
HOUSE BILL 1581

State of Washington

59th Legislature

2005 Regular Session

By Representatives O'Brien, Schindler, Jarrett, Dunn, Woods, McCune, Wood, Ericksen and Rodne

Read first time 01/28/2005. Referred to Committee on Transportation.

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 2003 c 370 s 3 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 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 (c) The auditor shall submit all proposals to the director, and
19 shall recommend the appointment of one or more subagents who have
20 applied through the open competitive process. The auditor shall
21 include in his or her recommendation to the director, not only the name
22 of the successor who is a relative or employee, if applicable and if
23 otherwise qualified, but also the name of one other applicant who is
24 qualified and was chosen through the open competitive process. The
25 director has final appointment authority.

26 (d)(i) Notwithstanding (a) through (c) of this subsection, if a
27 subagent's recommendation of a successor is:

28 (A) The subagent's sibling, spouse, child, or subagency employee;

29 (B) In the case of a subagent that is an entity, the sibling,
30 spouse, child, or subagency employee of an individual having a
31 controlling interest in the subagent; or

32 (C) An entity controlled by a person described in either (d)(i)(A)
33 or (B) of this subsection;

34 and the subagent's recommendation of a successor is accompanied by a
35 statement in writing by the subagent that the recommendation is made
36 for the purpose of enabling the individual making the recommendation to
37 retire, and if the subagent's recommendation is accompanied by an
38 application for appointment as successor subagent signed by the person

1 recommended, in such form as the director may specify, then the auditor
2 shall submit the subagent's recommendation together with the
3 application to the director, who shall proceed to appoint the person
4 submitting the application as successor subagent if the person
5 submitting the application is otherwise qualified to act as a subagent.
6 If the director determines that the person making the application is
7 not qualified to act as successor subagent and declines to accept the
8 application, the existing subagent's appointment and subagency contract
9 shall not be affected, but shall remain in full force and effect.

10 (ii) Notwithstanding (a) through (c) of this subsection or any
11 provisions of a subagency contract to the contrary, if:

12 (A) The death of an individual subagent, or, if the subagent is an
13 entity, the death of an individual having a controlling interest in a
14 subagent causes a subagent's appointment and subagency contract to
15 terminate;

16 (B) Such individual prior to his or her death has designated by
17 written notice to the county auditor and the director a sibling,
18 spouse, child, or subagent employee of that individual to whom the
19 individual recommends as successor subagent in the event of the
20 individual's death; and

21 (C) Within thirty days following the death of such individual, the
22 person so recommended, or an entity controlled by the recommended
23 person, submits to the county auditor a signed application for
24 appointment as successor subagent, in such form as the director may
25 specify;
26 then the county auditor shall submit the application to the director,
27 who shall proceed to appoint the person or entity submitting the
28 application as successor subagent if that person or entity is otherwise
29 qualified to act as a subagent.

30 (iii) Nothing in this subsection (2)(d) creates any proprietary or
31 property interest in a person's appointment as a subagent.

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

36 (b) A subagent appointed under subsection (2) of this section shall
37 enter into a standard contract with the county auditor, developed with

1 the advice of the title and registration advisory committee. The
2 director shall provide the standard contract to county auditors.

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

5 (i) Describe the responsibilities, and where applicable, the
6 liability, of each party relating to the service expectations and
7 levels, equipment to be supplied by the department, and equipment
8 maintenance;

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

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

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

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

18 (d) The department shall develop procedures that will standardize
19 and prescribe allowable costs that may be assigned to vehicle licensing
20 and vessel registration and title activities performed by county
21 auditors.

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

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

28 (4)(a) At any time any application is made to the director, the
29 county auditor, or other agent pursuant to any law dealing with
30 licenses, registration, or the right to operate any vehicle or vessel
31 upon the public highways or waters of this state, excluding applicants
32 already paying such fee under RCW 46.16.070 or 46.16.085, the applicant
33 shall pay to the director, county auditor, or other agent a fee of
34 three dollars for each application in addition to any other fees
35 required by law.

36 (b) Counties that do not cover the expenses of vehicle licensing
37 and vessel registration and title activities may submit to the
38 department a request for cost-coverage moneys. The request must be

1 submitted on a form developed by the department. The department shall
2 develop procedures to verify whether a request is reasonable. Payment
3 shall be made on requests found to be allowable from the licensing
4 services account.

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

9 (d) The fees under (a) and (c) of this subsection, if paid to the
10 county auditor as agent of the director, or if paid to a subagent of
11 the county auditor, shall be paid to the county treasurer in the same
12 manner as other fees collected by the county auditor and credited to
13 the county current expense fund. If the fee is paid to another agent
14 of the director, the fee shall be used by the agent to defray his or
15 her expenses in handling the application.

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

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

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

27 (5) A subagent shall collect a service fee of (a) eight dollars and
28 fifty cents for changes in a certificate of ownership, with or without
29 registration renewal, or verification of record and preparation of an
30 affidavit of lost title other than at the time of the title application
31 or transfer and (b) three dollars and fifty cents for registration
32 renewal only, issuing a transit permit, or any other service under this
33 section.

34 (6) If the fee is collected by the state patrol as agent for the
35 director, the fee so collected shall be certified to the state
36 treasurer and deposited to the credit of the state patrol highway
37 account. If the fee is collected by the department of transportation
38 as agent for the director, the fee shall be certified to the state

1 treasurer and deposited to the credit of the motor vehicle fund. All
2 such fees collected by the director or branches of his office shall be
3 certified to the state treasurer and deposited to the credit of the
4 highway safety fund.

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

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

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