
SENATE BILL 5890

State of Washington 63rd Legislature 2013 Regular Session

By Senators Ericksen, King, Rolfes, and Eide

Read first time 04/01/13. Referred to Committee on Transportation.

1 AN ACT Relating to supporting the titling and registration of
2 vehicles; amending RCW 46.16A.200, 46.16A.020, 46.17.200, 46.18.130,
3 46.68.400, 46.01.240, 46.17.040, 46.17.050, 46.17.060, 46.12.650,
4 46.12.555, and 46.01.140; reenacting and amending RCW 46.16A.110 and
5 46.18.140; adding a new section to chapter 46.01 RCW; adding a new
6 section to chapter 46.68 RCW; creating new sections; and providing an
7 effective date.

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

9 NEW SECTION. **Sec. 1.** The legislature finds that substantial and
10 well-established evidence exists that vehicle subagents perform a vital
11 service for the state of Washington and that it is in the state's
12 interest to partner with vehicle subagents now and into the future to
13 perform the state's vehicle registration duties.

14 The current vehicle subagent model requires appointment of vehicle
15 subagents by the director of the department of licensing. The
16 legislature intends to provide an exception to this process by allowing
17 motor vehicle dealers to process their own certificate of title and
18 registration transactions. The legislature further intends that motor

1 vehicle dealers are not authorized to perform any of the other
2 functions of vehicle subagents except as contained in this act.

3 The legislature intends that nothing in this act will prevent a
4 motor vehicle dealer from going through the open competitive vehicle
5 subagent bid process through a county auditor and the department of
6 licensing in order to become a vehicle subagent, and that nothing in
7 this act prevents a motor vehicle dealer who is currently a vehicle
8 subagent as of the effective date of this section from continuing as a
9 vehicle subagent.

10 **Sec. 2.** RCW 46.16A.200 and 2011 c 171 s 46 are each amended to
11 read as follows:

12 (1) **Design.** All license plates may be obtained by the director
13 from the metal working plant of a state correctional facility or from
14 any source in accordance with existing state of Washington purchasing
15 procedures. License plates:

16 (a) May vary in background, color, and design;

17 (b) Must be legible and clearly identifiable as a Washington state
18 license plate;

19 (c) Must designate the name of the state of Washington without
20 abbreviation;

21 (d) Must be treated with fully reflectorized materials designed to
22 increase visibility and legibility at night;

23 (e) Must be of a size and color and show the registration period as
24 determined by the director; and

25 (f) Before July 1, 2010, may display a symbol or artwork approved
26 by the former special license plate review board and the legislature.
27 Beginning July 1, 2010, special license plate series approved by the
28 department and enacted into law by the legislature may display a symbol
29 or artwork approved by the department.

30 (2) **Exceptions to reflectorized materials.** License plates issued
31 before January 1, 1968, are not required to be treated with
32 reflectorized materials.

33 (3) **Dealer license plates.** License plates issued to a dealer must
34 contain an indication that the license plates have been issued to a
35 vehicle dealer.

36 (4)(a) **Furnished.** The director shall furnish to all persons making
37 satisfactory application for a vehicle registration:

1 (i) Two identical license plates each containing the license plate
2 number; or
3 (ii) One license plate if the vehicle is a trailer, semitrailer,
4 camper, moped, collector vehicle, horseless carriage, or motorcycle.
5 (b) The director may adopt types of license plates to be used as
6 long as the license plates are legible.
7 (5)(a) **Display.** License plates must be:
8 (i) Attached conspicuously at the front and rear of each vehicle if
9 two license plates have been issued;
10 (ii) Attached to the rear of the vehicle if one license plate has
11 been issued;
12 (iii) Kept clean and be able to be plainly seen and read at all
13 times; and
14 (iv) Attached in a horizontal position at a distance of not more
15 than four feet from the ground.
16 (b) The Washington state patrol may grant exceptions to this
17 subsection if the body construction of the vehicle makes compliance
18 with this section impossible.
19 (6) **Change of license classification.** A person who has altered a
20 vehicle that makes the current license plate or plates invalid for the
21 vehicle's use shall:
22 (a) Surrender the current license plate or plates to the
23 department, county auditor or other agent, or subagent appointed by the
24 director;
25 (b) Apply for a new license plate or plates; and
26 (c) Pay a change of classification fee required under RCW
27 46.17.310.
28 (7) **Unlawful acts.** It is unlawful to:
29 (a) Display a license plate or plates on the front or rear of any
30 vehicle that were not issued by the director for the vehicle;
31 (b) Display a license plate or plates on any vehicle that have been
32 changed, altered, or disfigured, or have become illegible;
33 (c) Use holders, frames, or other materials that change, alter, or
34 make a license plate or plates illegible. License plate frames may be
35 used on license plates only if the frames do not obscure license tabs
36 or identifying letters or numbers on the plates and the license plates
37 can be plainly seen and read at all times;

