
HOUSE BILL 1368

State of Washington

62nd Legislature

2011 Regular Session

By Representatives Miloscia, Warnick, Goodman, McCune, Kelley, and
Armstrong

Read first time 01/19/11. Referred to Committee on Transportation.

1 AN ACT Relating to the title and registration advisory committee;
2 amending RCW 46.01.325; reenacting RCW 46.01.140; and adding a new
3 section to chapter 46.01 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 46.01 RCW
6 to read as follows:

7 The title and registration advisory committee is created within the
8 department. The committee consists of the director or a designee, who
9 serves as chair, the assistant director for vehicle services, the
10 administrator of title and registration services, two members from each
11 of the house of representatives and senate transportation committees,
12 two county auditors nominated by the Washington association of county
13 officials, and two representatives of subagents nominated by an
14 association of vehicle subagents. The committee shall meet at least
15 twice a year and may meet as often as necessary. The committee's
16 purpose is to foster communication between the legislature, the
17 department, county auditors, and subagents. The committee shall make
18 recommendations about revisions to fee structures, implications of fee

1 revisions on cost sharing, and the development of standard contracts
2 provided for in RCW 46.01.140 (1)(a) and (4)(a).

3 **Sec. 2.** RCW 46.01.140 and 2010 c 161 s 204 are each reenacted to
4 read as follows:

5 (1) **County auditor/agent duties.** A county auditor or other agent
6 appointed by the director shall:

7 (a) Enter into a standard contract provided by the director, as
8 developed in consultation with the advice of the title and registration
9 advisory committee;

10 (b) Provide all services authorized by the director for vehicle
11 certificates of title and vehicle registration applications and
12 issuance under the direction and supervision of the director including,
13 but not limited to:

14 (i) Processing reports of sale;

15 (ii) Processing transitional ownership transactions;

16 (iii) Processing mail-in vehicle registration renewals until
17 directed otherwise by legislative authority;

18 (iv) Issuing registrations and temporary ORV use permits for
19 off-road vehicles as required under chapter 46.09 RCW;

20 (v) Issuing registrations for snowmobiles as required under chapter
21 46.10 RCW; and

22 (vi) Collecting fees and taxes as required.

23 (2) **County auditor/agent assistants and subagents.** A county
24 auditor or other agent appointed by the director may, with approval of
25 the director:

26 (a) Appoint assistants as special deputies to accept applications
27 for vehicle certificates of title and to issue vehicle registrations;
28 and

29 (b) Recommend and request that the director appoint subagencies
30 within the county to accept applications for vehicle certificates of
31 title and vehicle registration application issuance.

32 (3) **Appointing subagents.** A county auditor or other agent
33 appointed by the director who requests a subagency shall, with approval
34 of the director:

35 (a) Use an open competitive process including, but not limited to,
36 a written business proposal and oral interview to determine the
37 qualifications of all interested applicants; and

1 (b) Submit all proposals to the director with a recommendation for
2 appointment of one or more subagents who have applied through the open
3 competitive process. If a qualified successor who is an existing
4 subagent's sibling, spouse, or child, or a subagency employee has
5 applied, the county auditor shall provide the name of the qualified
6 successor and the name of one other applicant who is qualified and was
7 chosen through the open competitive process.

8 (4) **Subagent duties.** A subagent appointed by the director shall:

9 (a) Enter into a standard contract with the county auditor or agent
10 provided by the director, as developed in consultation with the title
11 and registration advisory committee; and

12 (b) Provide all services authorized by the director for vehicle
13 certificates of title and vehicle registration applications and
14 issuance under the direction and supervision of the county auditor or
15 agent and the director including, but not limited to:

16 (i) Processing reports of sale;

17 (ii) Processing transitional ownership transactions;

18 (iii) Mailing out vehicle registrations and replacement plates to
19 internet payment option customers until directed otherwise by
20 legislative authority;

21 (iv) Issuing registrations and temporary ORV use permits for
22 off-road vehicles as required under chapter 46.09 RCW;

23 (v) Issuing registrations for snowmobiles as required under chapter
24 46.10 RCW; and

25 (vi) Collecting fees and taxes as required.

