

SENATE BILL REPORT

SB 6111

As of January 30, 2012

Title: An act relating to fees for certain vehicle title, registration, and permitting services.

Brief Description: Concerning fees for certain vehicle title, registration, and permitting services.

Sponsors: Senator Swecker.

Brief History:

Committee Activity: Transportation: 1/26/12.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Amanda Cecil (786-7429)

Background: County auditors, acting as an agent and by appointment of the director of the Department of Licensing (DOL), must provide various vehicle title and registration services to the public. This includes the processing of a report of sale; processing a transitional ownership; processing mail-in vehicle registration renewals; issuing registration and temporary off-road vehicle use permits; issuing registration for snowmobiles; and collecting taxes and fees. DOL may appoint privately-owned businesses as licensing subagents (subagents) to process these transactions under contract with the county auditor. In addition to any other fees, registration and title transactions processed by a subagent are subject to a subagent service fee of \$5.00 for a registration and \$12.00 for a title. On a report of sale transaction a subagent only collects a \$5.00 subagent service fee and does not collect the license plate technology, licensing service or filing fee.

The table below shows a summary of the administrative fees collected by type and location of transaction.

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.

	Registration	Report of Sale (subagent)	Report of Sale (auditor or agent)	Title
License Plate Technology Fee	\$0.25		\$0.25	
License Service Fee	\$0.50		\$0.50	
Filing Fee	\$3.00		\$3.00	\$4.00
Subagent Service Fee	\$5.00	\$5.00		\$12.00
Total Fees Paid - Auditor or Agent	\$3.75		\$3.75	\$4.00
Total Fees Paid - Subagent	\$8.75	\$5.00		\$16.00

Summary of Bill: The subagent service fee is renamed the service fee and DOL, county auditors, and agents, must collect the service fee. An additional fee of \$1.25 is added to a report of sale transaction that is processed by a county auditor or other agent. A county may opt out of collecting the service fee or the additional fee of \$1.25 by a majority vote of the governing board.

The service fee is distributed as follows:

- when collected by DOL it is deposited in DOL services account; and
- when collected by the county auditor or other agent it is deposited into the county's current expense fund.

The additional fee of \$1.25 that is collected by the county auditor is deposited into the county's current expense fund.

The table below shows a summary of the administrative fees collected by type and location of transaction under this bill.

	Registration	Report of Sale (subagent)	Report of Sale (auditor or agent)	Title
License Plate Technology Fee	\$0.25		\$0.25	
License Service Fee	\$0.50		\$0.50	
Filing Fee	\$3.00		\$3.00	\$4.00
<i>Additional Fee (NEW)</i>			<i>\$1.25</i>	
Subagent Service Fee	\$5.00	\$5.00	\$5.00	\$12.00
Total Fees Paid - Auditor or Agent	\$8.75		\$5.00	\$16.00
Total Fees Paid - Subagent	\$8.75	\$5.00		\$16.00

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Subagents are valuable to the delivery system. Fee standardization is an equitable solution to maintain an effective delivery system that has been in place for years. This bill levels the playing field between agents and subagents and allows the office that processes the work to retain the new revenue. Local commissioners and local governments have the option to take advantage of new revenue or bypass. Revenue can be used to help fund needed services. This will also make it so that when DOL lists fees on the website, it will be the correct fee no matter where the customer goes.

CON: This bill increases the licensing fees without providing any benefit to the customers. There could be inconsistent fees if this bill passes as some counties would adopt the fee and some would not. The County Auditor's Association supports the current model of subagent system that provides customers with options. They oppose this bill because it takes away that choice with no improvement in convenience. Subagents are available through the online system and more business is being driven to subagents. In Thurston County about 70 percent of business goes to subagents. The current model is good and as the economy recovers transaction counts are starting to go up for all locations.

Persons Testifying: PRO: Jan Novak, Charlene Winsler, Donald S. McCallum, WA Assn. of Vehicle Subagents.

CON: Kim Wyman, Thad Duvall, WA State Assn. of County Auditors.