

HOUSE BILL REPORT

HB 2534

As Reported by House Committee On:
Transportation

Title: An act relating to full disclosure of vehicle taxes and license fees.

Brief Description: Requiring full disclosure of vehicle taxes and license fees.

Sponsors: Representatives Nixon, Rodne and Woods.

Brief History:

Committee Activity:

Transportation: 2/1/06, 2/2/06 [DPS].

<p>Brief Summary of Substitute Bill</p> <ul style="list-style-type: none">• Requiring vehicle license notices to fully disclose vehicle taxes and fees.
--

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Murray, Chair; Wallace, Vice Chair; Woods, Ranking Minority Member; Skinner, Assistant Ranking Minority Member; Appleton, Buck, Campbell, Clibborn, Curtis, Dickerson, Ericksen, Flannigan, Hankins, Holmquist, Hudgins, Jarrett, Kilmer, Lovick, Morris, Nixon, Rodne, Schindler, Sells, Shabro, Simpson, B. Sullivan, Takko, Upthegrove and Wood.

Staff: Teresa Berntsen (786-7301).

Background:

Vehicle owners must register their vehicles with the Department of Licensing (DOL), and renew this registration annually. Current law applies certain fees to initial or renewal vehicle registration. Examples of fees include the license tab fee, transaction filing fee, weight fees, and excise taxes for certain local taxing districts.

When persons initially register their vehicles or renew their registrations, they receive a vehicle registration form, tabs for their vehicle plates, and new plates when applicable. The vehicle registration lists the fees paid.

Each year the DOL sends out vehicle registration renewal notices. These notices state the total amount of fees due. If the registered owner lives inside a local taxing district, the

renewal notice lists the excise tax due, the name of the local taxing authority, and the taxing authority's phone number.

Summary of Substitute Bill:

In addition to the total amount due, the DOL is required to list the following on vehicle license renewal notices for vehicle registration due on or after August 1, 2006:

- the amount of each license fee and excise tax due;
- what jurisdiction imposed the tax or fee; and
- for voter approved taxes, include the term "voter approved."

The Department of Licensing must print the required information on the current type and size of renewal notice.

Substitute Bill Compared to Original Bill:

Reference to the vehicle license renewal notice is clarified. The requirement to list if a tax or fee is voter approved is clarified. The Department of Licensing must print the required information on the current type and size of renewal notice.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Vehicle renewal notice used to include fee detail, but the Legislature has added requirements that require further information on the notices, and the department discontinued putting the fee detail on the renewal. The renewal notices contain the department's web site address where persons can go for a breakdown of fees, but everyone does not have access to the Internet. Voters deserve to know where their license fees are going, who imposed the fee, and if the fee is voter approved.

Testimony Against: None.

Persons Testifying: Representative Nixon, prime sponsor; and Eric Anderson and Barbara Sandel, Department of Licensing.

Persons Signed In To Testify But Not Testifying: None.