
SUBSTITUTE HOUSE BILL 1581

State of Washington

59th Legislature

2006 Regular Session

By House Committee on Transportation (originally sponsored by Representatives O'Brien, Schindler, Jarrett, Dunn, Woods, McCune, Wood, Ericksen and Rodne)

READ FIRST TIME 02/08/06.

1 AN ACT Relating to vehicle licensing subagents; and amending RCW
2 46.01.140.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 46.01.140 and 2005 c 343 s 1 are each amended to read
5 as follows:

6 (1) The county auditor, if appointed by the director of licensing
7 shall carry out the provisions of this title relating to the licensing
8 of vehicles and the issuance of vehicle license number plates under the
9 direction and supervision of the director and may with the approval of
10 the director appoint assistants as special deputies and recommend
11 subagents to accept applications and collect fees for vehicle licenses
12 and transfers and to deliver vehicle license number plates.

13 (2) A county auditor appointed by the director may request that the
14 director appoint (~~(subagencies)~~) subagents within the county.

15 (a) Upon authorization of the director, the auditor shall use an
16 open competitive process including, but not limited to, a written
17 business proposal and oral interview to determine the qualifications of
18 all interested applicants.

1 (b) A subagent may recommend a successor who is either the
2 subagent's sibling, spouse, or child, or a subagency employee, as long
3 as the recommended successor participates in the open, competitive
4 process used to select an applicant. In making successor
5 recommendation and appointment determinations, the following provisions
6 apply:

7 (i) If a subagency is held by a partnership or corporate entity,
8 the nomination must be submitted on behalf of, and agreed to by, all
9 partners or corporate officers.

10 (ii) No subagent may receive any direct or indirect compensation or
11 remuneration from any party or entity in recognition of a successor
12 nomination. A subagent may not receive any financial benefit from the
13 transfer or termination of an appointment.

14 (iii) (a) and (b) of this subsection are intended to assist in the
15 efficient transfer of appointments in order to minimize public
16 inconvenience. They do not create a proprietary or property interest
17 in the appointment.

18 (iv) A subagent appointee who is planning to retire within twelve
19 months may recommend a successor without resigning his or her
20 appointment by submitting a letter of intent to retire to the county
21 auditor with a successor recommendation. The county auditor shall,
22 within sixty days, respond in writing to the subagent appointee
23 indicating if the recommended successor would be considered in the open
24 competitive process. If there are negative factors or deficiencies
25 pertaining to the subagency operation or the recommended successor, the
26 county auditor will state these factors in writing to the subagent
27 appointee. The subagent appointee may withdraw the letter of intent to
28 retire any time prior to the start of the open competitive process by
29 writing to the county auditor and filing a copy with the director.

30 (v) A subagent appointee may name a recommended successor at any
31 time during his or her appointment by notifying the county auditor in
32 writing and filing a copy with the director. The purpose of this
33 recommendation is for the county auditor to know the wishes of the
34 subagent appointee in the event of the death or incapacitation of a
35 sole subagent appointee or last remaining subagent appointee that could
36 lead to the inability of the subagent to continue to fulfill the
37 obligations of the appointment.

1 (vi) The county auditor shall give great weight to a recommended
2 successor who has demonstrated the ability to manage the day-to-day
3 functions of a vehicle licensing office. If the county auditor does
4 not recommend the recommended successor for appointment as the result
5 of the open competitive process, the subagent appointee and the
6 recommended successor may request a review of the county auditor's
7 recommendation, prior to review by the subagent review team created in
8 department policy. The process for such review will be developed under
9 the direction of the title and registration advisory committee created
10 in RCW 46.01.320.

11 (c) The auditor shall submit all proposals to the director, and
12 shall recommend the appointment of one or more subagents who have
13 applied through the open competitive process. The auditor shall
14 include in his or her recommendation to the director, not only the name
15 of the successor who is a relative or employee, if applicable and if
16 otherwise qualified, but also the name of one other applicant who is
17 qualified and was chosen through the open competitive process. The
18 director has final appointment authority.

19 (3)(a) A county auditor who is appointed as an agent by the
20 department shall enter into a standard contract provided by the
21 director, developed with the advice of the title and registration
22 advisory committee.