1 (d) Operate a vehicle unless a valid license plate or plates are
2 attached as required under this section;

3 (e) Transfer a license plate or plates issued under this chapter
4 between two or more vehicles without first making application to
5 transfer the license plates. A violation of this subsection (7)(e) is
6 a traffic infraction subject to a fine not to exceed five hundred
7 dollars. Any law enforcement agency that determines that a license
8 plate or plates have been transferred between two or more vehicles
9 shall confiscate the license plate or plates and return them to the
10 department for nullification along with full details of the reasons for
11 confiscation. Each vehicle identified in the transfer will be issued
12 a new license plate or plates upon application by the owner or owners
13 and the payment of full fees and taxes; or

14 (f) Fail, neglect, or refuse to endorse the registration
15 certificate (~~and deliver the license plate or plates to the purchaser~~
16 ~~or transferee of the vehicle~~), except as authorized under this
17 section.

18 (8) **Transfer.** (a) Standard issue license plates (~~follow the~~
19 ~~vehicle~~) must be replaced when ownership of the vehicle changes
20 (~~unless~~), pursuant to subsection (9)(a)(i) of this section, but the
21 registered owner (~~wishes to~~) may retain the license plates and
22 transfer them to a replacement vehicle of the same use. In addition to
23 all other taxes and fees due upon change in ownership, a registered
24 owner wishing to keep standard issue license plates shall pay the
25 license plate transfer fee required under RCW 46.17.200(1)(c) when
26 applying for license plate transfer.

27 (b) Special license plates and personalized license plates may be
28 treated in the same manner as described in (a) of this subsection
29 unless otherwise limited by law.

30 (c) License plates issued to the state or any county, city, town,
31 school district, or other political subdivision entitled to exemption
32 as provided by law may be treated in the same manner as described in
33 (a) of this subsection.

34 (9) **Replacement.** (a) Except as provided in subsection (8)(a) of
35 this section, an owner or the owner's authorized representative
36 (~~shall~~) must apply for a replacement license plate or plates: (i)
37 When taking ownership of the vehicle; (ii) if the current license plate
38 or plates assigned to the vehicle have been lost, defaced, or

1 destroyed((7)); or (iii) if one or both plates have become so illegible
2 or are in such a condition as to be difficult to distinguish. An owner
3 or the owner's authorized representative may apply for a replacement
4 license plate or plates at any time the owner chooses. The department
5 shall offer to owners the option of retaining the current license plate
6 number when obtaining replacement license plates for the fee required
7 in RCW 46.17.200(1)(b).

8 (b) The application for a replacement license plate or plates must:

9 (i) Be on a form furnished or approved by the director; and

10 (ii) Be accompanied by the fee required under RCW 46.17.200(1)(a).

11 (c) When a vehicle is sold to a vehicle dealer for resale, the
12 application for a replacement plate or plates need not be made until
13 the vehicle is sold by the vehicle dealer.

14 (d) The department shall not require the payment of any fee to
15 replace a license plate or plates for vehicles owned, rented, or leased
16 by foreign countries or international bodies to which the United States
17 government is a signatory by treaty.

18 (10) (~~Periodic replacement.~~ License plates must be replaced
19 periodically to ensure maximum legibility and reflectivity. The
20 department shall:

21 (a) ~~Use empirical studies documenting the longevity of the~~
22 ~~reflective materials used to make license plates;~~

23 (b) ~~Determine how frequently license plates must be replaced; and~~

24 (c) ~~Offer to owners the option of retaining the current license~~
25 ~~plate number when obtaining replacement license plates for the fee~~
26 ~~required in RCW 46.17.200(1)(b).~~

27 ~~(11) Periodic)~~ **Replacement--Exceptions.** The following license
28 plates are not required to be ((periodically)) replaced as required in
29 subsection ((+10+)) (9) of this section:

30 (a) Horseless carriage license plates issued under RCW 46.18.255
31 before January 1, 1987;

32 (b) Congressional Medal of Honor license plates issued under RCW
33 46.18.230;

34 (c) License plates for commercial motor vehicles with a gross
35 weight greater than twenty-six thousand pounds.

