
ENGROSSED SUBSTITUTE HOUSE BILL 2643

State of Washington

52nd Legislature

1992 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Cooper and R. Fisher)

Read first time 02/11/92.

1 AN ACT Relating to vehicle licensing and registration activities;
2 amending RCW 46.01.140 and 46.01.230; adding a new section to chapter
3 46.01 RCW; and adding a new section to chapter 46.68 RCW.

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

5 **Sec. 1.** RCW 46.01.140 and 1991 c 339 s 16 are each amended to read
6 as follows:

7 (1) The county auditor, if appointed by the director of licensing
8 shall carry out the provisions of this title relating to the licensing
9 of vehicles and the issuance of vehicle license number plates under the
10 direction and supervision of the director and may with the approval of
11 the director appoint assistants as special deputies and recommend
12 subagents to accept applications and collect fees for vehicle licenses
13 and transfers and to deliver vehicle license number plates.

1 (2) A county auditor appointed by the director may request that the
2 director appoint subagencies within the county. Upon authorization of
3 the director, the auditor shall advertise a request for proposals and
4 use the process for soliciting vendors under RCW 39.04.190(2), except
5 that the provision requiring the contract to be awarded to the lowest
6 responsible bidder shall not apply. The auditor shall submit all
7 proposals to the director, and shall recommend the appointment of one
8 or more subagents who have applied through the request for proposal
9 process. The director has final appointment authority.

10 (3)(a) A county auditor who is appointed as an agent by the
11 department shall enter into a standard contract provided by the
12 director, developed with the advice of the title and registration
13 advisory committee.

14 (b) A subagent appointed under subsection (2) of this section shall
15 enter into a standard contract with the county auditor, developed with
16 the advice of the title and registration advisory committee. The
17 director shall provide the standard contract to county auditors.

18 (c) The contracts provided for in (a) and (b) of this subsection
19 must contain at a minimum provisions that:

20 (i) Describe the responsibilities, and where applicable, the
21 liability, of each party relating to the service expectations and
22 levels, equipment to be supplied by the department, and equipment
23 maintenance;

24 (ii) Require the specific type of insurance or bonds so that the
25 state is protected against any loss of collected motor vehicle tax
26 revenues or loss of equipment;

27 (iii) Specify the amount of training that will be provided by the
28 state, the county auditor, or subagents;

29 (iv) Describe allowable costs that may be charged to motor vehicle
30 licensing activities as provided for in (d) of this subsection;

1 (v) Describe the causes and procedures for termination of the
2 contract, which may include mediation and binding arbitration.

3 (d) The department shall develop procedures that will standardize
4 and prescribe allowable costs that may be assigned to motor vehicle
5 licensing activities performed by county auditors.

6 (e) The contracts may include any provision that the director deems
7 necessary to ensure acceptable service and the full collection of motor
8 vehicle tax revenues.

9 (f) The director may waive any provisions of the contract deemed
10 necessary in order to ensure that readily accessible service is
11 provided to the citizens of the state.

12 (4)(a) At any time any application is made to the director, the
13 county auditor, or other agent pursuant to any law dealing with
14 licenses, registration, or the right to operate any vehicle upon the
15 public highways of this state, excluding applicants already paying such
16 fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the
17 director, county auditor, or other agent a fee of two dollars for each
18 application in addition to any other fees required by law.

19 (b) The applicant shall also pay a service fee of two dollars and
20 twenty-five cents for registration renewal only, issuance of a transit
21 permit, or receiving any other service under this section. The service
22 fee shall not be charged on renewals done by mail. An agent shall
23 remit the service fee to the department for deposit into the department
24 of licensing services account of the motor vehicle fund. Counties that
25 do not cover the expenses of motor vehicle licensing activities may
26 submit to the department a request for cost-coverage moneys. The
27 request must be submitted on a form developed by the department. The
28 department shall develop procedures to verify whether a request is
29 reasonable. Payment shall be made on requests found to be allowable
30 from the licensing services account.

1 (c) Applicants for certificates of ownership, including applicants
2 paying fees under RCW 46.16.070 or 46.16.085, shall pay to the
3 director, county auditor, or other agent a fee of three dollars in
4 addition to any other fees required by law.

5 ~~((These))~~ (d) The fees under (a) and (c) of this subsection, if
6 paid to the county auditor as agent of the director, or if paid to a
7 subagent of the county auditor, shall be paid to the county treasurer
8 in the same manner as other fees collected by the county auditor and
9 credited to the county current expense fund. If the fee is paid to
10 another agent of the director, the fee shall be used by the agent to
11 defray his or her expenses in handling the application.

12 ~~((+3))~~ (5) A subagent ~~((is entitled to an additional service~~
13 ~~charge of two dollars. However, from July 1, 1991, through June 30,~~
14 ~~1992, subagents))~~ shall collect a service fee of (a) five dollars and
15 fifty cents for changes in a certificate of ownership, with or without
16 registration renewal, or verification of record and preparation of an
17 affidavit of lost title other than at the time of the title application
18 or transfer and (b) two dollars and twenty-five cents for registration
19 renewal only, issuing a transit permit, or any other service under this
20 section.

