



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

SB0455 - Generally revise laws pertaining to realty regulation (Vermeire, Terry )

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$6,210)	(\$6,210)	(\$6,210)	(\$6,210)
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** SB 455 revises the composition of the Board of Realty Regulation (the board) and transfers the oversight of property managers from the board to the Department of Labor & Industry (DLI). It establishes licensing requirements for property managers and provides a penalty for property managers failing to comply with the licensing requirements. Licensing and registration requirements for timeshare sales are repealed.

### FISCAL ANALYSIS

**Assumptions:**

- Due to the changes in SB 455, the board will see an estimated reduction in state special revenue for the repeal of licensure of timeshare sales in the amount of \$6,210 per year based on a five-year average.
- The board will also experience a reduction in revenue for licensing activities in the amount of \$82,931 based on a five-year average, but it is assumed a similar amount of revenue will be received by DLI for oversight of the licensing program. Licensing fees will be set commensurate with costs and no impact to state special revenue is expected for this transfer of administrative oversight.

3. There will be technology costs to cease activity for the board. This includes updates to websites, modification to forms and modifications to the licensing database. These tasks will be performed by existing department staff.
4. There will be rulemaking costs to transfer oversight of property managers from the board to DLI and to repeal the current rules for property managers and timeshare sales. Rulemaking costs can be covered by DLI's current budget authority.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
FTE	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$6,210)	(\$6,210)	(\$6,210)	(\$6,210)
<b>TOTAL Revenues</b>	<u>(\$6,210)</u>	<u>(\$6,210)</u>	<u>(\$6,210)</u>	<u>(\$6,210)</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$6,210)	(\$6,210)	(\$6,210)	(\$6,210)

NO SPONSOR SIGNATURE

	2/28/23		2-27-23
<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>