
Transportation Committee

HB 1632

Brief Description: Concerning the issuance of tribal license plates.

Sponsors: Representatives Shewmake, Lekanoff, Chapman, Ramel, Rule, Santos and Harris-Talley.

Brief Summary of Bill

- Expands scope of compacts the Governor may enter into with federally recognized tribes in Washington for licensing and registering vehicles to include vehicles owned by private individuals designated by a tribal government.
- Requires these compacts to make individuals designated by a tribal government who reside in the state eligible for a tribal license plate.

Hearing Date: 1/13/22

Staff: Michael Hirsch (786-7195).

Background:

Under federal law, a state is generally preempted from imposing a tax on tribes or tribal members on tribal lands. As a result, there are currently several exemptions from vehicle related taxes and fees. Some of these exemptions for tribal members residing on tribal lands include:

- sales and use taxes on vehicle purchases;
- transportation benefit district vehicle fees; and
- a motor vehicle excise tax imposed by a Regional Transit Authority.

There are exemptions from Washington vehicle registration requirements for federally recognized tribal government license plates, under certain conditions. Generally, tribal license

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plates issued to an individual tribal member for the member's personal vehicle are not specifically addressed.

There are at least two tribes currently providing tribal-issued license plates to individual tribal members for the member's personal vehicle. In this situation, the Department of Licensing (DOL) is involved in providing a specific plate configuration recommendation. The particular tribe then works directly with the Department of Corrections' Correctional Industries Program to design and produce these plates. The DOL does not currently collect any vehicle or owner information for these plates.

The Governor has the authority to enter into compacts with federally recognized Indian tribes principally located within Washington for the issuance of tribal license plates and vehicle registration for tribal government and tribal member-owned vehicles. The Governor may delegate the power to negotiate these compacts to the DOL.

Each compact entered into must contain the following provisions:

- allowing the design of a tribal license plate to be determined by the compacting tribe, except the design must be readable by toll collection facilities and configured in a manner allowing for electronic distribution through state and national law enforcement databases;
- requiring tribal license plate recipients to pay all applicable taxes, fees, and vehicle tolls, except the compacting tribe may pay these expenses on behalf of its enrolled members;
- limiting the eligibility for a tribal license plate to tribal governments and enrolled members of the compacting tribe who reside in the state;
- requiring information regarding a vehicle that has been issued a tribal license plate, including vehicle description and ownership information, be maintained in the DOL's recordkeeping systems;
- addressing the DOL's administrative costs for issuing tribal license plates and maintaining information regarding vehicles that have been issued tribal license plates;
- and dealing with information sharing between the DOL and the compacting tribe, the process for applying for and receiving tribal license plates, and dispute resolution.

No compact has been entered into since the Governor was granted authority to enter into licensing compact with Indian tribes in 2020.

Summary of Bill:

The Governor may negotiate compacts which allow for the issuance of tribal license plates and vehicle registration for vehicles owned by individuals designated by a tribal government in addition to tribal vehicles and tribal member-owned vehicles.

The required provisions of a compact are changed allowing:

- individuals who reside in the state and are designated by a tribal government to be eligible for a tribal license plate;
- for the design of multiple plates; and

- the design of a tribal license plate to be determined by the compacting tribe or a tribally chartered nonprofit designated by the compacting tribe.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.