21 ~~((+4))~~ (6) If the fee is collected by the state patrol as agent
22 for the director, the fee so collected shall be certified to the state
23 treasurer and deposited to the credit of the state patrol highway
24 account. If the fee is collected by the department of transportation
25 as agent for the director, the fee shall be certified to the state
26 treasurer and deposited to the credit of the motor vehicle fund. All
27 such fees collected by the director or branches of his office shall be
28 certified to the state treasurer and deposited to the credit of the
29 highway safety fund.

1 (7) Any county revenues that exceed the cost of providing motor
2 vehicle licensing activities in a county, calculated in accordance with
3 the procedures in subsection (3)(d) of this section, shall be used
4 exclusively for transportation purposes under RCW 82.80.070, motor
5 vehicle licensing activities of the county auditor, and traffic
6 enforcement activities of the county sheriff.

7 (8) The director may adopt rules to implement this section.

8 **Sec. 2.** RCW 46.01.230 and 1987 c 302 s 2 are each amended to read
9 as follows:

10 (1) The department of licensing is authorized to accept checks and
11 money orders for payment of drivers' licenses, certificates of
12 ownership and registration, motor vehicle excise taxes, gross weight
13 fees, and other fees and taxes collected by the department, in
14 accordance with regulations adopted by the director. The director's
15 regulations shall duly provide for the public's convenience consistent
16 with sound business practice and shall encourage the annual renewal of
17 vehicle registrations by mail to the department, authorizing checks and
18 money orders for payment. Such regulations shall contain provisions
19 for cancellation of any registrations, licenses, or permits paid for by
20 checks or money orders which are not duly paid and for the necessary
21 accounting procedures in such cases: PROVIDED, That any bona fide
22 purchaser for value of a vehicle shall not be liable or responsible
23 for any prior uncollected taxes and fees paid, pursuant to this
24 section, by a check which has subsequently been dishonored: AND
25 PROVIDED FURTHER, That no transfer of ownership of a vehicle may be
26 denied to a bona fide purchaser for value of a vehicle if there are
27 outstanding uncollected fees or taxes for which a predecessor paid,
28 pursuant to this section, by check which has subsequently been
29 dishonored nor shall the new owner be required to pay any fee for

1 replacement vehicle license number plates that may be required pursuant
2 to RCW 46.16.270 as now or hereafter amended.

3 (2) It is a traffic infraction to fail to surrender within ten days
4 to the department or any authorized agent of the department any
5 certificate, license, or permit after being notified by certified mail
6 that such certificate, license, or permit has been canceled pursuant to
7 this section.

8 (3) Whenever registrations, licenses, or permits have been paid for
9 by checks that have been dishonored by nonacceptance or nonpayment, a
10 reasonable handling fee may be assessed for each such instrument.
11 Notwithstanding provisions of any other laws, county auditors, agents,
12 and subagents, appointed or approved by the director pursuant to RCW
13 46.01.140, may collect restitution, and where they have collected
14 restitution may retain the reasonable handling fee. The amount of the
15 reasonable handling fee may be set by rule by the director.

16 (4) In those counties where the county auditor has been appointed
17 an agent of the director under RCW 46.01.140, the auditor shall
18 continue to process mail-in registration renewals until directed
19 otherwise by legislative authority.

20 NEW SECTION. Sec. 3. A new section is added to chapter 46.01 RCW
21 to read as follows:

22 The title and registration advisory committee is created within the
23 department. The committee consists of the director or a designee, who
24 shall serve as chair, the assistant director for vehicle services, the
25 administrator of title and registration services, two members from each
26 of the house and senate transportation committees, two county auditors
27 nominated by the Washington association of county officials, and two
28 representatives of subagents nominated by an association of vehicle

1 subagents. The committee shall meet at least twice a year, and may
2 meet as often as is necessary.

3 The committee's purpose is to foster communication between the
4 legislature, the department, county auditors, and subagents. The
5 committee shall make recommendations when requested by the legislative
6 transportation committee, or on its own initiative, about revisions to
7 fee structures, implications of fee revisions on cost sharing, and the
8 development of standard contracts provided for in RCW 46.01.140(3).
9 The committee shall make recommendations about fee revisions to the
10 legislative transportation committee by January 1, 1996.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 46.68 RCW
12 to read as follows:

13 The department of licensing services account is created in the
14 motor vehicle fund. All receipts from service fees received under RCW
15 46.01.140(4)(b) shall be deposited into the account. Moneys in the
16 account may be spent only after appropriation. Expenditures from the
17 account may be used only for information and service delivery systems
18 for the department, and for reimbursement of county licensing
19 activities.