

HOUSE BILL REPORT

HB 1519

As Reported by House Committee On:
Transportation

Title: An act relating to making adjustments to the service and filing fees for vehicle subagents, county auditors, and other agents.

Brief Description: Making adjustments to the service and filing fees for vehicle subagents, county auditors, and other agents.

Sponsors: Representatives Fey, Barkis and Goodman.

Brief History:

Committee Activity:

Transportation: 1/30/25, 2/6/25 [DPS].

Brief Summary of Substitute Bill

- Increases the service fee for a registration transaction from \$8 to \$11 and the service fee for a title transaction from \$15 to \$18.
- Increases the filing fee for a registration transaction from \$4.50 to \$6 and the filing fee for a title transaction from \$5.50 to \$6.50.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 22 members: Representatives Fey, Chair; Bernbaum, Vice Chair; Donaghy, Vice Chair; Reed, Vice Chair; Barkis, Ranking Minority Member; Low, Assistant Ranking Minority Member; Mendoza, Assistant Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske, Dent, Duerr, Entenman, Griffey, Hunt, Klicker, Nance, Paul, Ramel, Stuebe, Taylor, Wylie and Zahn.

Minority Report: Do not pass. Signed by 2 members: Representatives Orcutt and Volz.

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.

Minority Report: Without recommendation. Signed by 3 members: Representatives Ley, Richards and Timmons.

Staff: Michael Hirsch (786-7195).

Background:

The Department of Licensing (DOL), county auditor or other agent, or subagent appointed by the Director of the DOL collects a service fee of: \$15 for changes in a vehicle or vessel title certificate or for verification of a record and preparation of an affidavit of lost title; and \$8 for a registration renewal, issuing a transit permit, accepting a vessel registration, accepting a report of sale, and accepting a transitional ownership record.

The service fees collected by the DOL or a county auditor or other agent must be deposited into the Capital Vessel Replacement Account. The service fees collected by subagents are retained by the subagents.

A person pays a filing fee of: \$4.50 for a vehicle registration or any other right to operate a vehicle on state highways, including transactions involving a report of sale, transitional ownership record, farm vehicle reduced gross weight license, or vessel registration; and \$5.50 for a certificate of title for a vehicle or vessel. The filing fee distribution is dependent on the entity that collects the fee and is as follows:

- If the filing fee is collected by a county auditor or other agent, or subagent appointed by the Director of the DOL, the fee must be distributed to the county treasurer and credited to the county current expense fund, except that 50 cents of the filing fee must be remitted to the DOL, and the DOL must distribute an equal share of the remitted funds to each county at least quarterly.
- If the filing fee is collected by the Washington State Patrol, the fee must be deposited into the State Patrol Highway Account.
- If the filing fee is collected by the Washington State Department of Transportation, the fee must be deposited into the Motor Vehicle Fund.
- If the filing fee is collected by the DOL, the fee must be deposited into the Highway Safety Fund; however, \$2 of the fee must be deposited into the Multimodal Transportation Account if the fee is collected in conjunction with collecting a registration fee for a commercial trailer or private use single-axle trailer or in conjunction with collecting a vehicle license fee by weight.

Summary of Substitute Bill:

For transactions occurring or due on or after January 1, 2026:

- The service fee for changes in a vehicle or vessel title certificate, changes in ownership for nontitled vehicles, and related transactions is increased to \$18.
- The service fee for a vehicle or vessel registration renewal, issuing a transit permit,

accepting a report of sale, or accepting a transitional ownership record is increased to \$11.

- The filing fee for a vehicle or vessel certificate of title is increased to \$6.50.
- The filing fee for a vehicle or vessel registration, report of sale, transitional ownership record, or farm vehicle reduced gross weight license is increased to \$6.

Substitute Bill Compared to Original Bill:

The substitute bill delays the date the increases to the service fee and filing fee go into effect until January 1, 2026. New fee rates for registration renewals are based on the date the registration is due.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Subagents provide a public service and collect state revenue. Subagents were set up as a more cost-effective alternative to state employees. They are small businesses that reduce overhead by sharing facilities and employees with other businesses. They process most vehicle and vessel transactions and provide service in small communities and offer expanded hours making it easier to do vehicle licensing in Washington than in other states. Subagents have experienced increasing costs since the last fee increase and need additional revenue to keep up with rising wages and keep highly trained employees. Some subagent offices are women and minority owned businesses. The filing fee that goes to counties supports both licensing functions and general government including law enforcement. Counties need that fee increase.

(Opposed) Costs are up for everyone and not everyone gets raises. Tax and fee increases are going up more than cost increases. Subagents do important work.

Persons Testifying: (In support) Representative Jake Fey, prime sponsor; Thad Duvall, Douglas County Auditor, Co-Chair of WSACA Licensing Committee; Brenda Piña, Woodinville License Agency; Elisha Wilhelm, Auto License Services, Inc.; Brian Cullinane, Ellensburg Licensing; Marian Dacca, Washington Association of Vehicle Subagents; and Cherie Adams, Vehicle Subagents of Tomorrow Association.

(Opposed) Jeff Pack, Washington Citizens Against Unfair Taxes.

Persons Signed In To Testify But Not Testifying: None.