# FINAL BILL REPORT SHB 1682

#### C 388 L 23

Synopsis as Enacted

**Brief Description:** Concerning the Washington auto theft prevention authority account.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Maycumber, Chapman, Barnard, Reeves, Riccelli, Bateman, Springer, Volz, Chambers, Mosbrucker, Robertson, Leavitt, Jacobsen, Christian and Rule).

House Committee on Appropriations Senate Committee on Ways & Means

#### **Background:**

The Washington Auto Theft Prevention Authority (WATPA) was established within the Washington Association of Sheriffs and Police Chiefs to review and make recommendations to the Legislature and the Governor regarding motor vehicle theft crimes in Washington.

### Washington Auto Theft Prevention Account.

The Washington Auto Theft Prevention Account (Account) is an appropriated account created in the custody of the State Treasurer. Revenue from traffic infraction surcharges, including but not limited to all receipts from gifts, grants, bequests, devises, or other funds from public and private sources to support its activities must be deposited into the Account. Expenditures from the Account may be used only for activities relating to motor vehicle theft, including education, prevention, law enforcement, investigation, prosecution, and confinement costs.

The Account is subject to allotment procedures under the state budgeting, accounting, and reporting system statute but an appropriation is not required for expenditures. The WATPA must allocate moneys in the Account to public agencies for the purpose of establishing, maintaining, and supporting programs that are designed to prevent motor vehicle theft, including providing financial support:

• to prosecution agencies to increase the effectiveness of motor vehicle theft

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

#### prosecution;

- to a unit of local government or a team consisting of units of local governments to increase the effectiveness of motor vehicle theft enforcement;
- for the procurement of equipment and technologies for use by law enforcement agencies for the purpose of enforcing motor vehicle theft laws; and
- for programs that are designed to educate and assist the public in the prevention of motor vehicle theft.

The costs of administration must not exceed 10 percent of the moneys in the Account in any one year so that the greatest possible portion of the moneys available to the WAPTA are expended on combating motor vehicle theft.

Prior to awarding moneys from the Account for motor vehicle theft enforcement or prosecution efforts, the WAPTA must verify that the financial award includes sufficient funding to cover proposed activities which include, but are not limited to, administration, law enforcement, prosecutor, court, and state and local offender confinement costs. Moneys expended from the Account must be used to supplement, not supplant, other moneys that are available for motor vehicle theft prevention.

#### Traffic Infractions.

In addition to any other penalties imposed by law, a person found to have committed a traffic infraction must be assessed a \$10 surcharge per infraction. Revenue from this fee must be remitted to the State Treasurer for deposit in the Account. Traffic surcharges are the primary source of revenue for the WAPTA.

#### Insurance Taxation.

All net premiums collected and received by authorized insurers are subject to the state's insurance premiums tax except for title insurers and fraternal benefit societies. The insurance premiums tax rate is 2 percent, except for ocean marine and foreign trade which pay 0.95 percent. For property and casualty insurance in which Washington is the insured's home state, the tax is computed upon the entire premium regardless of whether the policy covers risks or exposures within the state. For all other lines of insurance, the tax is computed upon the proportion of the premium that is properly allocable to the risks or exposures located in the state.

#### **Summary:**

Beginning on July 1, 2023, and annually thereafter, the State Treasurer must deposit \$7 million collected in revenue from insurance premium taxes into the Washington Auto Theft Prevention Account (Account). The amount deposited into the Account from the premium tax revenue must be adjusted by the most current seasonally adjusted index of the consumer price index for all urban consumers.

The Account will no longer consist of surcharges from traffic infractions. Revenue

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collected from the \$10 surcharge imposed on traffic infractions must be forwarded to the State Treasurer for deposit in the general fund.

## **Votes on Final Passage:**

House 94 1

Senate 49 0 (Senate amended) House 97 0 (House concurred)

Effective: July 1, 2023