36 ((+12+)) (11) **Rules.** The department may adopt rules to implement
37 this section.

1 (~~(13)~~) (12) Tabs or emblems. The director may issue tabs or
2 emblems to be attached to license plates or elsewhere on the vehicle to
3 signify initial registration and renewals. Renewals become effective
4 when tabs or emblems have been issued and properly displayed (~~on~~
5 ~~license plates~~)).

6 **Sec. 3.** RCW 46.16A.020 and 2010 c 161 s 402 are each amended to
7 read as follows:

8 (1) The department, county auditor or other agent, or subagent
9 appointed by the director shall assign a new registration year to a
10 vehicle if:

11 (a) The (~~Washington state vehicle registration has expired and~~)
12 registered ownership (~~(to)~~) of the vehicle is being transferred. The
13 renewed (~~(license)~~) vehicle registration is valid for a full twelve-
14 month period unless: (i) The vehicle changes ownership during the
15 twelve-month period, in which case the registration expires; or (ii) a
16 specific expiration date is required by law, rule, or program; or

17 (b) The Washington vehicle registration has expired and the
18 registered owner:

19 (i) Is a member of the United States armed forces;

20 (ii) Was stationed outside of Washington under military orders
21 during the prior vehicle registration year; and

22 (iii) Provides the department a copy of the military orders.

23 (2) Each registration year may be divided into twelve registration
24 months. Each registration month begins at 12:01 a.m. on a day of the
25 month assigned by the department and ends at 12:00 a.m. on the same day
26 the following month.

27 (3) A registration period extends through the end of the next
28 business day when the final day of a registration year or month falls
29 on a Saturday, Sunday, or legal holiday.

30 **Sec. 4.** RCW 46.16A.110 and 2010 c 161 s 428 and 2010 c 8 s 9012
31 are each reenacted and amended to read as follows:

32 (1) A registered owner or the registered owner's authorized
33 representative must apply for a renewal vehicle registration to the
34 department, county auditor or other agent, or subagent appointed by the
35 director on a form approved by the director. The application for a

1 renewal vehicle registration must be accompanied by a draft, money
2 order, certified bank check, or cash for all fees and taxes required by
3 law for the application for a renewal vehicle registration.

4 (2)(a) When a vehicle changes ownership, the person taking
5 ownership or his or her authorized representative must apply for a
6 renewal vehicle registration as provided in subsection (1) of this
7 section and, except as provided in (b) of this subsection, pay all the
8 taxes and fees that are due at the time of registration renewal. For
9 the purposes of this section, when a vehicle is sold to a vehicle
10 dealer for resale, the application for a renewal registration need not
11 be made until the vehicle is sold by the vehicle dealer.

12 (b) The person taking ownership or his or her authorized
13 representative must be given credit for the portion of a motor vehicle
14 excise tax, including the motor vehicle excise tax collected under RCW
15 81.104.160, that reflects the remaining period for which the tax was
16 initially paid by the previous owner.

17 (3) An application and the fees and taxes for a renewal vehicle
18 registration must be handled in the same manner as an original vehicle
19 registration application. The registration does not need to show the
20 name of the lien holder when the application for renewal vehicle
21 registration becomes the renewal registration upon validation.

22 ~~((+3))~~ (4) A person expecting to be out of state during the normal
23 renewal period of a vehicle registration may renew a vehicle
24 registration and have license plates or tabs preissued by applying for
25 a renewal as described in subsection (1) of this section. A vehicle
26 registration may be renewed for the subsequent registration year up to
27 eighteen months before the current expiration date and must be
28 displayed from the date of issue or from the day of the expiration of
29 the current registration year, whichever date is later.

30 ~~((+4))~~ (5) An application for a renewal vehicle registration is
31 not required for those vehicles owned, rented, or leased by:

32 (a) The state of Washington, or by any county, city, town, school
33 district, or other political subdivision of the state of Washington; or

34 (b) A governing body of an Indian tribe located within this state
35 and recognized as a governmental entity by the United States department
36 of the interior.

