H-4143.2	

HOUSE BILL 3075

State of Washington 59th Legislature 2006 Regular Session

By Representatives O'Brien, Jarrett and Ericks

Read first time 01/19/2006. Referred to Committee on Transportation.

- 1 AN ACT Relating to county auditor licensing services accounts;
- 2 amending RCW 46.01.140; adding a new section to chapter 36.33 RCW; and
- 3 creating a new section.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 36.33 RCW 6 to read as follows:
- Counties are authorized to create a county auditor licensing services account to be used in accordance with RCW 46.01.140.
- 9 **Sec. 2.** RCW 46.01.140 and 2005 c 343 s 1 are each amended to read 10 as follows:
- 11 (1) The county auditor, if appointed by the director of licensing, 12 shall carry out the provisions of this title relating to the licensing 13 of vehicles and the issuance of vehicle license number plates under the 14 direction and supervision of the director and may with the approval of 15 the director appoint assistants as special deputies and recommend 16 subagents to accept applications and collect fees for vehicle licenses

and transfers and to deliver vehicle license number plates.

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1 (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.
 - (c) The auditor shall submit all proposals to the director, and 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.
 - (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.
- 36 (b) A subagent appointed under subsection (2) of this section shall 37 enter into a standard contract with the county auditor, developed with

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

- (c) The contracts provided for in (a) and (b) of this subsection 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.
- (d) The department shall develop procedures that will standardize and prescribe allowable costs that may be assigned to vehicle licensing and vessel registration and title activities performed by county auditors.
- (e) The contracts may include any provision that the director deems necessary to ensure acceptable service and the full collection of 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

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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.

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- (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)) shall pay an additional ((seventy-five)) two dollars and fifty cents, which must be collected and remitted to the state treasurer and distributed as follows:
- (i) ((Fifty)) One dollar and twenty-five cents ((must)) shall be deposited into the department of licensing services account of the motor vehicle fund 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) (A) One dollar shall be collected and remitted to the state treasurer and distributed monthly to individual counties' county auditor licensing services accounts as follows:
- (I) Fifty cents shall be distributed equally among the state's thirty-nine counties; and
 - (II) Fifty cents shall be distributed on a pro rata basis according to relative per capita population as it relates to the total state population, based on the most recent population estimates released by the office of financial management.
- (B) The funds provided under (e)(ii)(A)(I) and (II) of this subsection are to be used solely for the purposes of providing vehicle and vessel title and registration services to the public a minimum of regular county business hours, and with the necessary staff to comply with the terms and conditions of the standard contract agreement

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between the department and the county auditors as required in subsection (3) of this section. The funds may not be deposited into the county current expense fund.

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

- (5) A subagent shall collect a service fee of (a) ten dollars 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) four dollars 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. 3. This act applies to vehicle and vessel registrations that are due or become due on or after July 1, 2006.

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