

FINAL BILL REPORT

2SHB 2436

C 270 L 10
Synopsis as Enacted

Brief Description: Concerning vehicle license fraud.

Sponsors: House Committee on General Government Appropriations (originally sponsored by Representatives Moeller, Green, Clibborn, Pedersen, Carlyle, Morrell and Jacks).

House Committee on Transportation
House Committee on General Government Appropriations
Senate Committee on Transportation

Background:

New Washington residents, unless exempt, must obtain a valid Washington driver's license and register their vehicles within 30 days from the date they become residents. Exemptions include a person in the military, a nonresident driver, shared ownership or a person operating special highway construction equipment, a farm tractor, non-public road travel, or other evidence satisfactory to the Department of Licensing that they have a valid and compelling reason for not being able to meet the registration requirements.

Failure to register a vehicle in Washington before operating it on the highways is a traffic infraction of \$529, and no part may be suspended or deferred. The avoided taxes and fees must be deposited and distributed in the same manner as if the taxes and fees were paid in a timely fashion. A motor vehicle subject to initial or renewal registration may not be registered to a person unless the person has an unexpired Washington driver's license.

The licensing of a vehicle in another state by a resident of this state to evade the payment of any tax or license fee imposed in connection with registration is a gross misdemeanor punishable as follows:

- For a first offense, up to one year in the county jail and payment of a fine of \$529 plus twice the amount of delinquent taxes and fees, no part of which may be suspended or deferred.
- For a second or subsequent offense, up to one year in the county jail and payment of a fine of \$529 plus four times the amount of delinquent taxes and fees, no part of which may be suspended or deferred.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The fines levied and the avoided taxes and fees for a second or subsequent offense will be deposited in the Vehicle Licensing Fraud Account to be used only for vehicle license fraud enforcement and collections by the Washington State Patrol (WSP) and the Department of Revenue (DOR).

Funding for the Vehicle License Fraud Program for 2007-09 was funded by the General Fund, but was not funded in the 2009-11 biennial budget.

Summary:

Failure to Make Initial Vehicle Registration.

Failure to make initial registration before operation of the vehicle on the highways of this state is a traffic infraction, and the violator must pay a fine of \$529 to be deposited into the Vehicle Licensing Fraud Account. The person must pay the delinquent taxes and fees which will be deposited and distributed in the same manner as if the taxes and fees were paid in a timely fashion.

Licensing of a Vehicle in Another State to Evade the Taxes and Fees.

A first offense is a gross misdemeanor punishable by:

- up to one year in the county jail;
- a fine of \$529 to be deposited into the Vehicle License Fraud Account;
- a fine of \$1,000 to be deposited into the Vehicle License Fraud Account; and
- the payment of the delinquent taxes and fees which will be deposited and distributed in the same manner as if the taxes and fees were paid in a timely fashion.

Licensing of a Vehicle in Another State to Evade the Taxes and Fees.

A second or subsequent offense is a gross misdemeanor, punishable by:

- up to one year in the county jail;
- a fine of \$529 to be deposited into the Vehicle License Fraud Account;
- a fine of \$5,000 to be deposited into the Vehicle License Fraud Account; and
- the payment of the delinquent taxes and fees which will be deposited and distributed in the same manner as if the taxes and fees were paid in a timely fashion.

A fiscal year appropriation of \$75,000 to the DOR and of \$250,000 to the WSP is made from the Vehicle Licensing Fraud Account for the purposes of vehicle license fraud enforcement and collections by the WSP and the DOR.

Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 1, 2010