1 **Sec. 5.** RCW 46.17.200 and 2012 c 74 s 3 are each amended to read
2 as follows:

3 (1) In addition to all other fees and taxes required by law, the
4 department, county auditor or other agent, or subagent appointed by the
5 director shall charge:

6 (a) The following license plate fees for each license plate, unless
7 the owner or type of vehicle is exempt from payment:

8	FEE TYPE	FEE	DISTRIBUTION
9	Original issue	\$ 10.00	RCW 46.68.070
10	Reflectivity	\$ 2.00	RCW 46.68.070
11	Replacement	\$ 10.00	RCW 46.68.070
12	Original issue,	\$ 4.00	RCW 46.68.070
13	motorcycle		
14	Replacement,	\$ 4.00	RCW 46.68.070
15	motorcycle		
16	Original issue, moped	\$ 1.50	RCW 46.68.070

17 (b) A license plate retention fee, as required under RCW
18 46.16A.200(~~((10)(c))~~) (9)(a), of twenty dollars if the owner wishes to
19 retain the current license plate number upon license plate replacement,
20 unless the owner or type of vehicle is exempt from payment. The twenty
21 dollar fee must be deposited in the multimodal transportation account
22 created in RCW 47.66.070.

23 (c) A ten dollar license plate transfer fee, as required under RCW
24 46.16A.200(8)(a), when transferring standard issue license plates from
25 one vehicle to another, unless the owner or type of vehicle is exempt
26 from payment. The ten dollar license plate transfer fee must be
27 deposited in the motor vehicle fund created in RCW 46.68.070.

28 (d) Former prisoner of war license plates, as described in RCW
29 46.18.235, may be transferred to a replacement vehicle upon payment of
30 a five dollar license plate fee, in addition to any other fee required
31 by law.

32 (2) The department may, upon request, provide license plates that
33 have been used and returned to the department to individuals for
34 nonvehicular use. The department may charge a fee of up to five
35 dollars per license plate to cover costs or recovery for postage and

1 handling. The department may waive the fee for license plates used in
2 educational projects and may, by rule, provide standards for the fee
3 waiver and restrictions on the number of license plates provided to any
4 one person. The fee must be deposited in the motor vehicle fund
5 created in RCW 46.68.070.

6 **Sec. 6.** RCW 46.18.130 and 2011 c 171 s 68 are each amended to read
7 as follows:

8 (1) Revenues generated from the sale of special license plates for
9 those sponsoring organizations who used the application process in RCW
10 46.18.110 must be deposited into the motor vehicle fund created in RCW
11 46.68.070 until the department determines that the state's
12 implementation costs have been fully reimbursed.

13 (2) When it is determined that the state has been fully reimbursed
14 the department must notify the house of representatives and senate
15 transportation committees, the sponsoring organization, and the state
16 treasurer, and begin distributing the revenue as otherwise provided by
17 law.

18 (3) If reimbursement does not occur within two years from the date
19 the special license plate is first offered for sale to the public, the
20 special license plate series must be placed in probationary status for
21 a period of one year from that date. If the state is still not fully
22 reimbursed for its implementation costs after the one-year probation,
23 the special license plate series must be discontinued immediately.
24 Special license plates issued before discontinuation are valid until
25 replaced (~~(under RCW 46.16A.200(10))~~).

26 (4) The department shall:

27 (a) Provide the special license plate applicant with a written
28 receipt for the payment; and

29 (b) Maintain a record of each special license plate applicant trust
30 account deposit including, but not limited to, the name and address of
31 each special license plate applicant whose funds are being deposited,
32 the amount paid, and the date of the deposit.

33 (5) After the department receives written notice that the special
34 license plate applicant's application has been approved by the
35 legislature, the director shall request that the money be transferred
36 to the motor vehicle fund created in RCW 46.68.070.

1 (6) After the department receives written notice that the special
2 license plate applicant's application has been denied by the department
3 or the legislature, the director shall provide a refund to the
4 applicant within thirty days.

5 (7) After the department receives written notice that the special
6 license plate applicant's application has been withdrawn by the special
7 license plate applicant, the director shall provide a refund to the
8 applicant within thirty days.

