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## Transportation Committee

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### ESSB 6494

**Brief Description:** Revising vehicle licensing provisions.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senators Hochstatter, Haugen, Benton, Shin, Johnson, Gardner, Finkbeiner, Kastama, McDonald, Carlson, Swecker, Parlette, Stevens, Hewitt, Morton, Sheahan, Rasmussen, Winsley and Oke).

#### Brief Summary of Engrossed Substitute Bill

- A two-year vehicle licensing cycle is created for all vehicle classes except those paying gross weight fees for vehicles weighing 8,000 pounds or more.
- The county filing fee is increased from \$3.00 to \$5.00.
- The licensing sub-agent service fee is increased from \$3.50 to \$5.50.
- The Licensing Services Account fee is increased from \$.50 to \$1.00.

**Hearing Date:** 3/12/02

**Staff:** Reema Griffith (786-7301).

#### Background:

In response to the lost revenue resulting from the passage of Initiative 695, the Department of Licensing (DOL) was asked in 1999 to identify potential changes in process and programs that may generate cost savings and increase revenues. One of the possible changes DOL evaluated was switching from the current annual vehicle licensing cycle, to a two-year vehicle licensing cycle. The department found that two-year licensing was likely to generate cost savings for both the agency and for its agents and subagents, and would also provide a significant one-time revenue increase over the first two years of implementation.

#### Summary of Bill:

A two-year vehicle licensing cycle is created for all vehicle classes except those paying gross weight fees for vehicles weighing 8,000 pounds or more. Trailers are included in the list of "motor vehicles" which are required to pay the \$60 two-year license tab fee.

Local option taxes which are collected simultaneously with license tab fees, specifically the high capacity transportation (HCT) tax, the high occupancy vehicle (HOV) tax, and the local motor vehicle license fee, are doubled and collected every two years to keep them in sync with the state's two-year licensing schedule.

The current \$3.00 filing fee is increased to \$5.00. The licensing sub-agent service fee is increased from the current \$3.50 to \$5.50. The Licensing Services Account fee is increased from the current \$.50 to \$1.00.

**Appropriation:** None.

**Fiscal Note:** Requested on March 10, 2002.

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