

# HOUSE BILL REPORT

## HB 1704

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*As Reported By House Committee on:  
Transportation*

**Title:** An act relating to motor vehicles.

**Brief Description:** Changing provisions relating to motor vehicles.

**Sponsor(s):** Representatives Cooper, Betrozoff and R. Johnson; by request of Department of Licensing.

**Brief History:**

Reported by House Committee on:  
Transportation, February 27, 1991, DPS.

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**HOUSE COMMITTEE ON  
TRANSPORTATION**

**Majority Report:** *That Substitute House Bill No. 1704 be substituted therefor, and the substitute bill do pass.*  
Signed by 20 members: Representatives R. Fisher, Chair; R. Meyers, Vice Chair; Chandler, Assistant Ranking Minority Member; Cantwell; Cooper; Day; G. Fisher; Forner; Haugen; Heavey; Horn; P. Johnson; Jones; Kremen; Mitchell; Nelson; Orr; Prentice; Wood; and Zellinsky.

**Staff:** Brad Lovaas (786-7307).

**Background:** This proposed legislation is of a general nature with several revisions to correct and update provisions of the laws governing vehicle proportional licensing and fuel tax administration.

**Summary of Substitute Bill:** This proposal sets forth the ability of the Department of Licensing (DOL) to assess motor vehicle fuel tax reports, mitigate penalties and interest for reasonable cause, and give distributors certain due process rights relative to their petitions for reassessment.

Persons who have property of the debtor-distributor in their possession are required not only to withhold the distributor's property, but to deliver that property upon demand of DOL. If the person does not respond to the notice from DOL, the department is authorized to go to court to obtain a default judgment.

The department is allowed to file a warrant, or judgment, in the superior court for the amount of the delinquent assessment. DOL can thus execute on this assessment in the same manner as a judgment creditor can execute on an unsatisfied judgment.

The definition of "motor vehicle" is amended to conform to the definition of motor vehicle used in other taxing statutes.

The department is allowed to consider mitigation of penalties and assessments in the special fuel area and the aircraft fuel area.

The veteran's emblem program is expanded to include active military personnel.

Provisions to implement the local option county fuel tax collection process are added.

***Substitute Bill Compared to Original Bill:*** A provision to expand the veteran's emblem program to include active military personnel is added.

Provisions to implement the local option county fuel tax collection process are added.

***Fiscal Note:*** Available.

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

***Testimony For:*** The penalty and due process provisions for various special fuel distributors are made uniform.

***Testimony Against:*** None.

***Witnesses:*** Bob Anderson, Department of Licensing.