# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

# **Transportation Committee**

## **ESSB 5785**

**Brief Description**: Modifying requirements for the display and replacement of license plates.

**Sponsors**: Senate Committee on Transportation (originally sponsored by Senators Ericksen, Rolfes, King, Ranker and Eide).

## **Brief Summary of Engrossed Substitute Bill**

- Removes the mandatory license plate replacement.
- Requires that standard issue license plates are replaced when the vehicle ownership changes and that the vehicle registration expires.
- Requires that the new owner of a vehicle applying for a renewal registration must be credited for the portion of a motor vehicle excise tax that reflects the remaining period for which the tax was initially paid by the previous owner.
- Provides that the new license plates and registration do not need to be obtained for vehicles that are sold to vehicle dealers until the dealer sells the vehicle.
- Retaining the current license plate number when obtaining replacement license plates must be offered by the Department of Licensing to the registered owners.
- Requires that a special license plate that has been discontinued is only valid until it is replaced for any reason.

Hearing Date: 4/26/13

**Staff**: Jerry Long (786-7306).

### Background:

Vehicles that are registered for use on the public highways are issued two identical license plates for most passenger cars and pickup trucks or one license plate if the vehicle is a trailer, semi-trailer, camper, moped, collector vehicle, horseless carriage, or motorcycle. The license plates must be displayed horizontally and conspicuously at the front and rear of the vehicle for a

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vehicle requiring two license plates and at the rear if the vehicle only requires one license plate. Standard-issue license plates follow the vehicle when ownership changes unless the owner wishes to retain the license plates and transfer the plates to a replacement vehicle. A registered owner deciding to keep the standard-issue license plates may apply to the Department of Licensing (DOL) to transfer the license plates to a replacement vehicle for a license plate transfer fee of \$10 per license plate.

The DOL must determine how frequently license plates must be replaced to ensure maximum legibility and reflectivity. To determine frequency, the DOL must use empirical studies documenting the longevity of the reflective materials. The DOL has established, through rule, a seven-year replacement period for license plates. License plates must also be replaced if the plates have been lost, defaced, or are illegible and may be replaced at any time the registered owner chooses. There is a \$10 per plate fee for a standardized issue license plate and a \$2 per plate reflectivity fee. When license plates are replaced, new license plates with a new number are issued for the vehicle; however, upon application and payment of the \$20 retention fee, the registered owner may retain their license plate number.

At the time of vehicle registration and annual registration renewal, a \$30 vehicle license fee and various other statewide fees are due, including vehicle weight fees of \$10 to \$30 depending on the weight of the vehicle, the 50-cent license service fee and the 25-cent license plate technology fee. In addition to statewide fees, various imposed taxes and fees are collected at vehicle registration renewal, such as local vehicle fees imposed by a transportation benefit district. In additional, within the boundary of the regional transit authority, Sound Transit, there is a motor vehicle excise tax that is collected at the time of annual renewal.

#### **Summary of Bill:**

The requirement to periodically replace license plates is removed. However, a license plate must be replaced at the time a vehicle changes ownership, at which time vehicle registration expires. A vehicle registration is valid for 12 months or until the vehicle changes ownership. The new owner must make application for new license plates and registration renewal and pay any taxes and fees that are due at registration renewal. The new owner of a vehicle applying for a renewal registration must be credited for the portion of a motor vehicle excise tax that reflects the remaining period for which the tax was initially paid by the previous owner. New license plates and registration do not need to be obtained for vehicles that are sold to vehicle dealers until the dealer sells the vehicle.

The DOL must offer to the owners the option of retaining the current license plate number when obtaining replacement license plates.

A special license plate that has been discontinued is only valid until it is replaced for any reason.

The provisions apply to vehicle registrations that are due or become due on or after January 1, 2014.

**Appropriation**: None.

Fiscal Note: Available.

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