

HOUSE BILL REPORT

HB 2612

As Reported by House Committee On:
Transportation

Title: An act relating to tow truck operators.

Brief Description: Concerning tow truck operators.

Sponsors: Representatives Condotta and Steele.

Brief History:

Committee Activity:

Transportation: 1/22/18, 1/24/18 [DPS].

Brief Summary of Substitute Bill

- Creates license plate indicator tabs for licensed tow truck operators applying for a license to use a tow truck to conduct transporter, hulk hauler or scrap processor, or wrecker business.
- Establishes fees for the transporter, hulk hauler or scrap processor, and wrecker license plate indicator tabs.
- Requires that tow truck operators with transporter, hulk hauler or scrap processor, and/or wrecker license plate indicator tabs be subject to the same requirements, enforcement, and penalties as non-towing companies conducting transporter, hulk hauler or scrap processor, or wrecker business with vehicles bearing special license plates indicating the business purpose.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 23 members: Representatives Clibborn, Chair; Fey, Vice Chair; Wylie, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Harmsworth, Assistant Ranking Minority Member; Chapman, Gregerson, Irwin, Kloba, Lovick, McBride, Ortiz-Self, Pellicciotti, Pike, Riccelli, Rodne, Shea, Stambaugh, Tarleton, Valdez, Van Werven and Young.

Staff: Patricia Hasan (786-7292).

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.

Background:

Registered tow truck operators may apply for a transporter license with the Department of Licensing (DOL). A transporter license allows a person or business to deliver vehicles that are not registered as their own using the driveway or towaway methods. When a license application is approved by the DOL, the operator is issued a set of unique license plates indicating the transporter business purpose that are to be displayed on the tow truck in operation. The fee for an original transporter license is \$25. Special license plates indicating the transporter business must be displayed on any vehicle being transported using a licensed tow truck. The fee for these plates is \$2 per set.

Registered tow truck operators may apply for a hulk hauler or scrap processor license with the DOL. A hulk hauler is a person or a business that transports and/or sells vehicles to a licensed vehicle wrecker or scrap processor in the same form that the vehicle was obtained in. A hulk hauler may not sell secondhand vehicle parts to anyone other than a licensed vehicle wrecker or scrap processor, with exception to some parts that are authorized to be removed from the vehicle and sold. A scrap processor is a licensed establishment that maintains a hydraulic baler and shears or a shredder for recycling salvage. When a license application is approved by the DOL, the operator is issued a certificate that must be displayed at the place of business. The fee for a hulk hauler license is \$10, and the fee for a scrap processor license is \$25. Special license plates indicating the hulk hauler or scrap processor business must be displayed on the tow truck vehicles used for this work and must be displayed on any vehicle being transported in lieu of a trip permit or current license. The fee for these special plates is \$5 for the first set and \$2 for each additional set bearing the same license number.

Registered tow truck operators may apply for a wrecker license with the DOL. A wrecker is a person or business engaged in buying, selling, or dealing in vehicles for the purpose of wrecking, dismantling, or disassembling vehicles, or who buys and sells integral secondhand parts of component material, or who deals in secondhand vehicle parts. When a license application is approved by the DOL, the operator is issued a certificate that must be displayed at the place of business. The fee for a wrecker license is \$25. Special license plates indicating the wrecker business must be displayed on the vehicles owned or operated by the operator and used to conduct business. Wrecker companies with more than one licensed location in the state may use special license plates bearing the same number for vehicles operated out of any of the locations. The fee for these special plates is \$5 for the first set and \$2 for each additional set bearing the same license number.

Summary of Substitute Bill:

A registered tow truck operator using a tow truck to conduct transporter business is required to display a license plate indicator tab detailing the business purpose on the vehicle's regular license plates. This is in lieu of obtaining and displaying a special set of license plates indicating the business purpose in addition to the regular license plates. A fee of \$25 is established for the transporter license plate indicator tab.

