

SENATE BILL REPORT

ESHB 2053

As of Second Reading

Title: An act relating to additive transportation funding.

Brief Description: Concerning additive transportation funding.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Clibborn, Morris, Rolfes, Lias, Reykdal, Billig, Ormsby, Finn, Seaquist and Lytton).

Brief History: Passed House: 5/25/11, 53-43.

Committee Activity:

SENATE COMMITTEE ON TRANSPORTATION

Staff: Amanda Cecil (786-7429)

Background: Licensing and Fees. The Department of Licensing (DOL) administers a number of licensing programs which provide individuals with access to various driver- and vehicle-related services, including:

Drivers:

- a knowledge and/or driving test;
- a first driver's license or transfer a valid driver's license from another state;
- replacement of a lost or stolen license;
- an updated license;
- a driver's license renewal; and
- enhanced driver's licenses or identification cards for the purposes of international ground-based or sea-based travel to Canada and Mexico.

Vehicles:

- vehicle registration;
- transfer of a title to a vehicle or vessel;
- modify a title;
- replacement license plates;
- replacement license plate tabs;
- a duplicate title or registration;
- issuance of business-related vehicle fees (such as for driver training schools, tow truck operators, and others);
- business-related vehicle trip permits;

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- registration of motor homes, recreational vehicles, travel trailers, campers, boat trailers, and other types of on-road vehicles and equipment;
- register off-road vehicles; and
- vehicle inspections.

For most of the various driver and vehicle services provided by the DOL, fees are charged. However, a fee is not charged for the original issuance of license plates. In addition, for instructional permit examination purposes, a \$35 fee is charged only once and an individual may take the exam as many times as is needed until the individual passes. Individuals that choose to apply for an instructional permit a second or third time are not required to pay an application fee.

The requirement to pay the fee for the various driver and vehicle services is established in statute and fee levels are provided either statutorily or by rule. The statutes also provide a revenue distribution framework for the various fees, with the majority deposited to either the Highway Safety Fund or the Motor Vehicle Fund. Fees that are collected as license fees for motor vehicles are subject to the 18th Amendment to the state Constitution and must be spent for highway purposes.

State Transportation Expenditures. The operating and capital expenses of state transportation agencies and programs are generally funded on a biennial basis by an Omnibus Transportation Budget (Transportation Budget) adopted by the Legislature in odd-numbered years. The Transportation Budget provides appropriations to the major transportation agencies including the Washington State Department of Transportation (WSDOT), the Washington State Patrol (WSP), the DOL, the Washington Traffic Safety Commission, the Transportation Improvement Board (TIB), the County Road Administration Board (CRAB), and the Freight Mobility Strategic Investment Board (FMSIB). The Transportation Budget also provides appropriations out of transportation funds to many smaller agencies with transportation functions.

Summary of Bill: Various driver and vehicle fees are increased. A fee is added for the issuance of original license plates at \$10 per plate for motor vehicles and \$2 per plate for motorcycles. Individuals applying for an instructional driver's permit must pay an application fee of \$25 for each renewal. Individuals who take the examination for the instructional driver's permit must pay a \$35 fee for each exam taken. The late transfer of ownership penalty is increased to maximum of \$125.

Various appropriations are made to:

- the WSP for the auto theft investigation unit and conversion to a narrowband communication system;
- the WSDOT for:
 - ferry operating and ferry capital expenses,
 - highway maintenance and storm water permit compliance;
 - highway preservation;
 - public transportation and
 - additional safe routes to schools grants;
- the FMSIB for additional grants for freight corridor improvements;

- the TIB for additional grants to cities and urban counties and for storm water permit compliance in connection with funded projects;
- the CRAB for additional grants rural arterial preservation grants to counties; and
- The State Treasurer for costs associated with the sale of bonds.

Appropriation: Various.

Fiscal Note: Available for SHB 2053. New fiscal note requested on May 25, 2011. [OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on January 1, 2012.