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**SUBSTITUTE HOUSE BILL 2412**

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**State of Washington**

**53rd Legislature**

**1994 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Zellinsky and Schmidt)

Read first time 02/02/94.

1 AN ACT Relating to rental car businesses; amending RCW 46.87.023  
2 and 82.44.023; and repealing RCW 46.16.0101.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** RCW 46.16.0101 and 1992 c 194 s 6 are each  
5 repealed.

6 **Sec. 2.** RCW 46.87.023 and 1992 c 194 s 7 are each amended to read  
7 as follows:

8 (1) Rental car businesses must register with the department of  
9 licensing. This registration must be renewed annually by the rental  
10 car business.

11 ~~(2) ((Rental car businesses must obtain a certificate of ownership~~  
12 ~~and indicate that the vehicle is a rental car. Registration must be~~  
13 ~~obtained for all rental cars and shall be valid for the period in which~~  
14 ~~the rental car is part of an authorized business up to a maximum of~~  
15 ~~twelve months))~~ Rental cars must be titled and registered under the  
16 provisions of chapters 46.12 and 46.16 RCW. The vehicle must be  
17 identified at the time of application with the rental car company  
18 business number issued by the department.

1       ~~(3) ((In addition to all other fees prescribed for the registration~~  
2 ~~of vehicles under chapter 46.16 RCW, the department shall collect a fee~~  
3 ~~of five dollars per registration for the administration of the program~~  
4 ~~and a vehicle transaction fee as authorized in RCW 46.87.130 to be~~  
5 ~~deposited to the motor vehicle fund.~~

6       ~~(4))~~ Use of rental cars is restricted to the rental customer  
7 unless otherwise provided by rule.

8       ~~((5) The department will issue rental car license plates to~~  
9 ~~businesses authorized under this section. A rental car business shall~~  
10 ~~pay a fee of ten dollars for each set of rental car license plates as~~  
11 ~~defined in RCW 46.87.090. Rental cars no longer eligible for use of~~  
12 ~~the rental plates will be considered unlicensed vehicles and must be~~  
13 ~~registered and pay the required motor vehicle excise taxes and~~  
14 ~~registration fees prior to operation on public roads of this state.~~

15       ~~(6) The department may authorize rental car businesses to issue~~  
16 ~~temporary authorization permits as defined in RCW 46.87.080.~~

17       ~~(7))~~ (4) The department may suspend or cancel the exemptions,  
18 benefits, or privileges granted under this section to ~~((any person or))~~  
19 a rental car business ~~((firm who))~~ that violates the laws of this state  
20 relating to the operation or registration of vehicles or rules lawfully  
21 adopted thereunder. The department may initiate and conduct audits,  
22 investigations, and enforcement actions as may be reasonably necessary  
23 for administering this section.

24       ~~((8) Except as provided in this section or by rule adopted~~  
25 ~~pursuant to this section, the transfer or use of the rental plates is~~  
26 ~~a traffic infraction subject to a fine not to exceed five hundred~~  
27 ~~dollars. Any law enforcement agency that determines that a special~~  
28 ~~license plate has not been used in conformance with this section will~~  
29 ~~confiscate the license plates and return them to the department for~~  
30 ~~nullification along with full details of the reasons for confiscation.~~

31       ~~(9))~~ (5) The department shall adopt such rules as may be necessary  
32 to administer and enforce the provisions of this section.

33       **Sec. 3.** RCW 82.44.023 and 1992 c 194 s 8 are each amended to read  
34 as follows:

35       Rental cars as defined in RCW 46.04.465 are exempt from the taxes  
36 imposed in RCW 82.44.020 (1) and (2). When a rental car ceases to be  
37 used for rental car purposes and at the time of its retail sale, the  
38 excise tax imposed in RCW 82.44.020 (1) and (2) shall be imposed in an

- 1 amount equal to one-twelfth of the annual excise tax then in effect,
- 2 for each full month remaining in the vehicle's registration year.

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