

SENATE BILL REPORT

SSB 5778

As Passed Senate, March 8, 2022

Title: An act relating to addressing the current backlog of vehicle inspections.

Brief Description: Addressing the current backlog of vehicle inspections.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Braun, Honeyford, Lovick, Padden, Short and Wilson, J.).

Brief History:

Committee Activity: Transportation: 1/27/22, 3/05/22 [DPS].

Floor Activity: Passed Senate: 3/8/22, 49-0.

Brief Summary of First Substitute Bill

- Requires the Washington State Patrol and the Department of Licensing to conduct a study of the vehicle identification number (VIN) program and report back by January 1, 2023.
- Changes the distribution of the \$65 VIN inspection fee to go entirely to the State Patrol Highway Account.
- Exempts all-terrain vehicles, wheeled all-terrain vehicles, and utility-type vehicles from most VIN inspection requirements.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5778 be substituted therefor, and the substitute bill do pass.

Signed by Senators Lias, Chair; Saldaña, Vice Chair; King, Ranking Member; Cleveland, Das, Fortunato, Hawkins, Holy, Lovelett, Lovick, Nguyen, Nobles, Padden, Randall, Sheldon, Wilson, C. and Wilson, J.

Staff: Bryon Moore (786-7726)

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

Background: The Washington State Patrol (WSP) is required to complete a vehicle identification number (VIN) inspection when a vehicle:

- is declared a total loss or salvaged and not kept by the registered owner;
- has been rebuilt after the certificate of title was returned to the state; or
- has been presented to the state with documents that show the vehicle was a total loss or salvaged in another state and has not been reissued a valid registration certificate.

A VIN inspection is also required when certain kinds of vehicles are being titled in the state for the first time, including a kit vehicle, a homemade vehicle, a street rod, a custom vehicle, or a vehicle where there is question about the VIN documentation on the vehicle.

The VIN inspection is required by the Department of Licensing (DOL) before the vehicle owner can receive a certificate of title. The VIN inspection fee is \$65 with \$50 being deposited into the Motor Vehicle Fund and \$15 being deposited into the State Patrol Highway Account.

Summary of First Substitute Bill: The entire \$65 VIN inspection fee is deposited into the into the State Patrol Highway Account. WSP and DOL, in collaboration with an outside consultant, must examine the VIN program and make recommendations for improvements, including the timeliness of completed inspections. The study must:

- review current underlying statutes and compare with best practices of other states;
- examine the types of statutorily and administratively required inspections, and prioritize ones that have a direct impact on public safety and actually reduce the number of stolen vehicles and parts in the state;
- recommend changes to the existing program to increase financial sustainability, customer satisfaction, and the overall efficiency of the program; and
- identify staffing and technology needs to optimize service delivery, including improved inspection scheduling and completions.

WSP and DOL must jointly provide a preliminary report of their findings and recommendations to the Joint Transportation Committee by November 1, 2022. WSP and DOL must jointly submit a final report to the Governor and the legislative transportation committees by January 1, 2023.

All-terrain vehicles, wheeled all-terrain vehicles, and utility-type vehicles that have been declared a total loss or salvaged are exempt from the VIN inspection requirements.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on First Substitute: *The committee recommended a different version of the bill than what was heard.* PRO: There has been dramatic growth in the number of vehicle identification number inspections over the last decade and this has put pressure on the State Patrol's ability to do these inspections in a timely manner. The pandemic has exacerbated this issue and a greater VIN backlog has occurred. This impacts businesses and citizens across the state. This is one potential option to address the issue, but there may be other better options. These options might include adding funding to the State Patrol and increasing their capacity, allowing other entities to perform these inspections, and reviewing the specific types of inspections required and whether all of them are geared towards public safety and reducing criminal behavior. One of the initial steps might be a study to evaluate the merits of these various options.

Persons Testifying: PRO: Senator John Braun, Prime Sponsor.

Persons Signed In To Testify But Not Testifying: No one.