

HOUSE BILL REPORT

HB 2224

As Reported By House Committee On:
Transportation

Title: An act relating to department of licensing regulatory programs concerning motor vehicles, vessels and fuel taxes.

Brief Description: Regulating licensing of motor vehicles and vessels.

Sponsors: Representatives R. Fisher, Zellinsky, Forner and Cothern; by request of Department of Licensing.

Brief History:

Reported by House Committee on:
Transportation, January 25, 1994, DPS.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Brumsickle; Cothern; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; R. Meyers; Orr; Patterson; Quall; Romero; Shin; and Wood.

Staff: Roger Horn (786-7839).

Background: Current law declares that mopeds are considered vehicles for purposes of vehicle registration (Chapter 46.12) but not for vehicle dealer regulation (Chapter 46.70). The status of mopeds for purposes of vehicle licensing (Chapter 46.16) is not addressed.

The Department of Licensing (DOL) is required to estimate at least once every four years the amount of motor fuel used by snowmobiles. The estimate is used to determine the amount of gas tax revenue to be transferred to the snowmobile account as unclaimed tax exemptions. The method for determining the estimate is left to the discretion of the director.

The vehicle title fee was increased from \$1.00 to \$1.25 in 1990 with the passage of odometer requirements. The title

reissue fee and replacement fee were inadvertently left at \$1.00.

The terms "truck" and "motor truck" are defined separately in Chapter 46.04 RCW but are not listed separately in the combined licensing fee statute.

RCW 46.16.210 provides that persons may renew their vehicle license 30 days prior to the issuance of the renewal notice if they pay a special handling fee of \$2.00. Half of the fee goes to the county collecting the fee and half to the state highway safety fund. Less than \$2,500 was deposited in the highway safety fund as a result of this fee. No additional work is required on the part of the department or the licensing agent to administer the early issuance.

DOL administers proportional registration for trucks engaged in interstate commerce.

As a result of 1991 legislation, disabled parking decals and cards were replaced with placards.

DOL regulates and collects fuel taxes from motor fuel distributors.

Marine vessel dealers are required to possess a certificate of ownership or a manufacturer's statement of ownership for each vessel in their inventory. Vehicle dealers must possess a certificate of ownership for each used vehicle in their inventory.

Part-time employees of dealerships are not permitted to operate vehicles bearing dealer license plates.

Vehicles with fixed loads, such as well drilling machines, air compressors, or rock crushers, pay a \$5 fee. Circus vehicles pay a \$10 fee. Vehicles paying these fees are not required to pay the combined licensing fee.

SSB 5535, passed in 1993, allows one-time registration of trailers used in combination with trucks registered at 42,000 pounds or more. To compensate for the revenue loss, the combined licensing fee for vehicles registered at 42,000 pounds or more was increased by \$90. Single unit vehicles and log trucks used exclusively for hauling logs are assessed the increased fee but do not benefit from one-time trailer registration.

Summary of Substitute Bill: Mopeds are considered vehicles except in the case of dealer licensing statutes.

A formula is provided to determine annual snowmobile fuel usage. The formula uses 90 gallons as the average annual fuel usage per snowmobile.

The fees for vehicle title reissue and replacement are increased from \$1.00 to \$1.25.

The term "truck" is added to the types of vehicles for which payment of the combined licensing fee is required.

The \$2.00 handling fee for early issuance of a vehicle license is eliminated.

The following changes are made to proportional registration statutes. The definition of "preceding year" is modified to accommodate staggered registration. DOL is given authority to mitigate fees. Language is made consistent with 1993 legislation regarding combined licensing fees. Obsolete language is removed regarding backing plates. The department is given authority to serve continuing liens.

References to "card" and "decal" are replaced with "placard" in disabled parking statutes.

The following changes are made regarding motor fuel distributors: Penalty language addressed elsewhere in statute is deleted; obsolete language regarding bulk storage plants and special fuel suppliers is deleted; language is clarified and strengthened regarding denial and revocation of distributor licenses; the department is given authority to serve continuing liens for taxes owed; the department is given discretion as to whether a deficiency assessment for failure to file a tax return should be filed; and the \$10 fuel tax distributor fee is eliminated.

DOL is authorized to accept additional documents as evidence of ownership for vessels in vessel dealer inventories and used vehicles in vehicle dealer inventories.

Part-time dealership employees are permitted to drive vehicles bearing dealer license plates.

The fixed load capacity fee and the circus vehicle fee are eliminated.

The combined licensing fee is reduced by \$90 for trucks registered at 42,000 pounds or more that do not haul trailers or are used exclusively for hauling logs.

Substitute Bill Compared to Original Bill: The average annual fuel usage for snowmobiles is changed from 150

gallons to 90 gallons in the proposed formula to determine snowmobile gas tax refunds

The \$10 fuel tax distributor fee is eliminated.

DOL is authorized to accept additional documents as evidence of ownership for used vehicles in a dealer's inventory.

Part-time dealership employees are permitted to drive vehicles bearing dealer license plates.

The fixed load capacity fee and the circus vehicle fee are eliminated.

The combined licensing fee is reduced by \$90 for trucks registered at 42,000 pounds or more that do not haul trailers or are used exclusively for hauling logs.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: Many of the statutes regarding regulation of vehicles, vessels, and motor fuel distributors need to be modified.

Testimony Against: None.

Witnesses: Jim Wadsworth, Department of Licensing; and Jim Boldt, Washington State Auto Dealers Association.