

HOUSE BILL REPORT

2ESHB 1967

As Passed Legislature

Title: An act relating to licensing and registration crimes.

Brief Description: Increasing penalties for repeat violations of vehicle licensing requirements.

Sponsors: By House Committee on Transportation (originally sponsored by Representatives Romero, Robertson, R. Fisher, K. Schmidt, Tokuda, Chopp, Patterson, Regala, Hatfield, Wolfe, Cole, Dellwo, Valle and Ogden).

Brief History:

Committee Activity:

Transportation: 2/28/95, 3/6/95 [DPS].

Floor Activity:

Passed House: 3/14/95, 98-0;

Senate Amended.

Passed House: 1/26/96, 96-0.

Senate Amended.

House Concurred.

Passed Legislature.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 26 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; Skinner, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Brown; Buck; Cairnes; Chandler; Chopp; Elliot; Hankins; Horn; Johnson; Koster; McMahan; Ogden; Quall; Robertson; Romero; D. Schmidt; Scott and Tokuda.

Staff: Jeff Doyle (786-7322).

Background: Currently, trucks that are not licensed in this state may obtain a trip permit from the Department of Licensing (DOL). A trip permit allows that vehicle to travel within the state for three consecutive days. The vehicle must be within the legal weight limits. Current law restricts the use of trip permits to three per vehicle per month.

For the first offense of misusing a trip permit, the penalty is twice the amount of excise tax that is legally owed, plus up to one year in the county jail. For second and subsequent offenses, the penalty is three times the amount of the excise tax, plus up to one year in jail.

Summary of Bill: The fines for vehicle licensing fraud are raised from three times the taxes and fees owed to four times the taxes and fees owed. The excise taxes and registration fees are deposited in the same manner as if the taxes and fees were properly paid. The incremental increase in fines for evading proper payment of vehicle and vessel taxes and fees are deposited in the vehicle licensing fraud account.

Trip permits for RVs are limited to two per year. DOL is directed to explore the feasibility of a system allowing persons to apply for and receive trip permits electronically.

Appropriation: None.

Fiscal Note: Requested on February 24, 1995.

Effective Date of Bill: Sections 1 through 6 take effect January 1, 1997.

Testimony For: For every dollar the state spends on investigating vehicle licensing fraud, it recovers about \$6 from tax evaders. The misuse of trip permits is one of the primary means of defrauding the state of taxes owed.

Testimony Against: None.

Testified: Terry Wilson, Department of Revenue (pro); Jack Lince, Department of Licensing (pro, with amendment); and Tim Erickson, Washington State Patrol (pro, with amendment).