SSB 6426 - S AMD 64

By Senators Haugen, Berkey and Swecker

ADOPTED 2/10/2010

1 On page 97, after line 30, insert the following:

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" Title and Registration Advisory Committee

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6 <u>NEW SECTION.</u> **Sec. 156.** RCW 46.01.320 (Title and registration 7 advisory committee) and 2005 c 319 s 115, 1996 c 315 s 2, & 1992 c 216 8 s 3 are each repealed.

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- 10 **Sec. 157.** RCW 46.01.325 and 2005 c 319 s 116 are each amended to 11 read as follows:
- 12 (1) The director shall prepare((, with the advice of the title and
- 13 registration advisory committee,)) an annual comprehensive analysis
- 14 and evaluation of agent and subagent fees. The director shall make
- 15 recommendations for agent and subagent fee revisions ((approved by the
- 16 $\frac{\text{title and registration advisory committee}}{\text{ommittee}})$) to the senate and house
- 17 transportation committees by January 1st of every third year starting
- 18 with 1996. Fee revision recommendations may be made more frequently
- 19 when justified by the annual analysis and evaluation((, and requested
- 20 by the title and registration advisory committee)).
- 21 (2) The annual comprehensive analysis and evaluation must
- 22 consider, but is not limited to:
- 23 (a) Unique and significant financial, legislative, or other
- 24 relevant developments that may impact fees;
- 25 (b) Current funding for ongoing operating and maintenance
- 26 automation project costs affecting revenue collection and service
- 27 delivery;

- 1 (c) Future system requirements including an appropriate sharing of 2 costs between the department, agents, and subagents;
- 3 (d) Beneficial mix of customer service delivery options based on a 4 fee structure commensurate with quality performance standards;
- (e) Appropriate indices projecting state and national growth in business and economic conditions prepared by the United States department of commerce, the department of revenue, and the revenue forecast council for the state of Washington.

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- 10 **Sec. 158.** RCW 46.01.140 and 2005 c 343 s 1 are each amended to 11 read as follows:
- (1) The county auditor, if appointed by the director of licensing shall carry out the provisions of this title relating to the licensing of vehicles and the issuance of vehicle license number plates under the direction and supervision of the director and may with the approval of the director appoint assistants as special deputies and recommend subagents to accept applications and collect fees for vehicle licenses and transfers and to deliver vehicle license number plates.
- 20 (2) A county auditor appointed by the director may request that 21 the director appoint subagencies within the county.
- 22 (a) Upon authorization of the director, the auditor shall use an 23 open competitive process including, but not limited to, a written 24 business proposal and oral interview to determine the qualifications 25 of all interested applicants.
- (b) A subagent may recommend a successor who is either the 26 27 subagent's sibling, spouse, or child, or a subagency employee, as long 28 as the recommended successor participates in the open, competitive 29 process used to select an applicant. In making successor 30 recommendation and appointment determinations, following the 31 provisions apply:
- (i) If a subagency is held by a partnership or corporate entity, 33 the nomination must be submitted on behalf of, and agreed to by, all 34 partners or corporate officers.

- 1 (ii) No subagent may receive any direct or indirect compensation
- 2 or remuneration from any party or entity in recognition of a successor
- 3 nomination. A subagent may not receive any financial benefit from the
- 4 transfer or termination of an appointment.
- 5 (iii) (a) and (b) of this subsection are intended to assist in the
- 6 efficient transfer of appointments in order to minimize public
- 7 inconvenience. They do not create a proprietary or property interest
- 8 in the appointment.
- 9 (c) The auditor shall submit all proposals to the director, and
- 10 shall recommend the appointment of one or more subagents who have
- 11 applied through the open competitive process. The auditor shall
- 12 include in his or her recommendation to the director, not only the
- 13 name of the successor who is a relative or employee, if applicable and
- 14 if otherwise qualified, but also the name of one other applicant who
- 15 is qualified and was chosen through the open competitive process. The
- 16 director has final appointment authority.
- 17 (3)(a) A county auditor who is appointed as an agent by the
- 18 department shall enter into a standard contract provided by the
- 19 director((, developed with the advice of the title and registration
- 20 advisory committee)).
- 21 (b) A subagent appointed under subsection (2) of this section
- 22 shall enter into a standard contract with the county auditor((7
- 23 developed with the advice of the title and registration advisory
- 24 committee)). The director shall provide the standard contract to
- 25 county auditors.
- 26 (c) The contracts provided for in (a) and (b) of this subsection
- 27 must contain at a minimum provisions that:
- 28 (i) Describe the responsibilities, and where applicable, the
- 29 liability, of each party relating to the service expectations and
- 30 levels, equipment to be supplied by the department, and equipment
- 31 maintenance;
- 32 (ii) Require the specific type of insurance or bonds so that the
- 33 state is protected against any loss of collected motor vehicle tax
- 34 revenues or loss of equipment;

