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SENATE BILL 6293

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State of Washington

65th Legislature

2018 Regular Session

By Senators Wilson and Rivers

Read first time 01/11/18. Referred to Committee on Transportation.

1 AN ACT Relating to the creation of a deferred prosecution program  
2 for nonpayment of license fees and taxes for vehicle, vessel, and  
3 aircraft registrations; amending RCW 47.68.255 and 88.02.400;  
4 reenacting and amending RCW 46.16A.030; adding a new section to  
5 chapter 10.05 RCW; creating a new section; and prescribing penalties.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that counties  
8 that border other states and Canada experience a significant problem  
9 of residents of Washington state who evade taxes and fees by failing  
10 to register their vehicles, aircraft, and vessels in Washington  
11 state. According to a 2007 Washington State University study, the  
12 department of revenue lost eighty million dollars over the previous  
13 five years to persons avoiding taxes and fees in this manner. It was  
14 also estimated in the study that twenty thousand vehicles were  
15 illegally registered in Oregon to residents of Clark county,  
16 Washington. The problem has undoubtedly grown worse in the decade  
17 since the study was completed resulting in hundreds of millions of  
18 dollars in lost revenue to state and local coffers as these new  
19 residents fail to pay their fair share for public services. Moreover,  
20 a public safety risk is created when inaccurate information is

1 provided to law enforcement or insurance companies in the event of an  
2 accident or infraction.

3 (2) Current statutes contain monetarily significant penalties  
4 that are appropriate given the scope of the harm. It is the intent of  
5 the legislature that law enforcement and prosecutors proceed against  
6 violators to the fullest extent of the law. In order to give them  
7 more tools and ensure compliance with the law, it is the intent of  
8 the legislature to set up a deferred prosecution program consistent  
9 with other programs in the state that allows defendants to obtain  
10 dismissal of charges if they take certain remedial steps. It is the  
11 intent of the legislature that the punishment for those who do not  
12 comply with the deferred prosecution program remain in force and be  
13 fully implemented.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 10.05  
15 RCW to read as follows:

16 Any county may set up a deferred prosecution program for persons  
17 who receive a citation for failing to register a vehicle under RCW  
18 46.16A.030, an aircraft under RCW 47.68.255, or a vessel under RCW  
19 88.02.400. Upon receipt of proof satisfactory to the prosecuting  
20 attorney's office with jurisdiction over the offense, which shall  
21 include payment of a five hundred dollar fine, that the person cited  
22 has a valid Washington state driver's license, and that the person  
23 cited has registered the vehicle, aircraft, or vessel that was the  
24 subject of the citation in Washington state, the citation must be  
25 dismissed. If receipt of proof does not occur within ninety days of  
26 the citation, the prosecuting attorney must seek the full penalty  
27 available for the citation. Fines generated pursuant to this program  
28 shall be used by the county for the purpose of enforcement and  
29 prosecution of registration requirements under RCW 46.16A.030,  
30 47.68.255, or 88.02.400.

31 **Sec. 3.** RCW 46.16A.030 and 2011 c 171 s 43 and 2011 c 96 s 31  
32 are each reenacted and amended to read as follows:

33 (1) Vehicles must be registered as required by this chapter and  
34 must display license plates or decals assigned by the department.

35 (2) It is unlawful for a person to operate any vehicle on a  
36 public highway of this state without having in full force and effect  
37 a current and proper vehicle registration and displaying license  
38 plates on the vehicle.

1 (3) Vehicle license plates or registration certificates, whether  
2 original issues or duplicates, may not be issued or furnished by the  
3 department until the applicant makes satisfactory application for a  
4 certificate of title or presents satisfactory evidence that a  
5 certificate of title covering the vehicle has been previously issued.

6 (4) Failure to make initial registration before operating a  
7 vehicle on the public highways of this state is a traffic infraction.  
8 A person committing this infraction must pay a fine of five hundred  
9 twenty-nine dollars, which may not be suspended(~~(, deferred,)~~) or  
10 reduced. This fine is in addition to any delinquent taxes and fees  
11 that must be deposited and distributed in the same manner as if the  
12 taxes and fees were properly paid in a timely fashion. The five  
13 hundred twenty-nine dollar fine must be deposited into the vehicle  
14 licensing fraud account created in the state treasury in RCW  
15 46.68.250.

