

SENATE BILL REPORT

SHB 1269

As Passed Senate, April 15, 2021

Title: An act relating to motor vehicle transporter license plates.

Brief Description: Addressing motor vehicle transporter license plates.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Kirby, Barkis, Robertson and Chambers).

Brief History: Passed House: 3/2/21, 93-4.

Committee Activity: Transportation: 3/16/21, 3/30/21 [DP, DNP].

Floor Activity: Passed Senate: 4/15/21, 44-4.

Brief Summary of Bill

- Limits the number of license plate sets for a vehicle transporter business to no more than ten.
- Increases the fees for a vehicle transporter license and transporter license plates.
- Requires the loss, theft, or damaging of transporter license plates or indicator tabs to be reported within ten days.
- Restricts the use of transporter license plates and indicator tabs to Washington public highways and authorizes the director of the Department of Licensing to deny, suspend, or revoke a transporter license if the holder uses transporter license plates on public highways outside the state.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member;

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Cleveland, Das, Lovelett, Nguyen, Nobles, Randall and Wilson, C.

Minority Report: Do not pass.

Signed by Senators Fortunato, Hawkins, Padden, Sheldon and Wilson, J.

Staff: Bryon Moore (786-7726)

Background: A motor vehicle transporter (transporter) is a business that delivers or moves vehicles as a service to persons or other businesses or entities for a fee. The transporter may move the vehicle either by driving it from one location to another or by towing it. Types of businesses or entities that are transporters include auto detail shops; towers that move vehicles for persons who are members of an automobile association; car haulers; auction houses; and some tow truck operators. Auto repair shops are also eligible for transporter licenses for evaluating vehicles in need of repair, or that have been repaired. The function of transporters is considered distinct from that of registered tow truck operators that tow abandoned vehicles or improperly parked vehicles, and from that of motor freight carriers that haul vehicles on trailers or semitrailers.

State law requires a transporter business procure a special business license known as a transporter license. To apply for the license, the person representing the business must submit an application to the Department of Licensing (DOL) along with a fee of \$25. A transporter license may be renewed annually for a fee of \$15. To receive special transporter license plates or, in the case of a registered tow truck operator, special indicator tabs, the applicant must submit a \$2 fee for each set of plates or indicator tabs. There is no limit to the number of plate sets or indicator tabs that may be requested. If the application is in order, DOL must issue a certificate of license along with any plate sets or indicator tabs requested. The plates or indicator tabs must be attached to and conspicuously displayed on all vehicles being delivered in the conduct of business. The plates or indicator tabs provide the holder of the license the authority to drive or tow any motor vehicle upon the public roads of the state.

DOL may deny, suspend, or revoke the license of a transporter if the licensee uses the transporter plates or indicator tabs for driveaway or towaway of a vehicle owned by the transporter business; loans the transporter plates or indicator tabs to another entity or person; uses the plates or indicator tabs for a purpose other than delivering or moving vehicles as a service to others; is knowingly in possession of a stolen vehicle or a vehicle with an altered or missing vehicle identification number; or otherwise violates the provisions of the chapter of law regulating transporters. Violation of any provision of the laws governing transporters is a traffic infraction.

Summary of Bill: The number of license plate sets for a vehicle transporter business is limited to three, unless the business demonstrates a sufficient business need, in which case the limit is ten. The limit does not apply to indicator tabs requested by a registered tow truck operator. The authority to use such plates or an indicator tab is restricted to

Washington public highways only. The fee for an original transporter's license is increased from \$25 to \$150 and the renewal fee is increased to \$100. The fee for a set of plates is increased from \$2 to \$50. The holder of a transporter license is required to report the loss, theft, or damaging of a transporter license plate or indicator tab to DOL within ten days of the event of loss, theft, or damage. DOL is given the authority to deny, suspend, or revoke a transporter license if the holder uses transporter license plates on public highways outside Washington.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on January 1, 2022.

Staff Summary of Public Testimony: PRO: DOL has had problems with transporter licensees, particularly out of state operators. There have been instances where transporter plates were being used in criminal activity. This helps address fraud issues that have received media coverage.

Persons Testifying: PRO: Beau Perschbacher, Department of Licensing.

Persons Signed In To Testify But Not Testifying: No one.