
**Consumer Protection & Business
Committee**

HB 1242

Brief Description: Expanding professional licensing reporting requirements.

Sponsors: Representatives Jacobsen, Barnard, Dye and Penner.

Brief Summary of Bill

- Adds reporting requirements to the Department of Licensing's annual review of professional licenses.

Hearing Date: 1/21/25

Staff: Megan Mulvihill (786-7304).

Background:

The Department of Licensing (DOL) regulates and issues licenses for a number of businesses and professions, including architects, cosmetologists, real estate brokers, security guards, and funeral directors.

In 2023 the Legislature enacted a bill requiring the DOL to annually review and analyze 10 percent of the professional licenses regulated under the DOL's authority. All professional licenses under the DOL's authority are to be reviewed after 10 years. The DOL is required to make annual recommendations to the Legislature on whether any professional licenses should be terminated, continued, or modified based on stated policy goals in the statute. The annual reports must include a variety of data about the professional license, such as information about whether there is an associated board or commission; annual budget information for the five most recently completed fiscal years; the number of licenses issued, revoked, denied, or assessed penalties against; and a comparison of how other states regulate the profession. The first report was

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published in 2024 and reviewed landscape architects, court reporters, employment agencies, and whitewater outfitters.

Summary of Bill:

Additional information and required analysis is added to the DOL's professional license review as follows:

- annual budget information included in the report must be broken down by activity, such as processing license applications, handling complaints and discipline, and rulemaking;
- options to reduce the license renewal fee for professions with an average hourly wage of less than 125 percent of the statewide minimum wage; and
- a review and analysis of the time frame for which a professional license must be renewed, with a cost analysis of moving to a two-year license renewal period for those licenses that are renewed annually.

Appropriation: None.

Fiscal Note: Requested on January 13, 2025.

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