

HOUSE BILL REPORT

SHB 1157

As Passed Legislature

Title: An act relating to the apportionment of quick title service fees collected by appointed subagents.

Brief Description: Modifying the apportionment of quick title service fees collected by appointed subagents.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Pike, Wylie, Wilson and Moeller).

Brief History:

Committee Activity:

Transportation: 1/19/15, 1/26/15 [DPS].

Floor Activity:

Passed House: 2/19/15, 97-0.

Passed House: 6/11/15, 88-1.

Passed Senate: 6/27/15, 42-1.

Passed Legislature.

Brief Summary of Substitute Bill

- Changes the fee distribution if the quick title is for a vehicle and is processed by a subagent from \$25 being distributed to the county auditor to \$12.50 being distributed to the county auditor and \$12.50 being retained by the subagent that processed the transaction.
- Changes the fee distribution if the quick title is for a vessel and is processed by a subagent from \$25 being distributed to the county auditor to \$12.50 being distributed to the county auditor and \$12.50 being retained by the subagent that processed the transaction.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Bergquist, Gregerson, Harmsworth, Hayes, Kochmar, McBride,

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.

Moeller, Morris, Ortiz-Self, Pike, Riccelli, Rodne, Sells, Shea, Takko, Tarleton, Wilson, Young and Zeiger.

Staff: Jerry Long (786-7306).

Background:

Vehicle and vessel title changes in Washington can be made at a county auditor's office, or offices of other agents or subagents, or at the Department of Licensing (DOL). The applicant must complete a Vehicle or Vessel Certificate of Ownership Application. Documentation and the required taxes and fees are collected at the location and sent to the DOL. Quick titles are defined as a certificate of ownership printed at the time of application and given to the applicant immediately.

The application for a quick title of a vehicle must be submitted by the owner or the owner's representative to the DOL, participating county auditor or other agent, or subagent appointed by the Director of the DOL, on a form furnished or approved by the DOL and must contain:

- a description of the vehicle, including make, model, vehicle identification number, type of body, and the odometer reading at the time of delivery of the vehicle, when required;
- the name and address of the person who is to be the registered owner of the vehicle and, if the vehicle is subject to a security interest, the name and address of the secured party; and
- other information as may be required by the DOL.

The application for a quick title must be accompanied by:

- all fees and taxes due for an application for a certificate of title, including a quick title service fee; and
- the most recent certificate of title or other satisfactory evidence of ownership.

The application for a quick title may not be used to obtain the first title issued to a vehicle previously designated as a salvage vehicle.

A \$50 fee is charged for a quick title. If the fee is paid to a county auditor or other agent or subagent for a vehicle or vessel title, \$25 is retained by the county treasurer in the same manner as other fees collected by the county auditor, and the remaining \$25 is deposited into the Motor Vehicle Fund for a vehicle and the General Fund for a vessel. If the fee is paid directly to the DOL, the entire fee of \$50 must be deposited into the Motor Vehicle Fund for a vehicle and into the General Fund for a vessel.

There are 23 county auditors and other agents and 63 subagents that currently provide quick title services.

Summary of Substitute Bill:

The bill changes the fee distribution if the quick title is for a vehicle and is processed by a subagent from \$25 being distributed to the county auditor to \$12.50 being distributed to the

county auditor and \$12.50 being retained by the subagent that processed the transaction. The remaining \$25 continues to be deposited into the Motor Vehicle Fund.

The bill changes the fee distribution if the quick title is for a vessel and is processed by a subagent from \$25 being distributed to the county auditor to \$12.50 being distributed to the county auditor and \$12.50 being retained by the subagent that processed the transaction. The remaining \$25 continues to be deposited into the General Fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on January 1, 2016.

Staff Summary of Public Testimony:

(In support) Subagents are performing the quick title work, but are not getting paid for it. Quick titles take 15 to 20 minutes to process and it is only fair that the subagents receive compensation for the work. County auditors have oversight of subagents and it is fair that the fee be split between the county auditor and the subagent. The new DOL vehicle system will help in performing quick title work once the new system is implemented.

(Opposed) None.

(Information only) The new vehicle system will be implemented in July 2017.

Persons Testifying: (In support) Representative Pike, prime sponsor; and Greg Kimsey, Clark County Auditor's Office.

(Information only) George Price, Department of Licensing.

Persons Signed In To Testify But Not Testifying: None.