9 **Sec. 7.** RCW 46.18.140 and 2010 1st sp.s. c 7 s 97 and 2010 c 161
10 s 609 are each reenacted and amended to read as follows:

11 (1) A special license plate series created by the legislature after
12 January 1, 2011, that has not been reviewed and approved by the
13 department is subject to the following requirements:

14 (a) The organization sponsoring the license plate series shall,
15 within thirty days of enactment of the legislation creating the special
16 license plate series, submit prepayment of all start-up costs
17 associated with the creation and implementation of the special license
18 plate in an amount determined by the department. The prepayment will
19 be credited to the motor vehicle fund created in RCW 46.68.070. The
20 creation and implementation of the special license plate series may not
21 begin until payment is received by the department.

22 (b) If the sponsoring organization is not able to meet the
23 prepayment requirements in (a) of this subsection and can demonstrate
24 this fact to the satisfaction of the department, the revenues generated
25 from the sale of the special license plates must be deposited in the
26 motor vehicle fund created in RCW 46.68.070 until the department
27 determines that the state's portion of the implementation costs have
28 been fully reimbursed. When it has determined that the state has been
29 fully reimbursed, the department must notify the treasurer to commence
30 distribution of the revenue according to statutory provisions.

31 (c) The sponsoring organization must provide a proposed special
32 license plate design to the department within thirty days of enactment
33 of the legislation creating the special license plate series.

34 (2) The state must be reimbursed for its portion of the
35 implementation costs within two years from the date the new special
36 license plate series goes on sale to the public. If the reimbursement
37 does not occur within the two-year time frame, the special license

1 plate series must be placed in probationary status for a period of one
2 year from that date. If the state is still not fully reimbursed for
3 its implementation costs after the one-year probation, the special
4 license plate series must be discontinued immediately. Those special
5 license plates issued before discontinuation are valid until replaced
6 ((~~under RCW 46.16A.200(10)~~)).

7 (3) If the sponsoring organization ceases to exist or the purpose
8 of the special license plate series ceases to exist, revenues generated
9 from the sale of the special license plates must be deposited into the
10 motor vehicle fund created in RCW 46.68.070.

11 (4) A sponsoring organization may not seek to redesign its special
12 license plate series until the entire existing inventory is sold or
13 purchased by the organization itself. All costs for the redesign of a
14 special license plate series must be paid by the sponsoring
15 organization.

16 NEW SECTION. **Sec. 8.** A new section is added to chapter 46.01 RCW
17 to read as follows:

18 (1) At the request of an organization representing vehicle dealers
19 licensed under chapter 46.70 RCW, the director must authorize the
20 organization to act as a vehicle dealer agent for the purposes of
21 processing vehicle certificates of title and vehicle registration
22 applications and issuance.

23 (2) A vehicle dealer agent authorized under this section may only
24 process transactions that are related to the buying and selling of a
25 vehicle at a licensed vehicle dealer's place of business.

26 (3) A vehicle dealer agent authorized under this section must act
27 under the direction and supervision of the director.

28 (4) The department must provide all access and assistance necessary
29 to permit a vehicle dealer agent to develop and maintain an electronic
30 interface to allow paperless submittals between systems used by vehicle
31 dealers and systems used by the department.

32 (5) A vehicle dealer agent must collect the fee under RCW
33 46.17.040. Alternatively, the vehicle dealer agent may authorize a
34 third party to perform all services authorized under this section and
35 to collect and retain the fee under RCW 46.17.040.

36 (6) The filing fee under RCW 46.17.005 collected on transactions

1 processed under this section must be distributed under RCW
2 46.68.400(3).

3 (7) A vehicle dealer agent is considered an agent of the department
4 under RCW 46.12.530 and 46.16A.040.

5 (8) The department may adopt rules to implement this section.

6 **Sec. 9.** RCW 46.68.400 and 2010 c 161 s 819 are each amended to
7 read as follows:

8 A filing fee established in RCW 46.17.005 must be distributed as
9 follows:

10 (1) If paid to the county auditor or other agent or subagent
11 appointed by the director, the fee must be distributed to the county
12 treasurer and credited to the county current expense fund.

13 (2) If the fee is paid to another agent of the director, the fee
14 must be used by the agent to defray his or her expenses in handling the
15 application.

16 (3) If paid to a vehicle dealer agent, the fee must be distributed
17 to the county in which the vehicle dealer processing the transaction is
18 located.

19 (4) If the fee is collected by the state patrol as agent for the
20 director, the fee must be certified to the state treasurer and
21 deposited to the credit of the state patrol highway account.

22 ~~((4))~~ (5) If the fee is collected by the department of
23 transportation as agent for the director, the fee must be certified to
24 the state treasurer and deposited to the credit of the motor vehicle
25 fund created in RCW 46.68.070.

