
Transportation Committee

HB 2436

Brief Description: Concerning vehicle license fraud.

Sponsors: Representatives Moeller, Green, Clibborn, Pedersen, Carlyle, Morrell and Jacks.

Brief Summary of Bill

- Deposits the fine of \$529 and the amount of the taxes and fees for the licensing of a vehicle in another state by a resident of this state to evade the payment of any tax or license fee into the Vehicle Licensing Fraud Account.
- Establishes a fiscal year appropriation to the Department of Revenue and the Washington State Patrol from the Vehicle Licensing Fraud Account for the purposes of vehicle license fraud enforcement and collections.

Hearing Date: 1/13/10

Staff: Jerry Long (786-7306).

Background:

New Washington residents, unless exempt, must obtain a valid Washington driver's license and register their vehicles within 30 days from the date they become residents. Exemptions include a person in the military, a nonresident driver, shared ownership or a person operating special highway construction equipment, a farm tractor, non-public road travel or other evidence satisfactory to the Department of Licensing that they have a valid and compelling reason for not being able to meet the registration requirements.

Failure to register a vehicle in Washington before operating it on the highways is a traffic infraction of \$529, no part may be suspended or deferred. The avoided taxes and fees must be deposited and distributed in the same manner as if the taxes and fees were paid in a timely fashion. A motor vehicle subject to initial or renewal registration shall not be registered to a person unless the person has an unexpired Washington State driver's license.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The licensing of a vehicle in another state by a resident of this state to evade the payment of any tax or license fee imposed in connection with registration is a gross misdemeanor punishable as follows:

(1) For a first offense, up to one year in the county jail and payment of a fine of \$529 plus twice the amount of delinquent taxes and fees, no part of which may be suspended or deferred.

(2) For a second or subsequent offense, up to one year in the county jail and payment of a fine of \$529 plus four times the amount of delinquent taxes and fees, no part of which may be suspended or deferred.

The fines levied and the avoided taxes and fees under (2) will be deposited in the Vehicle Licensing Fraud Account to be used only for vehicle license fraud enforcement and collections by the Washington State Patrol (WSP) and the Department of Revenue (DOR).

Funding for the Vehicle License Fraud Program for 2007-09 was funded by the General Fund, but was not funded in the 2009-11 biennial budget.

Summary of Bill:

The fine of \$529 and the amount of the taxes and fees under (1) and (2) for the licensing of a vehicle in another state by a resident of this state to evade the payment of any tax or license fee imposed in connection with registration is deposited into the Vehicle Licensing Fraud Account.

The bill establishes a fiscal year appropriation of \$75,000 to the DOR or as much thereof as may be necessary and the sum of \$250,000 is appropriated to the WSP per fiscal year, or as much thereof as may be necessary, from the Vehicle Licensing Fraud Account for the purposes of vehicle license fraud enforcement and collections by the WSP and the DOR.

Appropriation: The sum of \$325,000 per fiscal year.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2010.