
HOUSE BILL 2671

State of Washington 54th Legislature 1996 Regular Session

By Representatives McMahan and Tokuda

Read first time 01/16/96. Referred to Committee on Transportation.

1 AN ACT Relating to vehicle and vessel fees; amending RCW 46.01.140,
2 46.01.320, and 88.02.070; adding a new section to chapter 46.01 RCW;
3 adding a new section to chapter 46.16 RCW; and providing effective
4 dates.

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

6 **Sec. 1.** RCW 46.01.140 and 1992 c 216 s 1 are each amended to read
7 as follows:

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

15 (2) A county auditor appointed by the director may request that the
16 director appoint subagencies within the county. Upon authorization of
17 the director, the auditor shall advertise a request for proposals and
18 use the process for soliciting vendors under RCW 39.04.190(2), except
19 that the provision requiring the contract to be awarded to the lowest

1 responsible bidder shall not apply. The auditor shall submit all
2 proposals to the director, and shall recommend the appointment of one
3 or more subagents who have applied through the request for proposal
4 process. The director has final appointment authority.

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

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

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

15 (i) Describe the responsibilities, and where applicable, the
16 liability, of each party relating to the service expectations and
17 levels, equipment to be supplied by the department, and equipment
18 maintenance;

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

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

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

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

28 (d) The department shall develop procedures that will standardize
29 and prescribe allowable costs that may be assigned to ~~((motor))~~ vehicle
30 licensing and vessel registration and title activities performed by
31 county auditors.

32 (e) The contracts may include any provision that the director deems
33 necessary to ensure acceptable service and the full collection of
34 ~~((motor))~~ vehicle and vessel tax revenues.

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

38 (4)(a) At any time any application is made to the director, the
39 county auditor, or other agent pursuant to any law dealing with

1 licenses, registration, or the right to operate any vehicle or vessel
2 upon the public highways or waters of this state, excluding applicants
3 already paying such fee under RCW 46.16.070 or 46.16.085, the applicant
4 shall pay to the director, county auditor, or other agent a fee of
5 ~~((two))~~ three dollars for each application in addition to any other
6 fees required by law.

7 (b) Counties that do not cover the expenses of ~~((motor))~~ vehicle
8 licensing and vessel registration and title activities may submit to
9 the department a request for cost-coverage moneys. The request must be
10 submitted on a form developed by the department. The department shall
11 develop procedures to verify whether a request is reasonable. Payment
12 shall be made on requests found to be allowable from the licensing
13 services account.

14 (c) Applicants for certificates of ownership, including applicants
15 paying fees under RCW 46.16.070 or 46.16.085, shall pay to the
16 director, county auditor, or other agent a fee of ~~((three))~~ four
17 dollars in addition to any other fees required by law.

18 (d) The fees under (a) and (c) of this subsection, if paid to the
19 county auditor as agent of the director, or if paid to a subagent of
20 the county auditor, shall be paid to the county treasurer in the same
21 manner as other fees collected by the county auditor and credited to
22 the county current expense fund. If the fee is paid to another agent
23 of the director, the fee shall be used by the agent to defray his or
24 her expenses in handling the application.

25 (5) A subagent shall collect a service fee of (a) ~~((five))~~ seven
26 dollars and fifty cents for changes in a certificate of ownership, with
27 or without registration renewal, or verification of record and
28 preparation of an affidavit of lost title other than at the time of the
29 title application or transfer and (b) ~~((two))~~ three dollars ~~((and~~
30 ~~twenty-five cents))~~ for registration renewal only, issuing a transit
31 permit, or any other service under this section.

32 (6) If the fee is collected by the state patrol as agent for the
33 director, the fee so collected shall be certified to the state
34 treasurer and deposited to the credit of the state patrol highway
35 account. If the fee is collected by the department of transportation
36 as agent for the director, the fee shall be certified to the state
37 treasurer and deposited to the credit of the motor vehicle fund. All
38 such fees collected by the director or branches of his office shall be

1 certified to the state treasurer and deposited to the credit of the
2 highway safety fund.

3 (7) Any county revenues that exceed the cost of providing ((motor))
4 vehicle licensing and vessel registration and title activities in a
5 county, calculated in accordance with the procedures in subsection
6 (3)(d) of this section, shall be expended as determined by the county
7 legislative authority during the process established by law for
8 adoption of county budgets.

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

10 **Sec. 2.** RCW 46.01.320 and 1992 c 216 s 3 are each amended to read
11 as follows:

12 The title and registration advisory committee is created within the
13 department. The committee consists of the director or a designee, who
14 shall serve as chair, the assistant director for vehicle services, the
15 administrator of title and registration services, two members from each
16 of the house and senate transportation committees, two county auditors
17 nominated by the Washington association of county officials, and two
18 representatives of subagents nominated by an association of vehicle
19 subagents. The committee shall meet at least twice a year, and may
20 meet as often as is necessary.

21 The committee's purpose is to foster communication between the
22 legislature, the department, county auditors, and subagents. The
23 committee shall make recommendations when requested by the legislative
24 transportation committee, or on its own initiative, about revisions to
25 fee structures, implications of fee revisions on cost sharing, and the
26 development of standard contracts provided for in RCW 46.01.140(3).
27 ((The committee shall make recommendations about fee revisions to the
28 legislative transportation committee by January 1, 1996.))