26 ~~((5))~~ (6) If the fee is collected by the director or branches of
27 the department, the fee must be certified to the state treasurer and
28 deposited to the credit of the highway safety fund, except that two
29 dollars of the fee must be deposited into the multimodal transportation
30 account if the fee is collected in conjunction with RCW 46.17.350(1)
31 (c) or (k) or 46.17.355.

32 **Sec. 10.** RCW 46.01.240 and 2010 c 161 s 206 are each amended to
33 read as follows:

34 (1) Vehicle registration transactions processed using the internet
35 in counties with a subagent may only be processed by a subagent.

1 (2) The department shall provide on its internet payment option web
2 site:

3 (a) That a filing fee will be collected on all transactions subject
4 to a filing fee;

5 (b) That a (~~subagent~~) service fee will be collected (~~by a~~
6 ~~subagent office~~) for mail or pick-up (~~licensing~~) registration
7 services; and

8 (c) The amount of the filing and (~~subagent~~) service fees.

9 (~~2~~) (3) The filing and (~~subagent~~) service fees must be shown
10 below each office listed.

11 **Sec. 11.** RCW 46.17.040 and 2011 c 171 s 55 are each amended to
12 read as follows:

13 ((A)) The department, county auditor or other agent, or subagent
14 appointed by the director shall collect a service fee of:

15 (1) Twelve dollars for changes in a certificate of title(~~, with or~~
16 ~~without registration renewal,~~) or for verification of record and
17 preparation of an affidavit of lost title other than at the time of the
18 certificate of title application or transfer; and

19 (2) Five dollars for a registration renewal, issuing a transit
20 permit, or any other service under this section.

21 **Sec. 12.** RCW 46.17.050 and 2010 c 161 s 505 are each amended to
22 read as follows:

23 Before accepting a report of sale filed under RCW 46.12.650(2), the
24 department, county auditor or other agent, or subagent appointed by the
25 director shall require the applicant to pay(~~+~~

26 ~~1~~) the filing fee under RCW 46.17.005(1), the license plate
27 technology fee under RCW 46.17.015, (~~and~~) the license service fee
28 under RCW 46.17.025 (~~to the county auditor or other agent; and~~

29 ~~2~~) The subagent), and the service fee under RCW 46.17.040(2) to
30 the subagent.

31 **Sec. 13.** RCW 46.17.060 and 2010 c 161 s 507 are each amended to
32 read as follows:

33 Before accepting a transitional ownership record filed under RCW
34 46.12.660, the department, county auditor or other agent, or subagent
35 appointed by the director shall require the applicant to pay(~~+~~

1 ~~(1))~~ the filing fee under RCW 46.17.005(1), the license plate
2 technology fee under RCW 46.17.015, ~~((and))~~ the license service fee
3 under RCW 46.17.025 ~~((to the county auditor or other agent; and~~
4 ~~(2) The subagent))~~, and the service fee under RCW 46.17.040(2) to
5 the subagent.

6 NEW SECTION. Sec. 14. A new section is added to chapter 46.68 RCW
7 to read as follows:

8 The service fees collected under RCW 46.17.040, 46.17.050, and
9 46.17.060 must be distributed as follows:

10 (1) If paid to the department, the fees must be deposited into the
11 department of licensing services account under RCW 46.68.220.

12 (2) If paid to the county auditor or other agent, the fees must be
13 deposited into that county's general fund.

14 (3) If paid to the subagent, the fees must be retained by the
15 subagent.

16 **Sec. 15.** RCW 46.12.650 and 2010 c 161 s 309 are each amended to
17 read as follows:

18 (1) **Releasing interest.** An owner releasing interest in a vehicle
19 shall:

20 (a) Sign the release of interest section provided on the
21 certificate of title or on a release of interest document or form
22 approved by the department;

23 (b) Give the certificate of title or most recent evidence of
24 ownership to the person gaining the interest in the vehicle;

25 (c) Give the person gaining interest in the vehicle an odometer
26 disclosure statement if one is required; and

27 (d) Report the vehicle sold as provided in subsection (2) of this
28 section.

29 (2) **Report of sale.** An owner shall notify the department, county
30 auditor or other agent, or subagent appointed by the director in
31 writing ~~((within five business days))~~ after a vehicle is or has been:

32 (a) Sold;

33 (b) Given as a gift to another person;

34 (c) Traded, either privately or to a dealership;

35 (d) Donated to charity;

36 (e) Turned over to an insurance company or wrecking yard; or

1 (f) Disposed of.