16 (5) Failure to renew an expired registration before operating a  
17 vehicle on the public highways of this state is a traffic infraction.

18 (6) It is a gross misdemeanor for a resident, as identified in  
19 RCW 46.16A.140, to register a vehicle in another state, evading the  
20 payment of any tax or vehicle license fee imposed in connection with  
21 registration. It is punishable, in lieu of the fine in subsection (4)  
22 of this section, as follows:

23 (a) For a first offense:

24 (i) Up to three hundred sixty-four days in the county jail;

25 (ii) Payment of a fine of five hundred twenty-nine dollars plus  
26 any applicable assessments, which may not be suspended(~~(, deferred,)~~)  
27 or reduced. The fine of five hundred twenty-nine dollars must be  
28 deposited into the vehicle licensing fraud account created in the  
29 state treasury in RCW 46.68.250;

30 (iii) A fine of one thousand dollars to be deposited into the  
31 vehicle licensing fraud account created in the state treasury in RCW  
32 46.68.250, which may not be suspended(~~(, deferred,)~~) or reduced; and

33 (iv) The delinquent taxes and fees, which must be deposited and  
34 distributed in the same manner as if the taxes and fees were properly  
35 paid in a timely fashion, and which may not be suspended(~~(, deferred,)~~)  
36 or reduced;

37 (b) For a second or subsequent offense:

38 (i) Up to three hundred sixty-four days in the county jail;

39 (ii) Payment of a fine of five hundred twenty-nine dollars plus  
40 any applicable assessments, which may not be suspended(~~(, deferred,)~~)

1 or reduced. The fine of five hundred twenty-nine dollars must be  
2 deposited into the vehicle licensing fraud account created in the  
3 state treasury in RCW 46.68.250;

4 (iii) A fine of five thousand dollars to be deposited into the  
5 vehicle licensing fraud account created in the state treasury in RCW  
6 46.68.250, which may not be suspended(~~(, deferred,)~~) or reduced; and

7 (iv) The amount of delinquent taxes and fees, which must be  
8 deposited and distributed in the same manner as if the taxes and fees  
9 were properly paid in a timely fashion, and which may not be  
10 suspended(~~(, deferred,)~~) or reduced.

11 (7) A vehicle with an expired registration of more than  
12 forty-five days parked on a public street may be impounded by a  
13 police officer under RCW 46.55.113(2).

14 **Sec. 4.** RCW 47.68.255 and 2010 c 161 s 1147 are each amended to  
15 read as follows:

16 A person who is required to register an aircraft under this  
17 chapter and who registers an aircraft in another state or foreign  
18 country evading the Washington aircraft excise tax is guilty of a  
19 gross misdemeanor. For a second or subsequent offense, the person  
20 convicted is also subject to a fine equal to four times the amount of  
21 avoided taxes and fees, no part of which may be suspended (~~(or~~  
22 ~~deferred)~~). Excise taxes owed and fines assessed (~~(will)~~) must be  
23 deposited in the manner provided under RCW 46.16A.030(6).

24 **Sec. 5.** RCW 88.02.400 and 2010 c 161 s 1007 are each amended to  
25 read as follows:

26 (1) It is a gross misdemeanor punishable as provided under  
27 chapter 9A.20 RCW for any person owning a vessel subject to taxation  
28 under chapter 82.49 RCW to:

29 (a) Register a vessel in another state to avoid Washington state  
30 vessel excise tax required under chapter 82.49 RCW; or

31 (b) Obtain a vessel dealer's license for the purpose of evading  
32 excise tax on vessels under chapter 82.49 RCW.

33 (2) For a second or subsequent offense, the person convicted is  
34 also subject to a fine equal to four times the amount of avoided  
35 taxes and fees, which may not be suspended (~~(or deferred)~~).

1           (3) Excise taxes owed and fines assessed must be deposited in the  
2 manner provided under RCW 46.16A.030(6).

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