A registered tow truck operator using a tow truck to conduct hulk hauler or scrap processor business is required to display a license plate indicator tab detailing the business purpose on the vehicle's regular license plates. This is in lieu of obtaining and displaying a special set of license plates indicating the business purpose in addition to the regular license plates. A fee of \$5 is established for the first hulk hauler or scrap processor license plate indicator tab, and a fee of \$2 is established for each additional indicator tab bearing the same license number.

A registered tow truck operator using a tow truck to conduct wrecker business is required to display a license plate indicator tab detailing the business purpose on the vehicle's regular license plates. This is in lieu of obtaining and displaying a special set of license plates indicating the business purpose in addition to the regular license plates. A fee of \$5 is established for the first wrecker business license plate indicator tab, and a fee of \$2 is established for each additional indicator tab bearing the same license number.

The license plate indicator tabs must affix to the tow truck's regular license plate, clearly identify the business purpose of the licensed vehicle, use a combination of letters and numbers to indicate a vehicle is licensed, and be approved by the DOL. Tow truck operators with transporter, hulk hauler or scrap processor, and/or wrecker license plate indicator tabs are subject to the same requirements, enforcement, and penalties as non-towing companies conducting transporter, hulk hauler or scrap processor, or wrecker business with vehicles bearing special license plates indicating the business purpose. The license plate indicator tabs may not be used on any special or personalized license plate.

Substitute Bill Compared to Original Bill:

References to statute are corrected. Statutes that require non-towing companies conducting transporter, hulk hauler or scrap processor, or wrecker business to purchase and display unique license plates authorizing the business use of the truck in addition to the standard license plate required to register all vehicles are reinstated. The type of indication that is displayed on a license plate to signify the business purpose is clarified to be an indicator tab. Established fees are clarified to be for license plate indicator tabs instead of for license plates. A clarification is made that license plate indicator tabs may not be used on special or personalized license plates. A clarification is made distinguishing that license plate indicator tabs are to be purchased and used by registered tow truck operators that receive a different license to perform transporter, hulk hauler or scrap processor, and/or wrecker services in addition to towing services. A clarification is made requiring that tow truck operators with transporter, hulk hauler or scrap processor, and/or wrecker license plate indicator tabs are subject to the same requirements, enforcement, and penalties as non-towing companies conducting transporter, hulk hauler or scrap processor, or wrecker business with vehicles bearing special license plates indicating the business purpose. The effective date is changed from 90 days after adjournment of the session to June 1, 2019.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on June 1, 2019.

Staff Summary of Public Testimony:

(In support) New language will be presented making some technical changes to the bill. This bill will create an efficiency for registered tow truck operators who have licenses to conduct other business with the tow truck. Currently, tow trucks may have up to four sets of license plates on the vehicle—one for registering the vehicle and up to three different sets based on type of business conducted. Plates are put on bumpers and air intake grates on the tow trucks because only one place for plates is included by vehicle manufacturers. Tow truck operators want to create an efficiency that allows for the use of one license plate with up to three indicator tabs displaying business conducted by the tow truck. No fee changes are requested; the same fees would be paid for the indicator tabs as operators are currently paying for license plates.

(Opposed) None.

(Other) The intent of this bill is good, but there are technical issues with some of the language in the bill. The sections of statute that are repealed would affect non-towing companies that conduct transporter, hulk hauler or scrap processor, or wrecker business. The current effective date is problematic to the DOL as they are configuring their new Driver and Vehicle System; implementing bills during this time would include high costs and risk to the project. Administrative changes would also make the bill more effective.

Persons Testifying: (In support) Representative Condotta, prime sponsor; Peter Lukevich, Towing and Recovery Association of Washington; and Kris Zachary, Burns Towing.

(Other) James King, Independent Business Association; and Beau Pershbacher, Department of Licensing.

Persons Signed In To Testify But Not Testifying: None.