SENATE BILL REPORT SSB 5078

As Reported By Senate Committee On: Transportation, February 12, 2002

Title: An act relating to vehicle license fees.

Brief Description: Revising the disposition of vehicle license fees.

Sponsors: Senate Committee on Transportation (originally sponsored by Senator Haugen).

Brief History:

Committee Activity: Transportation: 3/21/01 [DPS]; 1/29/02, 2/12/02 [DP2S]. Passed Senate: 3/23/01, 45-2. First Special Session: Passed Senate: 4/30/01, 48-0. Second Special Session: Passed Senate: 6/8/01, 40-1.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Second Substitute Senate Bill No. 5078 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Finkbeiner, Horn, Jacobsen, Keiser, McAuliffe, McDonald, Oke, Prentice, T. Sheldon, Shin and Swecker.

Staff: Chris Reykdal (786-7321)

Background: In November of 1999, Washington citizens passed Initiative 695 (eliminating the Motor Vehicle Excise Tax (MVET) and setting initial and renewal registration fees at \$30 for most vehicle classes). During the 2000 Special Session, the Legislature enacted SB 6865. SB 6865 placed a \$30 registration fee on all <u>motor</u> vehicles regardless of year, value, make, or model. By restricting registration fees to <u>motor</u> vehicles only, the Legislature removed the registration fee on large trailers and travel trailers.

SB 6865 did not amend RCW 46.68.030; consequently, the additional revenues from the \$30 registration fee were directed to the State Patrol Highway Account.

Summary of Second Substitute Bill: Registration fees are set at \$30 for large trailers and travel trailers. Further, all additional revenue generated from the new \$30 license tab fees are redirected to the Motor Vehicle Account.

Second Substitute Bill Compared to Substitute Bill: The effective date was changed to July 1, 2002.

Appropriation: None.

Fiscal Note: Requested on January 24, 2002.

Effective Date: July 1, 2002.

Senate Bill Report

Testimony For: None.

Testimony Against: If this revenue is transferred from the State Patrol Highway Account to the Motor Vehicle Account, there are concerns that the State Patrol will not have the available resources to fund future technology packages, including communication enhancements. Concerns were also raised about the appropriateness of State Patrol funding from transportation accounts. If the State Patrol is a policing organization, then they should be funded from the General Fund.

Testified: CON: Eric Roberts, Captain, Washington State Patrol; Paul W. Locke, citizen.