

# SENATE BILL REPORT

## SHB 1242

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As of March 15, 2013

**Title:** An act relating to vehicle subagents.

**Brief Description:** Concerning the authority of a vehicle subagent to recommend a successor.

**Sponsors:** House Committee on Transportation (originally sponsored by Representatives Moscoso, Zeiger, Morrell, Johnson, Roberts and Springer).

**Brief History:** Passed House: 3/04/13, 98-0.

**Committee Activity:** Transportation: 3/14/13.

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### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Amanda Cecil (786-7429)

**Background:** The Director of the Department of Licensing (DOL) may appoint county auditors or other officials of county government as agents of DOL to process and issue vehicle titles. County auditors and other agents may request that DOL appoint subagents to process vehicle titles and registrations on their behalf. County auditors or agents must use an open competitive process to determine the qualifications of the interested applicants. The county auditor or agent then submits all proposals to DOL with a recommendation for appointment of one or more subagents.

If a subagent no longer wishes to retain their appointment, the same open competitive process is followed. If one of the county auditor's recommendations is an existing subagent's sibling, spouse, child, or an employee, the county auditor must submit one other applicant who is qualified and was chosen through the open competitive process. A subagent may not receive any direct or indirect compensation from any party or entity in recognition of a successor nomination. A subagent may not receive any financial benefit from the transfer or termination of an appointment. The appointment of a successor does not create a proprietary or property interest in the appointment.

**Summary of Bill:** A subagent who is planning to retire within 12 months may recommend a successor without resigning their appointment by submitting a letter of intent to retire to the county auditor or other agent with a successor recommendation. The county auditor or other agent must, within 60 days, respond in writing indicating if the successor would be considered in the open competitive process. If there are negative factors or deficiencies

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pertaining to the subagency or the recommended successor, the county auditor must state those factors in writing to the subagent. The subagent may withdraw the letter of intent to retire prior to the open competitive process by writing to the county auditor or other agent and filing a copy with DOL.

A subagent may name a recommended successor at any time during their appointment by notifying the county auditor or other agent and filing a copy with DOL. The purpose is for the county auditor to know the wishes of the subagent in the event of death or incapacitation that could lead to the inability of the subagent to fulfill the obligation of their appointment.

If the county auditor or other agent does not select the recommended successor for appointment as a result of the open competitive process, they must contact the subagent by letter and explain the decision. The subagent must be provided an opportunity to respond in writing. Any response by the subagent must be included in the open competitive process materials submitted to DOL.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill allows subagents to plan for retirement and to put their successor on a career path. Subagents make investments in their business but they do not own them. This allows for an established process to ensure a continuation of the business and the benefits that they provide to the local community.

**Persons Testifying:** PRO: Chuck Whitfield, Whitfield's Auto Licensing; Charlene Winzler, Jan Novak, WA Assn. of Vehicle Subagents; Shane Cox, Cascade Licensing Agency; Thad Duvall, WA State Assn. of County Auditors.