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**SENATE BILL 5548**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senator J. Wilson

1       AN ACT Relating to vehicle service fees; amending RCW 46.17.040;  
2       creating a new section; providing an effective date; and declaring an  
3       emergency.

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

5       NEW SECTION.   **Sec. 1.**   (1) The legislature finds that Washington  
6       state's vehicle and vessel licensing system depends on a partnership  
7       between the department of licensing, the county auditors, and the  
8       vehicle subagents. Vehicle subagents perform vehicle and vessel  
9       licensing on behalf of the state; they are small Washington family  
10      businesses, not large out-of-state corporations, and therefore the  
11      revenue from these businesses stays in Washington state and is  
12      invested back into their Washington communities. Vehicle subagents  
13      are located in most communities of the state and are open extended  
14      hours and weekends to serve the public. These private businesses  
15      collect and remit hundreds of millions of dollars in taxes and fees  
16      for the state of Washington each year. The only moneys that are  
17      retained by vehicle subagents are the registration service fee or the  
18      titling service fee; all other moneys are remitted to the county and  
19      state. With the rising costs of property rents, worker benefits, and  
20      employee wages, and future increases to come, vehicle subagents rely

1 on steady and dependable revenue commensurate with inflation of these  
2 business costs to operate successfully.

3 (2) The legislature intends to keep the state vehicle and vessel  
4 licensing delivery system healthy, and vehicle subagents and county  
5 auditors are a critical component of that system. The service fee  
6 retained by vehicle subagents and the filing fee deposited into  
7 county general funds are set in statute and must be changed by the  
8 legislature. Historically, these fees were adjusted every four to  
9 five years. It is the intent of the legislature to make fee  
10 adjustments to keep the vehicle subagents and county auditors healthy  
11 by implementing a cost-of-living adjustment every three years, which  
12 will allow vehicle subagents to receive the important fee adjustments  
13 required at regular intervals.

14 **Sec. 2.** RCW 46.17.040 and 2019 c 417 s 2 are each amended to  
15 read as follows:

16 (1) The department, county auditor or other agent, or subagent  
17 appointed by the director shall collect a service fee of:

18 (a) (~~Fifteen dollars~~) \$15 for changes in a certificate of  
19 title, changes in ownership for nontitled vehicles, or for  
20 verification of record and preparation of an affidavit of lost title  
21 other than at the time of the certificate of title application or  
22 transfer, in addition to any other fees or taxes due at the time of  
23 application; and

24 (b) (~~Eight dollars~~) \$8 for a registration renewal, issuing a  
25 transit permit, or any other service under this section, in addition  
26 to any other fees or taxes due at the time of application.

27 (2) Service fees collected under this section by the department  
28 or county auditor or other agent appointed by the director must be  
29 credited to the capital vessel replacement account under RCW  
30 47.60.322.

31 (3) Service fees collected under this section shall be adjusted  
32 for inflation every three years, beginning July 1, 2023, based upon  
33 five percent per annum plus changes in the consumer price index  
34 during that time period, rounded up to the nearest five cents.

35 (4) During the first quarter of the year preceding the scheduled  
36 inflationary adjustment, the department shall reach out and gather  
37 stakeholder comment on the anticipated adjustment.

38 (5) For purposes of this section, "consumer price index" means,  
39 for any calendar year, that year's average consumer price index for

1 the Washington area for all urban consumers, all items, compiled by  
2 the United States department of labor, bureau of labor statistics or  
3 its successor agency.

4 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
5 preservation of the public peace, health, or safety, or support of  
6 the state government and its existing public institutions, and takes  
7 effect July 1, 2023.

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