26 (5) **Subagent successorship.** A subagent appointed by the director
27 who no longer wants his or her appointment may recommend a successor
28 who is the subagent's sibling, spouse, or child, or a subagency
29 employee. The recommended successor must participate in the open
30 competitive process used to select an applicant. In making successor
31 recommendations and appointment determinations, the following
32 provisions apply:

33 (a) If a subagency is held by a partnership or corporate entity,
34 the nomination must be submitted on behalf of, and agreed to by, all
35 partners or corporate officers;

36 (b) A subagent may not receive any direct or indirect compensation
37 or remuneration from any party or entity in recognition of a successor

1 nomination. A subagent may not receive any financial benefit from the
2 transfer or termination of an appointment; and

3 (c) The appointment of a successor is intended to assist in the
4 efficient transfer of appointments to minimize public inconvenience.
5 The appointment of a successor does not create a proprietary or
6 property interest in the appointment.

7 (6) **Standard contracts.** The standard contracts provided by the
8 director in this section may include provisions that the director deems
9 necessary to ensure that readily accessible and acceptable service is
10 provided to the citizens of the state, including the full collection of
11 fees and taxes. The standard contracts must include provisions that:

12 (a) Describe responsibilities and liabilities of each party related
13 to service expectations and levels;

14 (b) Describe the equipment to be supplied by the department and
15 equipment maintenance;

16 (c) Require specific types of insurance or bonds, or both, to
17 protect the state against any loss of collected revenue or loss of
18 equipment;

19 (d) Specify the amount of training that will be provided by each of
20 the parties;

21 (e) Describe allowable costs that may be charged for vehicle
22 registration activities as described in subsection (7) of this section;
23 and

24 (f) Describe causes and procedures for termination of the contract,
25 which may include mediation and binding arbitration.

26 (7) **County auditor/agent cost reimbursement.** A county auditor or
27 other agent appointed by the director who does not cover expenses for
28 services provided by the standard contract may submit to the department
29 a request for cost-coverage moneys. The request must be submitted on
30 a form developed by the department. The department shall develop
31 procedures to standardize and identify allowable costs and to verify
32 whether a request is reasonable. Payment must be made on those
33 requests found to be allowable from the licensing services account.

34 (8) **County auditor/agent revenue disbursement.** County revenues
35 that exceed the cost of providing services described in the standard
36 contract, calculated in accordance with the procedures in subsection
37 (7) of this section, must be expended as determined by the county

1 legislative authority during the process established by law for
2 adoption of county budgets.

3 (9) **Appointment authority.** The director has final appointment
4 authority for county auditors or other agents or subagents.

5 (10) **Rules.** The director may adopt rules to implement this
6 section.

7 **Sec. 3.** RCW 46.01.325 and 2010 1st sp.s. c 7 s 138 are each
8 amended to read as follows:

9 (1) The director shall prepare, with the advice of the title and
10 registration advisory committee, an annual comprehensive analysis and
11 evaluation of agent and subagent fees. The director shall make
12 recommendations for agent and subagent fee revisions approved by the
13 title and registration advisory committee to the senate and house
14 transportation committees by January 1st of every third year starting
15 with 1996. Fee revision recommendations may be made more frequently
16 when justified by the annual analysis and evaluation, and as requested
17 by the title and registration advisory committee.

18 (2) The annual comprehensive analysis and evaluation must consider,
19 but is not limited to:

20 (a) Unique and significant financial, legislative, or other
21 relevant developments that may impact fees;

22 (b) Current funding for ongoing operating and maintenance
23 automation project costs affecting revenue collection and service
24 delivery;

25 (c) Future system requirements including an appropriate sharing of
26 costs between the department, agents, and subagents;

27 (d) Beneficial mix of customer service delivery options based on a
28 fee structure commensurate with quality performance standards;

29 (e) Appropriate indices projecting state and national growth in
30 business and economic conditions prepared by the United States
31 department of commerce, the department of revenue, and the revenue
32 forecast council for the state of Washington.

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