- 1 (iii) Specify the amount of training that will be provided by the 2 state, the county auditor, or subagents;
- 3 (iv) Describe allowable costs that may be charged to vehicle 4 licensing activities as provided for in (d) of this subsection;
- 5 (v) Describe the causes and procedures for termination of the 6 contract, which may include mediation and binding arbitration.
- 7 (d) The department shall develop procedures that will standardize 8 and prescribe allowable costs that may be assigned to vehicle 9 licensing and vessel registration and title activities performed by 10 county auditors.
- 11 (e) The contracts may include any provision that the director 12 deems necessary to ensure acceptable service and the full collection 13 of vehicle and vessel tax revenues.
- (f) The director may waive any provisions of the contract deemed 15 necessary in order to ensure that readily accessible service is 16 provided to the citizens of the state.
- (4)(a) At any time any application is made to the director, the county auditor, or other agent pursuant to any law dealing with licenses, registration, or the right to operate any vehicle or vessel upon the public highways or waters of this state, excluding applicants already paying such fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the director, county auditor, or other agent a fee of three dollars for each application in addition to any other fees required by law.
- (b) Counties that do not cover the expenses of vehicle licensing and vessel registration and title activities may submit to the department a request for cost-coverage moneys. The request must be submitted on a form developed by the department. The department shall develop procedures to verify whether a request is reasonable. Payment shall be made on requests found to be allowable from the licensing services account.
- 32 (c) Applicants for certificates of ownership, including applicants 33 paying fees under RCW 46.16.070 or 46.16.085, shall pay to the

- 1 director, county auditor, or other agent a fee of four dollars in 2 addition to any other fees required by law.
- 3 (d) The fees under (a) and (c) of this subsection, if paid to the 4 county auditor as agent of the director, or if paid to a subagent of 5 the county auditor, shall be paid to the county treasurer in the same 6 manner as other fees collected by the county auditor and credited to 7 the county current expense fund. If the fee is paid to another agent 8 of the director, the fee shall be used by the agent to defray his or 9 her expenses in handling the application.
- 10 (e) Applicants required to pay the three-dollar fee established 11 under (a) of this subsection, must pay an additional seventy-five 12 cents, which must be collected and remitted to the state treasurer and 13 distributed as follows:
- (i) Fifty cents must be deposited into the department of licensing services account of the motor vehicle fund and must be used for agent and subagent support, which is to include but not be limited to the replacement of department-owned equipment in the possession of agents and subagents.
- 19 (ii) Twenty-five cents must be deposited into the license plate 20 technology account created under RCW 46.16.685.
- (5) A subagent shall collect a service fee of (a) ten dollars for changes in a certificate of ownership, with or without registration renewal, or verification of record and preparation of an affidavit of lost title other than at the time of the title application or transfer and (b) four dollars for registration renewal only, issuing a transit permit, or any other service under this section.
- (6) If the fee is collected by the state patrol as agent for the director, the fee so collected shall be certified to the state treasurer and deposited to the credit of the state patrol highway account. If the fee is collected by the department of transportation as agent for the director, the fee shall be certified to the state treasurer and deposited to the credit of the motor vehicle fund. All such fees collected by the director or branches of his office shall be

2 highway safety fund. (7) Any county revenues that exceed the cost of providing vehicle 4 licensing and vessel registration and title activities in a county, 5 calculated in accordance with the procedures in subsection (3)(d) of 6 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.

1 certified to the state treasurer and deposited to the credit of the

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

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Renumber the sections consecutively and correct any internal 13 references accordingly.

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By Senators Haugen, Berkey and Swecker

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20 On page 1, line 13 of the title, after "43.60A.010," insert 21 "46.01.325, 46.01.140,"

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23 On page 2, line 28 of the title, after "43.131.405," insert "46.01.320,"

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EFFECT: Repeals the Title and Registration Advisory Committee.

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