

FINAL BILL REPORT

EHB 2660

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Synopsis as Enacted

Brief Description: Addressing transportation revenue.

Sponsors: Representatives Clibborn, Ryu, Moeller, Finn, Billig, Eddy, Fitzgibbon and Moscoso;
by request of Governor Gregoire.

House Committee on Transportation

Background:

Eighty-five percent of the funding for statewide transportation comes from a variety of taxes, licenses, permits, and fees that are imposed on fuels, vehicles, and drivers. Fifty-nine percent is derived from fuel taxes; 21 percent from the licenses, permits, and fees; and 5 percent from driver-related fees.

Upon a proper request, the Department of Licensing (DOL) may furnish an abstract of a person's driving record (ADR) as permitted under state law. The fee is \$10 per ADR.

The Director of the DOL is required to furnish to all persons making satisfactory application for a vehicle registration: (1) two identical license plates each containing the license plate number; or (2) one license plate, if the vehicle is a trailer, semitrailer, camper, moped, collector vehicle, horseless carriage, or motorcycle. On an original plate issuance, the registered owner pays a reflectorized fee, but does not pay for the original license plates. A person may apply for a replacement license plate or plates if the current license plate or plates assigned to the vehicle have been lost, defaced, or destroyed, or if one or both plates have become so illegible or are in such a condition as to be difficult to distinguish. Washington also has periodic license plate replacement every seven years. When a person replaces a license plate, the fee is \$10 per plate, except for replacing motorcycle plates, which is a \$2 fee.

It is unlawful for any person, firm, or association to act as a vehicle dealer or vehicle manufacturer, to engage in business as such, serve in the capacity of such, advertise themselves as such, solicit sales as such, or distribute or transfer vehicles for resale in this state, without first obtaining and holding a current vehicle dealer's license. The DOL administers, licenses, audits, investigates, and regulates the vehicle dealer industry.

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.

Vehicle dealers may charge a documentary service fee to recover administrative costs. Administrative costs include: collecting taxes and fees; verifying and clearing titles; transferring titles; and perfecting, satisfying, or releasing liens. A dealer may charge the documentary service fee under the following conditions: the dealer must disclose the fee in writing; the dealer must disclose in writing that the fee is negotiable; the dealer cannot represent that the fee is required by the state; the dealer must separately designate the fee from the selling price and other charges; and the dealer must disclose the fee in advertisements as an addition to the selling price. The current maximum document fee is up to \$150 per vehicle sale or lease until June 30, 2014. On July 1, 2014, the fee reverts to a maximum of \$50.

Summary:

The following fee increases are made:

Category	Current Fee	New Fee
Abstract of Driver's Record (ADR)	\$10	\$13
Certificate of Ownership (title) Application	\$5	\$15
Original Issue License Plate	\$0	\$10
Late Title Transfer Penalty	\$25 to \$100	\$50 to \$125
Original Issue Motorcycle License Plates	\$0	\$4
Motorcycle Replacement License Plates	\$2	\$4
Vehicle Dealer Original License	\$750	\$975
Vehicle Dealer License Renewal License	\$250	\$325
Electric Vehicle Fee	\$0	\$100
Vehicles Dealer Documentary Fee Temporary to Permanent	Up to \$150	Up to \$150

The penalty for a late transfer of vehicle ownership is increased from \$25 to \$50 to be assessed on the sixteenth day after the date of delivery. There is also a two dollar penalty for each additional day thereafter, with the maximum total penalty increased from \$100 to \$125.

The vehicle dealer documentary service fee is permanently established at up to \$150.

A \$100 annual renewal fee is implemented for electric vehicles that use propulsion units powered solely by electricity. The vehicle must be designed to have the capability to drive at a speed of more than 35 miles per hour. The fee applies to vehicle registration renewals that are due on or after February 1, 2013. This fee would expire on the effective date of legislation enacted by the Legislature that imposes a vehicle-miles-traveled fee or tax. The Department of Licensing (DOL) must provide written notice of the expiration date of the fee to the Chief Clerk of the House of Representatives, the Secretary of the Senate, the Office of the Code Reviser, and others as deemed appropriate by the DOL.

The public transportation grant program account is created in the state treasury, and expenditures from the account are required to be used only for grants to aid transit authorities with operations.

Technical changes are made to some of the statutes implicated by the 2010 and 2011 vehicle registration statutes recodification.

Votes on Final Passage:

House 56 42

Senate 30 19

Effective: June 7, 2012

October 1, 2012 (Sections 1-12)