<u>HB 2065</u> - S COMM AMD

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By Committee on Highways & Transportation

ADOPTED AS AMENDED 04/17/2003

1 Strike everything after the enacting clause and insert the 2 following:

3 "Sec. 1. RCW 46.16.230 and 1992 c 7 s 41 are each amended to read 4 as follows:

(1) The director shall furnish to all persons making satisfactory application for vehicle license as provided by law, two identical vehicle license number plates each containing the vehicle license number to be displayed on such vehicle as by law required: That if the vehicle to be licensed is a trailer, semitrailer or motorcycle only one vehicle license number plate shall be issued for each thereof. The number and plate shall be of such size and color and shall contain such symbols indicative of the registration period for which the same is issued and of the state of Washington, as shall be determined and prescribed by the director. Any vehicle license number plate or plates issued to a dealer shall contain thereon a sufficient and satisfactory indication that such plates have been issued to a dealer in vehicles. All vehicle license number plates may be obtained by the director from the metal working plant of a state correctional facility or from any source in accordance with existing state of Washington purchasing procedures.

(2) Notwithstanding the foregoing provisions of this section, the director may, in his discretion and under such rules and regulations as he may prescribe, adopt a type of vehicle license number plates whereby the same shall be used as long as legible on the vehicle for which issued, with provision for tabs or emblems to be attached thereto or elsewhere on the vehicle to signify renewals, in which event the term "vehicle license number plate" as used in any enactment shall be deemed to include in addition to such plate the tab or emblem signifying renewal except when such plate contains the designation of the current

- 1 year without reference to any tab or emblem. Renewals shall be 2 effected by the issuance and display of such tab or emblem.
- (3) The department shall implement a flat, digitally printed license plate system. This system must be in place and operational by July 1, 2004, and must be used to produce all license plates issued by the department by no later than January 1, 2007. The department must phase in the production of flat, digitally printed license plates by first issuing special and personalized plates using this system. Before January 1, 2007, the department may issue all license plates as flat, digitally printed license plates, if the department determines

that production of all license plates by the digital printing system is

12 economically viable.

- **Sec. 2.** RCW 46.16.233 and 2000 c 37 s 1 are each amended to read 14 as follows:
 - (1) Except for those license plates issued under RCW 46.16.305(1) before January 1, 1987, under RCW 46.16.305(3), and to commercial vehicles with a gross weight in excess of twenty-six thousand pounds, effective with vehicle registrations due or to become due on January 1, 2001, the appearance of all vehicle license plates must be ((issued on a standard background)) legible and clearly identifiable as a Washington state license plate, as designated by the department.
 - (2) Additionally, to ensure maximum legibility and reflectivity, the department shall periodically provide for the replacement of license plates, except for commercial vehicles with a gross weight in excess of twenty-six thousand pounds. Frequency of replacement shall be established in accordance with empirical studies documenting the longevity of the reflective materials used to make license plates.
 - (3) In providing for the periodic replacement of license plates, the department shall offer to vehicle owners the option of retaining their current license plate numbers. The department shall charge a retention fee of twenty dollars if this option is exercised. Revenue generated from the retention fee must be deposited into the license plate technology account created under section 4 of this act until such time as the financing necessary to implement a digital license plate system has been paid in full. After the financing has been paid in

- 1 <u>full, the revenue collected under this section shall be deposited into</u>
- 2 the multimodal transportation account.

- 3 Sec. 3. RCW 46.01.140 and 2001 c 331 s 1 are each amended to read 4 as follows:
 - (1) The county auditor, if appointed by the director of licensing shall carry out the provisions of this title relating to the licensing of vehicles and the issuance of vehicle license number plates under the direction and supervision of the director and may with the approval of the director appoint assistants as special deputies and recommend subagents to accept applications and collect fees for vehicle licenses and transfers and to deliver vehicle license number plates.
 - (2) A county auditor appointed by the director may request that the director appoint subagencies within the county.
 - (a) Upon authorization of the director, the auditor shall use an open competitive process including, but not limited to, a written business proposal and oral interview to determine the qualifications of all interested applicants.
 - (b) A subagent may recommend a successor who is either the subagent's sibling, spouse, or child, or a subagency employee, as long as the recommended successor participates in the open, competitive process used to select an applicant. In making successor recommendation and appointment determinations, the following provisions apply:
 - (i) If a subagency is held by a partnership or corporate entity, the nomination must be submitted on behalf of, and agreed to by, all partners or corporate officers.
 - (ii) No subagent may receive any direct or indirect compensation or remuneration from any party or entity in recognition of a successor nomination. A subagent may not receive any financial benefit from the transfer or termination of an appointment.
 - (iii) (a) and (b) of this subsection are intended to assist in the efficient transfer of appointments in order to minimize public inconvenience. They do not create a proprietary or property interest in the appointment.
- 35 (c) The auditor shall submit all proposals to the director, and 36 shall recommend the appointment of one or more subagents who have

applied through the open competitive process. The auditor shall include in his or her recommendation to the director, not only the name of the successor who is a relative or employee, if applicable and if otherwise qualified, but also the name of one other applicant who is qualified and was chosen through the open competitive process. The director has final appointment authority.

