

HOUSE BILL REPORT

SB 6826

As Passed House:
March 3, 2010

Title: An act relating to subagent service fees.

Brief Description: Increasing certain fees of licensing subagents.

Sponsors: Senator Swecker.

Brief History:

Committee Activity:

Transportation: 2/22/10, 2/24/10 [DP].

Floor Activity:

Passed House: 3/3/10, 88-9.

Brief Summary of Bill

- Increases the fees for services provided by vehicle licensing subagents for vehicle certificates of ownership and vehicle registrations.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 24 members: Representatives Clibborn, Chair; Liias, Vice Chair; Roach, Ranking Minority Member; Campbell, Dickerson, Driscoll, Eddy, Ericksen, Finn, Flannigan, Johnson, Klippert, Kristiansen, Moeller, Nealey, Rolfes, Sells, Shea, Simpson, Springer, Takko, Upthegrove, Williams and Wood.

Minority Report: Do not pass. Signed by 3 members: Representatives Rodne, Assistant Ranking Minority Member; Armstrong and Herrera.

Staff: Jerry Long (786-7306).

Background:

Under current law, vehicle licensing subagents have a contract with a county auditor to perform vehicle licensing functions. Subagents collect a service fee of \$10 for changes in a certificate of ownership, with or without registration renewal, or verifications of the records

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and preparation of an affidavit of lost title. Subagents charge a \$4 service fee for renewing a vehicle registration or other vehicle services.

Summary of Bill:

The vehicle licensing subagent service fee for a certificate of ownership and other related services is increased from \$10 to \$12. The fee for renewing a registration or other services is increased from \$4 to \$5. The Department of Licensing (Department) must implement a fair, equitable, and objective rotation of public and private entity listings on the Department's vehicle licensing and registration website. The entities to be listed on the rotation are the vehicle licensing subagents and county auditors to assist the public and businesses in locating vehicle licensing offices.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) Subagents provide a service to the public for titling and registration of vehicles. The cost of providing these services is increasing, which includes employee wages, benefits, rent, and utilities. The last fee increase for subagents was in 2005 and the fees are set in statute. As Internet renewals grow, this is a risk to the subagents when, instead of coming into a subagent's office, the public can use the Internet to renew their registration. Eighty percent of the subagents work with four work stations or less. This is a discretionary fee to the public since the person can also renew online, at the county auditor, or use mail-in. This is a stop gap measure since during the 2009 interim. A fee equalization bill was worked on to eliminate the fee disparity between the county auditors and the subagents, but did not reach agreement on a bill proposal. Presently the county auditors charge \$3 for a non-title transaction and \$4 for a title transaction. The subagents charge, in addition to the county fee, \$4 for a non-title transaction and \$10 for a title-related transaction. The fee increase is a modest fee increase to help the subagents remain in business. The process that is in place today has been in place for 74 years and is not working well. The system and processes need to be fixed.

(Opposed) None.

Persons Testifying: Senator Swecker, prime sponsor; Jan Novak, Don McCallums, Fred Maxie, and Mark Gjurasic, Washington Association of Vehicle Subagents.

Persons Signed In To Testify But Not Testifying: None.