2 (3) **Report of sale properly filed.** A report of sale is properly
3 filed if it is received by the department, county auditor or other
4 agent, or subagent appointed by the director (~~((within five business
5 days after the date of sale or transfer))~~) and it includes:

6 (a) The date of sale or transfer;

7 (b) The owner's name and address;

8 (c) The name and address of the person acquiring the vehicle;

9 (d) The vehicle identification number and license plate number(~~(+~~

10 ~~-~~) A date or stamp by the department showing it was received on or
11 before the fifth business day after the date of sale or transfer)); and

12 ~~((+f))~~ (e) Payment of the fees required under RCW 46.17.050 (~~(if
13 the report of sale is processed by a county auditor or other agent or
14 subagent appointed by the director)~~)).

15 (4) **Report of sale - administration.** The department shall:

16 (a) Provide or approve reports of sale forms;

17 (b) Provide a system enabling an owner to submit reports of sale
18 electronically;

19 (c) Immediately update the department's vehicle record when a
20 report of sale has been filed;

21 (d) Provide instructions on release of interest forms that allow
22 the seller of a vehicle to release their interest in a vehicle at the
23 same time a financial institution, as defined in RCW 30.22.040,
24 releases its lien on the vehicle; and

25 (e) Send a report to the department of revenue that lists vehicles
26 for which a report of sale has been received but no transfer of
27 ownership has taken place. The department shall send the report once
28 each quarter.

29 (5)(a) **Transferring ownership.** A person who has recently acquired
30 a vehicle by purchase, exchange, gift, lease, inheritance, or legal
31 action shall apply to the department, county auditor or other agent, or
32 subagent appointed by the director for a new certificate of title
33 within fifteen days of delivery of the vehicle. A secured party who
34 has possession of the certificate of title shall either:

35 (i) Apply for a new certificate of title on behalf of the owner and
36 pay the fee required under RCW 46.17.100; or

37 (ii) Provide all required documents to the owner, as long as the

1 transfer was not a breach of its security agreement, to allow the owner
2 to apply for a new certificate of title.

3 (b) Compliance with this subsection does not affect the rights of
4 the secured party.

5 (6) **Certificate of title delivered to secured party.** The
6 certificate of title must be kept by or delivered to the person who
7 becomes the secured party when a security interest is reserved or
8 created at the time of the transfer of ownership. The parties must
9 comply with RCW 46.12.675.

10 (7) **Penalty for late transfer.** A person who has recently acquired
11 a motor vehicle by purchase, exchange, gift, lease, inheritance, or
12 legal action who does not apply for a new certificate of title within
13 fifteen calendar days of delivery of the vehicle is charged a penalty,
14 as described in RCW 46.17.140, when applying for a new certificate of
15 title. It is a misdemeanor to fail or neglect to apply for a transfer
16 of ownership within forty-five days after delivery of the vehicle. The
17 misdemeanor is a single continuing offense for each day that passes
18 regardless of the number of days that have elapsed following the forty-
19 five day time period.

20 (8) **Penalty for late transfer - exceptions.** The penalty is not
21 charged if the delay in application is due to at least one of the
22 following:

23 (a) The department requests additional supporting documents;

24 (b) The department, county auditor or other agent, or subagent
25 fails to perform or is neglectful;

26 (c) The owner is prevented from applying due to an illness or
27 extended hospitalization;

28 (d) The legal owner fails or neglects to release interest;

29 (e) The owner did not know of the filing of a report of sale by the
30 previous owner and signs an affidavit to the fact; or

31 (f) The department finds other conditions exist that adequately
32 explain the delay.

33 (9) **Review and issue.** The department shall review applications for
34 certificates of title and issue certificates of title when it has
35 determined that all applicable provisions of law have been complied
36 with.

37 (10) **Rules.** The department may adopt rules as necessary to
38 implement this section.

