

SENATE BILL REPORT

SSB 5274

As Passed Senate, March 13, 2001

Title: An act relating to motor vehicle licensing subagents.

Brief Description: Revising the appointment of vehicle licensing subagents.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Gardner, Haugen and McCaslin).

Brief History:

Committee Activity: Transportation: 2/19/01, 3/7/01 [DPS].

Passed Senate: 3/13/01, 46-0.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5274 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Eide, Horn, Jacobsen, Kastama, McAuliffe, Oke, Patterson, Prentice, T. Sheldon, Shin and Swecker.

Staff: Jennifer Strus (786-7484)

Background: Subagents have a contract with the county auditor to conduct vehicle licensing functions for the auditor. Recently, concerns have been raised by some subagents who have invested many years in their business and want a process to pass along their business to a family member or trusted employee.

Currently, subagents are appointed after being chosen through a request for proposals process. The county auditor submits all subagent proposals received to the director of the Department of Licensing (DOL) and recommends the appointment of one or more subagents. The director of DOL has the final appointment authority.

Summary of Bill: The county auditor must use an open competitive process including but not limited to a written business proposal and an oral interview to determine the quality of all interested applicants. A subagent may recommend to the auditor a successor who is either the subagent's sibling, spouse, child, or a subagency employee. If the successor recommended by the subagent is otherwise qualified, the auditor must include in his or her recommendation to the director not only the name provided by the subagent, but also one other applicant drawn through the open competitive process, unless the person recommended by the subagent is the only qualified applicant.

The service fees collected by subagents are increased as follows: (1) from \$7.50 to \$8.50 for certificate of ownership changes or verification of title; and (2) from \$3.00 to \$3.50 for registration renewal.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The bill provides an objective method by which to choose a successor. It assures that the best service to the public is given.

Testimony Against: None.

Testified: PRO: Don Burrell, Bill Cox, George Cohee, Joseph Kqnthara, Washington Association of Vehicle Subagents; Al Brochet, Washington Auditor's Association.

House Amendment(s): A subagent may recommend a successor who is a relative or an employee, as long as the recommended successor participates in the open, competitive process used to select an applicant. If a subagency is held by partnership or corporate entity, the nomination must be submitted on behalf of all partners and corporate officers. A subagent may not receive any financial benefit from a transfer or termination of appointment.

The auditor shall include in his or her recommendation to the director not only the relative or employee successor's name but also the name of another applicant who is qualified and chosen through the open, competitive process.

An additional \$.50 is added to the current \$3 filing fee assessed on all licensing transactions. The revenue from the \$.50 fee is required to be deposited into the licensing services account to be used to support agents and subagents including the replacement of department-owned equipment in the agent's or subagent's possession.