

# HOUSE BILL REPORT

## SSB 6438

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### As Reported by House Committee On: Transportation

**Title:** An act relating to clarifying the collection process for existing vehicle service transactions.

**Brief Description:** Clarifying the collection process for existing vehicle service transactions.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senators King, Palumbo and Hobbs).

#### **Brief History:**

##### **Committee Activity:**

Transportation: 2/26/18 [DP].

#### **Brief Summary of Substitute Bill**

- Allows the Department of Licensing, county auditor or other agent, or subagent to collect service fees for both a title and certain non-title transactions when these are completed at the same time.
- Clarifies the title transaction and certain non-title transaction service fees are collected in addition to all other fees and taxes required at application.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 25 members: Representatives Clibborn, Chair; Fey, Vice Chair; Wylie, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Harmsworth, Assistant Ranking Minority Member; Chapman, Gregerson, Hayes, Irwin, Kloba, Lovick, McBride, Morris, Ortiz-Self, Pellicciotti, Pike, Riccelli, Rodne, Shea, Stambaugh, Tarleton, Valdez, Van Werven and Young.

**Staff:** Patricia Hasan (786-7292).

#### **Background:**

The Department of Licensing (DOL), county auditor or other agent, or subagent appointed by the Director of the DOL (Director) collects a service fee of:

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- \$12 for changes in a certificate of vehicle title, with or without simultaneous registration renewal, or for verification of record and preparation of an affidavit of lost title (title transactions); and
- \$5 for a registration renewal, issuing a transit permit, accepting a vessel registration, accepting a report of sale, and accepting a transitional ownership record (non-title transactions). A large portion of non-title transactions are vehicle registration renewals.

The service fees collected by the DOL, county auditor, or other agent must be deposited into the Capital Vessel Replacement Account, authorized under RCW 47.60.322 and created in 2011. The service fees collected by subagents are self-retained. When the ownership of a vehicle changes, a new registration is required by the new vehicle owner. Exceptions to this include:

- when adding or removing a lienholder from the certificate of title;
- when transferring the vehicle from one spouse or domestic partner to another;
- when removing a deceased spouse or domestic partner from the certificate of title;
- when transferring the vehicle as a gift to a member of the registered owner's immediate family;
- when a leaseholder buys out the leased vehicle; or
- when a person changes his or her name.

Along with most title transactions required for a change of vehicle ownership, a new registration is required as well. Both of these transactions can be completed for a service fee of \$12.

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### **Summary of Bill:**

The DOL, county auditor or other agent, or subagent appointed by the Director can collect a total service fee of \$17 when a title transaction and a non-title transaction are conducted simultaneously—\$12 for the title transaction plus \$5 for the non-title transaction. Language is provided to clarify that service fees are collected in addition to any other taxes and fees due at the time of application for a title transaction or a non-title transaction.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on April 1, 2019.

### **Staff Summary of Public Testimony:**

(In support) This bill corrects an oversight in legislation passed in 2014 and is the same as legislation previously heard in this committee. It simply clarifies that the service fees are collected in addition to other taxes and fees at the time of application.

(Opposed) None.

**Persons Testifying:** Senator King, prime sponsor; and Chester Baldwin, Washington Association of Vehicle Subagents.

**Persons Signed In To Testify But Not Testifying:** None.