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- (3)(a) A county auditor who is appointed as an agent by the department shall enter into a standard contract provided by the director, developed with the advice of the title and registration advisory committee.
- (b) A subagent appointed under subsection (2) of this section shall enter into a standard contract with the county auditor, developed with the advice of the title and registration advisory committee. The director shall provide the standard contract to county auditors.
- 15 (c) The contracts provided for in (a) and (b) of this subsection 16 must contain at a minimum provisions that:
 - (i) Describe the responsibilities, and where applicable, the liability, of each party relating to the service expectations and levels, equipment to be supplied by the department, and equipment maintenance;
 - (ii) Require the specific type of insurance or bonds so that the state is protected against any loss of collected motor vehicle tax revenues or loss of equipment;
 - (iii) Specify the amount of training that will be provided by the state, the county auditor, or subagents;
 - (iv) Describe allowable costs that may be charged to vehicle licensing activities as provided for in (d) of this subsection;
 - (v) Describe the causes and procedures for termination of the contract, which may include mediation and binding arbitration.
- 30 (d) The department shall develop procedures that will standardize 31 and prescribe allowable costs that may be assigned to vehicle licensing 32 and vessel registration and title activities performed by county 33 auditors.
- 34 (e) The contracts may include any provision that the director deems 35 necessary to ensure acceptable service and the full collection of 36 vehicle and vessel tax revenues.

(f) The director may waive any provisions of the contract deemed necessary in order to ensure that readily accessible service is provided to the citizens of the state.

- (4)(a) At any time any application is made to the director, the county auditor, or other agent pursuant to any law dealing with licenses, registration, or the right to operate any vehicle or vessel upon the public highways or waters of this state, excluding applicants already paying such fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the director, county auditor, or other agent a fee of three dollars for each application in addition to any other fees required by law.
- (b) Counties that do not cover the expenses of vehicle licensing and vessel registration and title activities may submit to the department a request for cost-coverage moneys. The request must be submitted on a form developed by the department. The department shall develop procedures to verify whether a request is reasonable. Payment shall be made on requests found to be allowable from the licensing services account.
- (c) Applicants for certificates of ownership, including applicants paying fees under RCW 46.16.070 or 46.16.085, shall pay to the director, county auditor, or other agent a fee of four dollars in addition to any other fees required by law.
- (d) The fees under (a) and (c) of this subsection, if paid to the county auditor as agent of the director, or if paid to a subagent of the county auditor, shall be paid to the county treasurer in the same manner as other fees collected by the county auditor and credited to the county current expense fund. If the fee is paid to another agent of the director, the fee shall be used by the agent to defray his or her expenses in handling the application.
- (e) Applicants required to pay the three-dollar fee established under (a) of this subsection, must pay an additional ((fifty)) seventy-five cents, which must be collected and remitted to the state treasurer ((for deposit)) and distributed as follows:
- (i) Fifty cents must be deposited into the department of licensing services account of the motor vehicle fund((. Revenue deposited into this account)) and must be used for agent and subagent support, which

is to include but not be limited to the replacement of department-owned equipment in the possession of agents and subagents.

- (ii) Twenty-five cents must be deposited into the license plate technology account created under section 4 of this act.
- (5) A subagent shall collect a service fee of (a) eight dollars and fifty cents for changes in a certificate of ownership, with or without registration renewal, or verification of record and preparation of an affidavit of lost title other than at the time of the title application or transfer and (b) three dollars and fifty cents for registration renewal only, issuing a transit permit, or any other service under this section.
- (6) If the fee is collected by the state patrol as agent for the director, the fee so collected shall be certified to the state treasurer and deposited to the credit of the state patrol highway account. If the fee is collected by the department of transportation as agent for the director, the fee shall be certified to the state treasurer and deposited to the credit of the motor vehicle fund. All such fees collected by the director or branches of his office shall be certified to the state treasurer and deposited to the credit of the highway safety fund.
- (7) Any county revenues that exceed the cost of providing vehicle licensing and vessel registration and title activities in a county, calculated in accordance with the procedures in subsection (3)(d) of this section, shall be expended as determined by the county legislative authority during the process established by law for adoption of county budgets.
 - (8) The director may adopt rules to implement this section.

NEW SECTION. Sec. 4. A new section is added to chapter 46.16 RCW to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.01.140(4)(e)(ii) must be deposited into this account. Expenditures from this account must support current and future license plate technology and systems integration upgrades for both the department and correctional industries. Moneys in the account may be spent only after

- 1 appropriation. Additionally, the moneys in this account may be used to
- 2 reimburse the motor vehicle account for any appropriation made to
- 3 implement the digital license plate system.

4 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 46.16 RCW to read as follows:

6 The department shall offer license plate design services to 7 organizations that are sponsoring a new special license plate series or are seeking to redesign the appearance of an existing special license 8 9 plate series that they sponsored. In providing this service, the department must work with the requesting organization in determining 10 11 the specific qualities of the new plate design and must provide full 12 design services to the organization. The department shall collect from the requesting organization a fee of one thousand five hundred dollars 13 for providing license plate design services. This fee includes one 14 original license plate design and up to five additional renditions of 15 16 the original design. If the organization requests the department to provide further renditions, in addition to the five renditions provided 17 for under the original fee, the department shall collect an additional 18 fee of five hundred dollars per rendition. All revenue collected under 19 20 this section must be deposited into the license plate technology 21 account created under section 4 of this act until such time as the financing necessary to implement a digital license plate system has 22 23 been paid in full. After the financing has been paid in full, the revenue collected under this section shall be deposited into the 24 multimodal transportation account. 25

- NEW SECTION. Sec. 6. Sections 2 and 3 of this act take effect for renewals that are due or become due on or after November 1, 2003.
- NEW SECTION. Sec. 7. If this act is not referenced by bill or chapter number by June 30, 2003, in the omnibus transportation appropriations act, this act is null and void."

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By Committee on Highways & Transportation

ADOPTED AS AMENDED 04/17/2003

In line 1 of the title, after "technology;" strike the remainder of the title and insert "amending RCW 46.16.230, 46.16.233, and 46.01.140; adding new sections to chapter 46.16 RCW; and creating new sections."

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