

HOUSE BILL REPORT

SB 6129

As Reported by House Committee On:
Transportation

Title: An act relating to funding for the state patrol highway account.

Brief Description: Providing additional funding for the state patrol highway account.

Sponsors: Senators Murray and Haugen.

Brief History:

Committee Activity:

Transportation: 3/27/07, 3/28/07 [DP].

Brief Summary of Bill

- Increases the fee for a temporary vehicle permit from \$5 to \$15.
- Increases the vehicle dealer documentary service fee from \$35 to \$50 per vehicle sale or lease.
- Deposits the revenue derived from the fee increase on temporary permits in the State Patrol Highway Account.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 22 members: Representatives Clibborn, Chair; Jarrett, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Appleton, Armstrong, Campbell, Curtis, Dickerson, Eddy, Hailey, Hankins, Hudgins, Kristiansen, Lovick, Rodne, Simpson, Springer, B. Sullivan, Takko, Upthegrove, Wallace and Wood.

Minority Report: Without recommendation. Signed by 2 members: Representatives Ericksen and Rolfes.

Staff: Jerry Long (786-7306).

Background:

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

Under current law, residents of this state must register vehicles that are operated on the public highways. Licensed vehicle dealers may issue a temporary permit to operate a vehicle for which an application for registration has been made. The permit costs \$5, is paid by the dealer, and is credited to the registration fees at the time application for registration is made by the dealer.

Vehicle dealers are authorized to charge a documentary service fee of up to \$35 per vehicle sale or lease. In order to charge the document service fee, vehicle dealers must observe the following conditions: (1) the service fee must be disclosed in writing before the execution of a purchase and sale or lease agreement; (2) the service fee is not represented to the buyer as a fee or charge required by the state to be paid by either the dealer or the buyer; (3) the service fee must be separately designated from the selling price of the vehicle and from any other taxes, fees, or charges; and (4) dealers must disclose in any advertisement that a document service fee of up to \$35 may be added to the sale price of a vehicle.

Summary of Bill:

The fee for a temporary permit is raised from \$5 to \$15 and the documentary service fee is raised from \$35 to \$50 per vehicle sale or lease.

Revenue derived from the fee increase on temporary permits is deposited in the State Patrol Highway Account.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on August 1, 2007.

Staff Summary of Public Testimony:

(In support) The State Patrol Highway Account is in serious need of funding due to increased costs and transfers to the Motor Vehicle Account. The State Patrol Highway Account revenue is controlled by the 18th Amendment of the State Constitution that requires the funding to be used for state highway purposes, which includes the policing of the state's highways. This temporary registration fee is directly tied to the licensing and registration of a vehicle which is enforced on the highways by the Washington State Patrol. The increase in the vehicle dealer documentary fee is to assist in offsetting the costs of preparing vehicle registration documents by the vehicle dealers that are sent to the Department of Licensing to complete the registration and titling during the sale or lease of a vehicle.

(Opposed) None.

Persons Testifying: Chief John Batiste and John DeVere, Washington State Patrol; Rick Jensen, Washington State Patrol Trooper's Association; and Scott Hazelgrove, Washington State Auto Dealer's Association.

Persons Signed In To Testify But Not Testifying: None.