23 (b) A subagent appointed under subsection (2) of this section shall
24 enter into a standard contract with the county auditor, developed with
25 the advice of the title and registration advisory committee. The
26 director shall provide the standard contract to county auditors.

27 (c) The contracts provided for in (a) and (b) of this subsection
28 must contain at a minimum provisions that:

29 (i) Describe the responsibilities, and where applicable, the
30 liability, of each party relating to the service expectations and
31 levels, equipment to be supplied by the department, and equipment
32 maintenance;

33 (ii) Require the specific type of insurance or bonds so that the
34 state is protected against any loss of collected motor vehicle tax
35 revenues or loss of equipment;

36 (iii) Specify the amount of training that will be provided by the
37 state, the county auditor, or subagents;

1 (iv) Describe allowable costs that may be charged to vehicle
2 licensing activities as provided for in (d) of this subsection;

3 (v) Describe the causes and procedures for termination of the
4 contract, which may include mediation and binding arbitration.

5 (d) The department shall develop procedures that will standardize
6 and prescribe allowable costs that may be assigned to vehicle licensing
7 and vessel registration and title activities performed by county
8 auditors.

9 (e) The contracts may include any provision that the director deems
10 necessary to ensure acceptable service and the full collection of
11 vehicle and vessel tax revenues.

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

15 (4)(a) At any time any application is made to the director, the
16 county auditor, or other agent pursuant to any law dealing with
17 licenses, registration, or the right to operate any vehicle or vessel
18 upon the public highways or waters of this state, excluding applicants
19 already paying such fee under RCW 46.16.070 or 46.16.085, the applicant
20 shall pay to the director, county auditor, or other agent a fee of
21 three dollars for each application in addition to any other fees
22 required by law.

23 (b) Counties that do not cover the expenses of vehicle licensing
24 and vessel registration and title activities may submit to the
25 department a request for cost-coverage moneys. The request must be
26 submitted on a form developed by the department. The department shall
27 develop procedures to verify whether a request is reasonable. Payment
28 shall be made on requests found to be allowable from the licensing
29 services account.

30 (c) Applicants for certificates of ownership, including applicants
31 paying fees under RCW 46.16.070 or 46.16.085, shall pay to the
32 director, county auditor, or other agent a fee of four dollars in
33 addition to any other fees required by law.

34 (d) The fees under (a) and (c) of this subsection, if paid to the
35 county auditor as agent of the director, or if paid to a subagent of
36 the county auditor, shall be paid to the county treasurer in the same
37 manner as other fees collected by the county auditor and credited to

1 the county current expense fund. If the fee is paid to another agent
2 of the director, the fee shall be used by the agent to defray his or
3 her expenses in handling the application.

4 (e) Applicants required to pay the three-dollar fee established
5 under (a) of this subsection, must pay an additional seventy-five
6 cents, which must be collected and remitted to the state treasurer and
7 distributed as follows:

8 (i) Fifty cents must be deposited into the department of licensing
9 services account of the motor vehicle fund and must be used for agent
10 and subagent support, which is to include but not be limited to the
11 replacement of department-owned equipment in the possession of agents
12 and subagents.

13 (ii) Twenty-five cents must be deposited into the license plate
14 technology account created under RCW 46.16.685.

15 (5) A subagent shall collect a service fee of (a) ten dollars for
16 changes in a certificate of ownership, with or without registration
17 renewal, or verification of record and preparation of an affidavit of
18 lost title other than at the time of the title application or transfer
19 and (b) four dollars for registration renewal only, issuing a transit
20 permit, or any other service under this section.

21 (6) If the fee is collected by the state patrol as agent for the
22 director, the fee so collected shall be certified to the state
23 treasurer and deposited to the credit of the state patrol highway
24 account. If the fee is collected by the department of transportation
25 as agent for the director, the fee shall be certified to the state
26 treasurer and deposited to the credit of the motor vehicle fund. All
27 such fees collected by the director or branches of his office shall be
28 certified to the state treasurer and deposited to the credit of the
29 highway safety fund.

30 (7) Any county revenues that exceed the cost of providing vehicle
31 licensing and vessel registration and title activities in a county,
32 calculated in accordance with the procedures in subsection (3)(d) of
33 this section, shall be expended as determined by the county legislative
34 authority during the process established by law for adoption of county
35 budgets.

36 (8) The director may adopt rules to implement this section.

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