1 **Sec. 16.** RCW 46.12.555 and 2011 c 326 s 1 are each amended to read
2 as follows:

3 (1) The application for a quick title of a vehicle must be
4 submitted by the owner or the owner's representative to the department,
5 participating county auditor or other agent, or subagent appointed by
6 the director on a form furnished or approved by the department and must
7 contain:

8 (a) A description of the vehicle, including make, model, vehicle
9 identification number, type of body, and the odometer reading at the
10 time of delivery of the vehicle, when required;

11 (b) The name and address of the person who is to be the registered
12 owner of the vehicle and, if the vehicle is subject to a security
13 interest, the name and address of the secured party; and

14 (c) Other information as may be required by the department.

15 (2) The application for a quick title must be signed by the person
16 applying to be the registered owner and be sworn to by that person in
17 the manner described under RCW 9A.72.085. The department must keep a
18 copy of the application.

19 (3) The application for a quick title must be accompanied by:

20 (a) All fees and taxes due for an application for a certificate of
21 title, including a quick title service fee under RCW 46.17.160; and

22 (b) The most recent certificate of title or other satisfactory
23 evidence of ownership.

24 (4) All applications for quick title must meet the requirements
25 established by the department.

26 (5) For the purposes of this section, "quick title" means a
27 certificate of title printed at the time of application.

28 (6) The quick title process authorized under this section may not
29 be used to obtain the first title issued to a vehicle previously
30 designated as a salvage vehicle as defined in RCW 46.04.514.

31 (7) Only a subagent may process a quick title under this section
32 (~~(only after (a) the department has instituted a process in which blank~~
33 ~~certificates of title can be inventoried; (b) the county auditor of the~~
34 ~~county in which the subagent is located has processed quick titles for~~
35 ~~a minimum of six months; and (c) the county auditor approves a request~~
36 ~~from a subagent in its county to process quick titles)).~~

1 **Sec. 17.** RCW 46.01.140 and 2012 c 261 s 10 are each amended to
2 read as follows:

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

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

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

10 (i) Processing reports of sale;

11 (ii) Processing transitional ownership transactions;

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

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

16 (v) Issuing registrations for snowmobiles as required under chapter
17 46.10 RCW; and

18 (vi) Collecting fees and taxes as required;

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

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

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

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

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

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

36 (b) Submit all proposals to the director with a recommendation for
37 appointment of one or more subagents who have applied through the open
38 competitive process. If a qualified successor who is an existing

1 subagent's sibling, spouse, or child, or a subagency employee has
2 applied, the county auditor must provide the name of the qualified
3 successor and the name of one other applicant who is qualified and was
4 chosen through the open competitive process.

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

6 (a) Enter into a standard contract with the county auditor or agent
7 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 county auditor or
11 agent and the director including, but not limited to:

12 (i) Processing reports of sale;

13 (ii) Processing transitional ownership transactions;

14 (iii) Mailing out vehicle registrations and replacement plates to
15 internet payment option customers until directed otherwise by
16 legislative authority;

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

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

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

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

24 (5) **Subagent powers.** A subagent appointed by the director may
25 negotiate and enter into contracts with local jurisdictions to process
26 payments for unpaid parking citations and may charge a fee for this
27 service.

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

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

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

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

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

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

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

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

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

24 (e) Describe allowable costs that may be charged for vehicle
25 registration activities as described in subsection ~~((+7+))~~ (8) of this
26 section; and

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

29 ~~((+7+))~~ (8) **County auditor/agent cost reimbursement.** A county
30 auditor or other agent appointed by the director who does not cover
31 expenses for services provided by the standard contract may submit to
32 the department a request for cost-coverage moneys. The request must be
33 submitted on a form developed by the department. The department must
34 develop procedures to standardize and identify allowable costs and to
35 verify whether a request is reasonable. Payment must be made on those
36 requests found to be allowable from the licensing services account.

37 ~~((+8+))~~ (9) **County auditor/agent revenue disbursement.** County
38 revenues that exceed the cost of providing services described in the

1 standard contract, calculated in accordance with the procedures in
2 subsection ((+7)) (8) of this section, must be expended as determined
3 by the county legislative authority during the process established by
4 law for adoption of county budgets.

5 ((+9)) (10) **Appointment authority.** The director has final
6 appointment authority for county auditors or other agents or subagents.

7 ((+10)) (11) **Rules.** The director may adopt rules to implement
8 this section.

9 NEW SECTION. **Sec. 18.** Sections 2 through 7 and 10 through 17 of
10 this act apply to vehicle registrations that are due or become due on
11 or after January 1, 2014.

12 NEW SECTION. **Sec. 19.** Sections 8 and 9 of this act take effect
13 July 1, 2014.

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