Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

ESSB 6455

Brief Description: Concerning transportation revenue.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen and Shin; by request of Governor Gregoire).

Brief Summary of Engrossed Substitute Bill

- Increases the fee for an abstract of driving record, vehicle certificate of ownership, certain vehicle license plates, and vehicle dealer licenses.
- Removes the current expiration date of June 30, 2014, for the vehicle allowable documentary service charge of up to \$150 and makes the fee permanent at \$150.

Hearing Date: 2/20/12

Staff: Jerry Long (786-7306).

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 fuels tax, 21 percent from the license, 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 current fee is \$10 per ADR.

The Director of the DOL shall 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,

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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 motorcycles which is \$2 for the license plate.

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.

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 can 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 of Bill:

The following fee increases are made:

Catagory	Commont Foo	Proposed Fee (effective October
Category	Current Fee	2012)
Abstract of Driver's Record (ADR)	\$ 10.00	\$ 15.00
Certificate of Ownership (Title) - Application	\$ 5.00	\$ 12.50
Original Issue License Plate (Per Plate)	\$0	\$ 10.00
Original Issue Motorcycle Plates	\$0	\$ 4.00
Motorcycle Replacement Plates	\$ 2.00	\$ 4.00
Vehicle Dealer Original License	\$750.00	\$975.00
Vehicle Dealer License Renewal	\$250.00	\$325.00

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

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect October 1, 2012.