ENGROSSED HOUSE BILL 1789

State of Washington 66th Legislature 2019 Regular Session

By Representatives Fey, Barkis, Irwin, Dent, Young, Mead, Chambers, Stanford, Ryu, Caldier, Springer, Walsh, Kloba, Kirby, Wylie, Griffey, Stokesbary, Vick, Appleton, Lovick, Ortiz-Self, Schmick, Steele, Dye, Doglio, Goodman, and Santos

Read first time 01/31/19. Referred to Committee on Transportation.

- 1 AN ACT Relating to making adjustments to the service and filing
- 2 fees for vehicle subagents and county auditors; amending RCW
- 3 46.17.040, 46.17.005, and 46.68.400; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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Sec. 1. (1) The legislature finds that Washington 5 NEW SECTION. 6 state's vehicle and vessel licensing system depends on a partnership 7 between the department of licensing, the county auditors, and the vehicle subagents. Vehicle subagents perform vehicle and vessel 8 9 licensing on behalf of the state; they are small Washington family 10 businesses, not large out-of-state corporations, and therefore the 11 revenue from these businesses stays here and is invested back into 12 their Washington communities. Vehicle subagents are located in most 13 communities of the state and are open extended hours and weekends to 14 serve the public. These private businesses collect and remit hundreds 15 of millions of dollars in taxes and fees for the state of Washington 16 each year. The only moneys that are retained by vehicle subagents are 17 the five dollar registration service fee or the twelve dollar titling 18 service fee; all other moneys are remitted to the county and state. 19 With the rising costs of property rents, worker benefits, and 20 employee wages and the future increases to come, subagents will not

be able to continue to operate without an adjustment to their fees.

p. 1 EHB 1789

(2) Furthermore, the legislature finds that the county auditors, acting as agents of Washington state, provide the service of registering vehicles and vessels to Washington's citizens, and the legislature has allowed the county auditors to charge a filing fee to recoup the costs of providing this service. The filing fee revenue is deposited into the county general fund of the county where the fee is collected and supports all county functions, including law enforcement and public safety. The cost of providing licensing services has gone up, and eleven counties now must receive state general fund assistance since the costs of providing the service is more than the filing fee revenue collected in those counties. The legislature finds that adjusting the filing fee would eliminate the need for the state to provide financial assistance to those eleven counties.

- (3) The legislature intends to keep the state vehicle and vessel licensing delivery system healthy, and subagents and county auditors are a critical component of that system. The service fee retained by subagents and the filing fee deposited to county general funds are set in statute and must be changed by the legislature. Historically, these fees were adjusted every four to five years, but it has been almost ten years since the last service fee adjustment and more than twenty years since the last filing fee adjustment. It is the intent of the legislature to make fee adjustments to keep the vehicle subagents and county auditors healthy.
- Sec. 2. RCW 46.17.040 and 2018 c 79 s 1 are each amended to read as follows:
- (1) The department, county auditor or other agent, or subagent appointed by the director shall collect a service fee of:
- (a) ((Twelve)) <u>Eighteen</u> dollars for changes in a certificate of title, changes in ownership for nontitled vehicles, or for verification of record and preparation of an affidavit of lost title other than at the time of the certificate of title application or transfer, in addition to any other fees or taxes due at the time of application; and
- (b) ((Five)) <u>Eight</u> dollars for a registration renewal, issuing a transit permit, or any other service under this section, in addition to any other fees or taxes due at the time of application.
- (2) Service fees collected under this section by the department or county auditor or other agent appointed by the director must be

p. 2 EHB 1789

- 1 credited to the capital vessel replacement account under RCW 47.60.322.
- 3 **Sec. 3.** RCW 46.17.005 and 2010 c 161 s 501 are each amended to 4 read as follows:

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- (1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a ((three)) four dollar and fifty cent filing fee in addition to any other fees and taxes required by law.
- 9 (2) A person who applies for a certificate of title shall pay a 10 ((four)) five dollar and fifty cent filing fee in addition to any 11 other fees and taxes required by law.
- 12 (3) The filing fees established in this section must be 13 distributed under RCW 46.68.400.
- 14 **Sec. 4.** RCW 46.68.400 and 2010 c 161 s 819 are each amended to 15 read as follows:
- A filing fee established in RCW 46.17.005 must be distributed as follows:
- 18 (1) If paid to the county auditor or other agent or subagent
 19 appointed by the director, the fee must be distributed to the county
 20 treasurer and credited to the county current expense fund except that
 21 fifty cents of the fee must be remitted to the department. At least
 22 quarterly, the department must distribute an equal share of the
 23 remitted funds to each county.
 - (2) If the fee is paid to another agent of the director, the fee must be used by the agent to defray his or her expenses in handling the application.
 - (3) If the fee is collected by the state patrol as agent for the director, the fee must be certified to the state treasurer and deposited to the credit of the state patrol highway account.
 - (4) If the fee is collected by the department of transportation as agent for the director, the fee must be certified to the state treasurer and deposited to the credit of the motor vehicle fund created in RCW 46.68.070.
 - (5) If the fee is collected by the director or branches of the department, the fee must be certified to the state treasurer and deposited to the credit of the highway safety fund, except that two dollars of the fee must be deposited into the multimodal

p. 3 EHB 1789

- 1 transportation account if the fee is collected in conjunction with
- 2 RCW 46.17.350(1) (c) or (k) or 46.17.355.

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p. 4 EHB 1789