

SHB 1242 - S COMM AMD
By Committee on Transportation

ADOPTED 04/11/2013

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 46.01.140 and 2012 c 261 s 10 are each amended to
4 read as follows:

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

7 (a) Enter into a standard contract provided by the director;

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

12 (i) Processing reports of sale;

13 (ii) Processing transitional ownership transactions;

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

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

18 (v) Issuing registrations for snowmobiles as required under chapter
19 46.10 RCW; and

20 (vi) Collecting fees and taxes as required;

21 (c) If authorized by the director, offer for sale discover passes
22 as provided in chapter 79A.80 RCW.

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

1 within the county to accept applications for vehicle certificates of
2 title and vehicle registration application issuance.

3 (3) **Appointing subagents.** A county auditor or other agent
4 appointed by the director who requests a subagency must, with approval
5 of the director:

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

9 (b) Submit all proposals to the director with a recommendation for
10 appointment of one or more subagents who have applied through the open
11 competitive process. If a qualified successor who is an existing
12 subagent's sibling, spouse, or child, or a subagency employee has
13 applied, the county auditor must provide the name of the qualified
14 successor and the name of one other applicant who is qualified and was
15 chosen through the open competitive process.

16 (4) **Subagent duties.** A subagent appointed by the director must:

17 (a) Enter into a standard contract with the county auditor or agent
18 provided by the director;

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

23 (i) Processing reports of sale;

24 (ii) Processing transitional ownership transactions;

25 (iii) Mailing out vehicle registrations and replacement plates to
26 internet payment option customers until directed otherwise by
27 legislative authority;

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

30 (v) Issuing registrations for snowmobiles as required under chapter
31 46.10 RCW; and

32 (vi) Collecting fees and taxes as required; and

33 (c) If authorized by the director, offer for sale discover passes
34 as provided in chapter 79A.80 RCW.

35 (5) **Subagent successorship.** A subagent appointed by the director
36 who no longer wants his or her appointment may recommend a successor
37 who is the subagent's sibling, spouse, or child, or a subagency
38 employee. The recommended successor must participate in the open

1 competitive process used to select an applicant. In making successor
2 recommendations and appointment determinations, the following
3 provisions apply:

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

7 (b) A subagent may not receive any direct or indirect compensation
8 or remuneration from any party or entity in recognition of a successor
9 nomination. A subagent may not receive any financial benefit from the
10 transfer or termination of an appointment; ((and))

11 (c) The appointment of a successor is intended to assist in the
12 efficient transfer of appointments to minimize public inconvenience.
13 The appointment of a successor does not create a proprietary or
14 property interest in the appointment;

15 (d) A subagent appointee who is planning to retire within twelve
16 months may recommend a successor without resigning his or her
17 appointment by submitting a letter of intent to retire with a successor
18 recommendation to the county auditor or other agent appointed by the
19 director. The county auditor or other agent appointed by the director
20 shall, within sixty days, respond in writing to the subagent appointee
21 indicating if the recommended successor would be considered in the open
22 competitive process. If there are negative factors or deficiencies
23 pertaining to the subagency operation or the recommended successor, the
24 county auditor or other agent appointed by the director must state
25 these factors in writing to the subagent appointee. The subagent
26 appointee may withdraw the letter of intent to retire any time prior to
27 the start of the open competitive process by writing to the county
28 auditor or other agent appointed by the director and filing a copy with
29 the director;

30 (e) A subagent appointee may name a recommended successor at any
31 time during his or her appointment by notifying the county auditor or
32 other agent appointed by the director in writing and filing a copy with
33 the director. The purpose of this recommendation is for the county
34 auditor or other agent appointed by the director to know the wishes of
35 the subagent appointee in the event of the death or incapacitation of
36 a sole subagent appointee or last remaining subagent appointee that
37 could lead to the inability of the subagent to continue to fulfill the
38 obligations of the appointment; and

1 (f) If the county auditor or other agent appointed by the director
2 does not select the recommended successor for appointment as a result
3 of the open competitive process, the county auditor or other agent
4 appointed by the director must contact the subagent appointee by letter
5 and explain the decision. The subagent appointee must be provided an
6 opportunity to respond in writing. Any response by the subagent
7 appointee must be included in the open competitive process materials
8 submitted to the department.

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

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

16 (b) Describe the equipment to be supplied by the department and
17 equipment maintenance;

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

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

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

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

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

36 **(8) County auditor/agent revenue disbursement.** County revenues
37 that exceed the cost of providing services described in the standard
38 contract, calculated in accordance with the procedures in subsection

1 (7) of this section, must be expended as determined by the county
2 legislative authority during the process established by law for
3 adoption of county budgets.

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

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

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8 On page 1, line 1 of the title, after "subagents;" strike the
9 remainder of the title and insert "and amending RCW 46.01.140."

EFFECT: Clarifies that the provisions related to a county auditor
also apply to other agents appointed by the director of licensing.

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