

HOUSE BILL REPORT

HB 1726

As Reported by House Committee On:
Transportation

Title: An act relating to vehicle registration renewal requirements.

Brief Description: Modifying certain vehicle registration renewal requirements.

Sponsors: Representatives Wylie, Roberts and Ryu.

Brief History:

Committee Activity:

Transportation: 2/26/13, 2/27/13 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Licensing (DOL) to provide education about and market the benefits derived from the \$5 voluntary donation for the State Parks Renewal and Stewardship Account.
- Removes the seven-year periodic license plate replacement requirement.
- Implements a \$1.25 license plate fee for a renewal vehicle registration.
- Increases the voluntary plate replacement fee from \$10 to \$12.50.
- Requires that when ownership of a vehicle changes, new standard license plates must be issued at existing plate replacement fees.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives Clibborn, Chair; Fey, Vice Chair; Liias, Vice Chair; Moscoso, Vice Chair; Bergquist, Farrell, Fitzgibbon, Habib, Moeller, Morris, Riccelli, Ryu, Sells, Takko, Tarleton and Upthegrove.

Minority Report: Do not pass. Signed by 14 members: Representatives Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Angel, Hayes, Johnson, Klippert, Kochmar, Kretz, Kristiansen, O'Ban, Rodne, Shea and Zeiger.

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.

Staff: Jerry Long (786-7306)

Background:

The State Parks Renewal and Stewardship Account (Account) receives state park receipts from user fees, concessions, leases, voluntary donations from vehicle registrations, and other state park based activities. The Account must be used for operating and maintaining state parks, developing and renovating park facilities, undertaking deferred maintenance, enhancing park stewardship, and other state park purposes.

License plates are replaced periodically to ensure maximum legibility and reflectivity. The Department of Licensing (DOL) in 1997 (Substitute House Bill 1008) was directed to use empirical studies to document the longevity of the reflective material used to make license plates and determine how often license plates need to be replaced, providing the DOL authorization to adopt rules for implementation. The DOL began replacing license plates under this program in 2000.

Research conducted when the program started indicated seven years as the most common replacement cycle among states with similar programs. In 2006 the DOL hired an independent consultant to study the seven-year replacement program. At that time some states had license plate replacement programs that ranged from five years to 10 years. The manufacturer's warranty on the license plate materials is five years. The states surveyed had an average replacement cycle of 6.8 years. The seven-year license plate replacement period is in Washington Administrative Code.

There are a few type of plates that are exempt from the plate replacement program. These are: prorated vehicles over 16,000 pounds; commercial vehicles with a declared gross weight over 26,000 pounds; collector vehicle plates; horseless carriage vehicle restored plates; plates issued to government agencies with exempt use class; and Medal of Honor license plates.

The plate replacement plate fee is \$10 per plate and \$2 for the reflective fee or \$24 for a set of license plates. If a vehicle wishes to retain their existing license plate number, for a fee of \$10 per plate the person will receive a new plate(s) with that number.

Summary of Substitute Bill:

The substitute bill:

- requires the DOL to provide education about, and market the benefits derived from, the \$5 voluntary donation for the State Parks Renewal and Stewardship Account;
- eliminates the current seven-year replacement plate program;
- implements a \$1.25 license plate fee for a renewal vehicle registration;
- increases the voluntary license plate replacement fee from \$10 to \$12.50;
- requires that when ownership of a vehicle changes, new standard license plates must be issued at existing plate replacement fees (\$10 original license plate fee and a \$2 reflectivity fee per license plate); and

- applies to vehicle registrations that are due or become due on or after January 1, 2014.

Substitute Bill Compared to Original Bill:

The substitute bill:

- eliminates the 10-year replacement period;
- requires a new license plate fee of \$1.25 for each plate for a renewal vehicle registration. The fee is deposited in the Motor Vehicle Fund;
- removes the requirement of the DOL at the time license plates are replaced to provide any plate fasteners necessary to attach the license plate to the vehicle at the manufacturer's suggested retail price;
- removes the requirement for the DOL to offer to owners, on the 10-year registration renewal notice, the option of retaining the current license plate number when obtaining replacement license plates; and
- requires that when ownership of a vehicle changes, new standard license plates must be issued at existing plate replacement fees (\$10 per plate and \$2 reflectivity fee per plate).

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on March 4, 2013.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill has a positive fiscal note. The bill eliminates the seven-year mandatory license plate replacement cycle. The number one nuisance complaint from the public is the replacement of license plates at seven years. People like to keep their license plate number and many folks have their number memorized.

Constituents would be willing to pay a little more on their vehicle license renewals to get rid of the seven-year license plate replacement.

Some contract vendors that process vehicle license renewals for the DOL actually talk their patrons out of making the voluntary State Parks donation available at the time of a vehicle renewal to save their customers money on the vehicle renewal. This is the reason for wanting the DOL to provide education about, and market the benefits derived from, the \$5 voluntary donation.

The options for the park donation and the opportunity to keep an existing license plate number at the time of license plate replacement should be transparent to the public and fully disclosed.

This bill will help to keep license plates out of landfills.

(In support with concerns) The county auditors are in support of the substitute version of House Bill 1726. The county auditors were concerned about the original bill and the \$1.25 license plate replacement fee that the county auditors would collect that would be attached to a 10-year replacement cycle. The 10-year replacement cycle has been removed in the substitute bill.

(Opposed) None.

Persons Testifying: (In support) Representative Wylie, prime sponsor.

(In support with concerns) Monty Cobb, Washington Association of County Officials.

Persons Signed In To Testify But Not Testifying: None.