

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1302 HB	<b>Title:</b> Vehicle report of sale	<b>Agency:</b> 240-Department of Licensing
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## Part I: Estimates

No Fiscal Impact

**Estimated Cash Receipts to:**

Non-zero but indeterminate cost and/or savings. Please see discussion.

**Estimated Operating Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michael Hirsch	Phone: 360-786-7195	Date: 01/16/2023
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 01/20/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 01/20/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/20/2023

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

See attached fiscal note

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

Indeterminate revenue impact - see attached fiscal note

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

See attached fiscal note

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: 1302 HB

Bill Title: Vehicle Reports of Sale

## Part 1: Estimates

No Fiscal Impact

### Indeterminate revenue impact.

Check applicable boxes and follow corresponding instructions.

- If the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- If fiscal impact is **greater than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone: (360)	Date:
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 01/18/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 01/18/2023

Request #	1
Bill #	1302 HB

## Part 2 – Explanation

This bill allows, but does not require, vehicle dealers to file Reports of Sale on behalf of owners who trade in or sell their vehicle to the dealer. A vehicle dealer who files on behalf of an owner may collect and remit the filing fee for the report from the owner, along with other fees charged to the customer. Effective date 90 days sine die.

### 2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

Section 1: Amends RCW 46.12.650

- Adds new subsection to allow, but not require, vehicle dealers to file reports of sale on behalf of vehicle owners who trade in, sell, or otherwise transfer ownership to the dealer.
- Vehicle dealers who file Reports of Sale on behalf of customers may collect and remit the required filing fee, along with any other fees charged to the customer.

## **2.B - Cash receipts Impact**

Section 1 of this bill allows, but does not require, vehicle dealers to file reports of sale on behalf of vehicle owners. The bill language is also stipulating a remittance of fees associated with the report of sale from dealers, most likely to subagents when dealers do file the report on behalf of the owner. The Department of Licensing (DOL) collects four fees that total \$13.25, a filing fee, service fee, license service fee and license plate technology fee. DOL assumes that providing this option for vehicle dealers to file reports of sale may lead to increased compliance with existing law. Due to an absence of data of how many owners of vehicles would utilize this option, DOL assumes a positive indeterminate revenue impact.

## **2.C – Expenditures**

Section 1 of this bill allows, but does not require, vehicle dealers to file Reports of Sale on behalf of owners who trade in or sell their vehicle to the dealer. A vehicle dealer who files on behalf of an owner may collect and remit the filing fee for the report from the owner, along with other fees charged to the customer.

The Department of Licensing (DOL) assumes that when a dealer submits the customers title paperwork to a vehicle licensing office to process, the dealer can indicate or request a report of sale be filed at the same time and include the additional fee for the report of sale.

DOL also assumes that the dealer needs to have a form or letter with the title work where the customer agrees to the report of sale and the additional fee. Therefore, no fiscal impact to expenditures for DOL.

## **Part 3 – Expenditure Detail**

### **3.A – Operating Budget Expenditures**

None.

### **3.B – Expenditures by Object or Purpose**

None.

### **3.C – FTE Detail**

None.

## **Part 4 – Capital Budget Impact**

None.

## **Part 5 – New Rule Making Required**

None.