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.01 RCW
30 to read as follows:

31 (1) The director shall prepare, with the advice of the title and
32 registration advisory committee, an annual comprehensive analysis and
33 evaluation of agent and subagent fees. The director shall make
34 recommendations for agent and subagent fee revisions approved by the
35 title and registration advisory committee to the legislative
36 transportation committee by January 1st of every third year starting
37 with 1996. Fee revision recommendations may be made more frequently

1 when justified by the annual analysis and evaluation, and requested by
2 the title and registration advisory committee.

3 (2) The annual comprehensive analysis and evaluation must consider,
4 but is not limited to:

5 (a) Unique and significant financial, legislative, or other
6 relevant developments that may impact fees;

7 (b) Current funding for ongoing operating and maintenance
8 automation project costs affecting revenue collection and service
9 delivery;

10 (c) Future system requirements including an appropriate sharing of
11 costs between the department, agents, and subagents;

12 (d) Beneficial mix of customer service delivery options based on a
13 fee structure commensurate with quality performance standards;

14 (e) Appropriate indices projecting state and national growth in
15 business and economic conditions prepared by the United States
16 department of commerce, the department of revenue, and the revenue
17 forecast council for the state of Washington.

18 NEW SECTION. **Sec. 4.** A new section is added to chapter 46.16 RCW
19 to read as follows:

20 (1) In addition to the fees set forth in RCW 46.16.070, there shall
21 be paid and collected annually upon registration, a fee of one dollar
22 for each truck, motor truck, truck tractor, road tractor, tractor, bus,
23 auto stage, or for hire vehicle with seating capacity of more than six,
24 notwithstanding the provisions of RCW 46.16.070.

25 (2) In addition to the fees set forth in RCW 46.16.085, there shall
26 be paid and collected annually upon registration, a fee of one dollar
27 for each trailer, semitrailer, and pole trailer, notwithstanding the
28 provisions of RCW 46.16.085.

29 (3) The proceeds from the fees collected under subsections (1) and
30 (2) of this section shall be deposited into the highway safety fund,
31 except that for each vehicle registered by a county auditor or agent to
32 a county auditor under RCW 46.01.140, the proceeds shall be credited to
33 the current county expense fund.

34 **Sec. 5.** RCW 88.02.070 and 1991 c 339 s 31 are each amended to read
35 as follows:

36 (1) The department shall provide for the issuance of vessel
37 certificates of title. Applications for certificates may be made

1 through the agents appointed under RCW 88.02.040. The fee for a vessel
2 certificate of title is five dollars. Fees required for licensing
3 agents under RCW 46.01.140 are in addition to the vessel certificate of
4 title fee. Fees for vessel certificates of title shall be deposited in
5 the general fund. Security interests in vessels subject to the
6 requirements of this chapter and attaching after July 1, 1983, shall be
7 perfected only by indication upon the vessel's title certificate. The
8 provisions of chapters 46.12 and 46.16 RCW relating to motor vehicle
9 certificates of registration, titles, certificate issuance, ownership
10 transfer, and perfection of security interests, and other provisions
11 which may be applied to vessels subject to this chapter, may be so
12 applied by rule of the department if they are not inconsistent with
13 this chapter.

14 (2) Whenever a vessel is to be registered for the first time as
15 required by this chapter, except for a vessel having a valid marine
16 document as a vessel of the United States, application shall be made at
17 the same time for a certificate of title. Any person who purchases or
18 otherwise obtains majority ownership of any vessel subject to the
19 provisions of this chapter, except for a vessel having a valid marine
20 document as a vessel of the United States, shall within fifteen days
21 thereof apply for a new certificate of title which shows the vessel's
22 change of ownership.

23 (3) Security interests may be released or acted upon as provided by
24 the law under which they arose or were perfected. No new security
25 interest or renewal or extension of an existing security interest is
26 affected except as provided under the terms of this chapter and RCW
27 46.12.095.

28 (4) Notice shall be given to the issuing authority by the owner
29 indicated on the certificate of registration within fifteen days of the
30 occurrence of any of the following: Any change of address of owner;
31 destruction, loss, abandonment, theft, or recovery of the vessel; or
32 loss or destruction of a valid certificate of registration on the
33 vessel.

34 (5) Within five days, excluding Saturdays, Sundays, and state and
35 federal holidays, the owner shall notify the department in writing, on
36 the appropriate form, of the date of the sale or transfer, the name and
37 address of the owner and of the transferee, and such description of the
38 vessel, including the hull identification number, the vessel decal
39 number, or both, as may be required by the department.

1 NEW SECTION. **Sec. 6.** (1) Section 4 of this act and the amendments
2 to RCW 46.01.140(4) (a) and (c) by section 1 of this act become
3 effective on vehicle fees due or to become due on January 1, 1997, and
4 thereafter.

5 (2) Section 5 of this act and the amendments to RCW 46.01.140(4)
6 (a) and (c) by section 1 of this act become effective on vessel fees
7 due or to become due on July 1, 1997, and thereafter.

8 (3) The amendments to RCW 46.01.140(5) (a) and (b) by section 1 of
9 this act become effective on July 1, 1996.

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