington 69th Legislature 2025 Regular Session

By Representatives Jacobsen, Barnard, Dye, and Penner

Prefiled 01/10/25. Read first time 01/13/25. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to expanding professional licensing reporting 2 requirements; and amending RCW 18.410.020.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 Sec. 1. RCW 18.410.020 and 2023 c 412 s 4 are each amended to 5 read as follows:

6 (1) Beginning in 2024, the department shall annually review and 7 analyze approximately 10 percent of the professional licenses regulated by the department and prepare and submit an annual report 8 electronically to the chief clerk of the house of representatives, 9 10 the secretary of the senate, and each member of the house of 11 representatives and senate by August 31st of each year as provided in this section. The department shall complete this process for all 12 professional licenses within its jurisdiction within 10 years and 13 every 10 years thereafter. Each report shall include the department's 14 15 recommendations regarding whether the professional licenses should be 16 terminated, continued, or modified.

17 (2) The department may require the submission of information by 18 the affected professional board or commission and other affected or 19 interested parties. The department shall provide notice to the 20 relevant professional board or commission and all licensees, not

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1 regulated under a board or commission, prior to commencing the 2 review.

3 (3) The department's report shall include, but not be limited to,4 the following:

5 (a) The title of the professional license and, if applicable, the 6 name of the professional board or commission responsible for 7 enforcement of the professional license, if any;

8 (b) The statutory citation or other authorization for the 9 creation of the professional license and, if applicable, the 10 professional board or commission;

11 (c) If applicable, the number of members of the professional 12 board or commission and how the members are appointed;

13 (d) If applicable, the qualifications for membership on the 14 professional board or commission;

(e) If applicable, the number of times the professional board or commission is required to meet during the year and the number of times it actually met during the preceding five calendar years;

18 (f) Annual budget information for the five most recently 19 completed fiscal years, including a breakdown of expenses by 20 activities such as processing licensing applications, handling 21 complaints and discipline, and rulemaking;

22 (g) For professions with an average hourly wage of less than 125 23 percent of the statewide minimum wage, options to reduce the license 24 renewal fee;

25 (h) A review and analysis of the time frame for which a 26 professional license must be renewed. For licenses that must be 27 renewed annually, a cost analysis of moving to a two-year license 28 renewal period must be included;

((-(q))) (i) For the immediately preceding five calendar years, or 29 for the period of time less than five years for which the information 30 31 is practically available, the number of government certifications, 32 professional licenses, and registrations the department, professional 33 board, or commission has issued, revoked, denied, or assessed penalties against, listed anonymously and separately per type of 34 credential, and the reasons for such revocations, denials, and other 35 36 penalties;

37 (((h))) (j) A review of the basic assumptions underlying the 38 creation of the professional license;

39 ((((i))) (k) A comparison of whether and how other states regulate 40 the profession; 1 (((j))) <u>(1)</u> A review and analysis of the hours or other amount of 2 education, training, or experience required to obtain the license or 3 credential;

4 (((k))) <u>(m)</u> A summary of any regulatory changes made by the 5 department, professional board, or commission as a result of the 6 review; and

7 (((1))) <u>(n)</u> Any recommendations regarding whether the 8 professional license should be terminated, continued, or modified.

9 (4) After the report in subsection (3) of this section is 10 submitted, if the relevant legislative committee determines further 11 analysis is needed it may request the department to conduct further 12 analysis. Specifically, the extended report shall include:

13 (a) Whether the professional license meets the policies stated 14 and the following recommended courses of action for meeting such 15 policies:

16 (i) If the need is to protect consumers against fraud, the 17 recommended course of action should be to strengthen powers under 18 chapter 19.86 RCW, or require disclosures that will reduce misleading 19 attributes of the specific goods or services;

20 (ii) If the need is to protect consumers against unclean 21 facilities or to promote general health and safety, the recommended 22 course of action should be to require periodic inspections of such 23 facilities;

(iii) If the need is to protect consumers against potential damages from failure by providers to complete a contract fully or up to standards, the recommended course of action should be to require that providers be bonded;

(iv) If the need is to protect a person who is not a party to a contract between the provider and consumer, the recommended course of action should be to require that the provider have insurance;

31 (v) If the need is to protect consumers against potential damages 32 by transient providers, the recommended course of action should be to 33 require that providers register their businesses with the state;

34 (vi) If the need is to protect consumers against a shortfall or 35 imbalance of knowledge about the goods or services relative to the 36 providers' knowledge, the recommended course of action should be to 37 enact government certification; and

38 (vii) If the need is to address a systematic information 39 shortfall such that a reasonable consumer is unable to distinguish 40 between the quality of providers, there is an absence of institutions

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1 that provide adequate guidance to the consumer, and the consumer's 2 inability to distinguish between providers and the lack of adequate 3 guidance allows for undue risk of present, significant, and 4 substantiated harms, the recommended course of action should be to 5 enact a professional license; and

6 (b) If education, training, or experience is a qualification in 7 the professional license under review, a review and analysis of the 8 hours or other amount of education, training, or experience required 9 to ensure such requirements are as least restrictive as necessary to 10 protect the public's health, safety, and welfare.

11 (5) If a lawful profession is subject to chapter 18.120 RCW, the 12 analysis under subsection (4)(a) of this section shall be made using 13 the least restrictive method of regulation as set out in RCW 14 18.120.010.

15 (6) If the department finds that it is necessary to change 16 professional licenses, the department shall recommend the least 17 restrictive regulation consistent with the public interest and the 18 policies in this section.

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