
ENGROSSED HOUSE BILL 2660

State of Washington 62nd Legislature 2012 Regular Session

By Representatives Clibborn, Ryu, Moeller, Finn, Billig, Eddy, Fitzgibbon, and Moscoso; by request of Governor Gregoire

Read first time 01/23/12. Referred to Committee on Transportation.

- AN ACT Relating to transportation revenue; amending RCW 46.17.100, 46.17.140, 46.17.200, 46.20.293, 46.29.050, 46.52.130, 46.70.061, 46.70.180, 46.10.420, 46.12.675, and 46.16A.320; reenacting and amending RCW 88.02.640; adding a new section to chapter 46.68 RCW; adding a new section to chapter 46.17 RCW; creating a new section; providing an effective date; providing an expiration date; and providing a contingent expiration date.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 9 **Sec. 1.** RCW 46.17.100 and 2010 c 161 s 508 are each amended to read as follows:
- Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent,
- or subagent appointed by the director shall require the applicant to
- 14 pay a ((five)) fifteen dollar application fee in addition to any other
- 15 fees and taxes required by law.
- 16 <u>(1) Five dollars of the certificate of title application fee must</u>
 17 be distributed under RCW 46.68.020.
- 18 (2) Ten dollars of the certificate of title application fee must be

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- credited to the transportation 2003 account (nickel account) created in RCW 46.68.280.
 - Sec. 2. RCW 46.17.140 and 2010 c 161 s 512 are each amended to read as follows:

The penalty for a late transfer under RCW 46.12.650(7) is ((twenty-five)) fifty dollars assessed on the sixteenth day after the date of delivery and two dollars for each additional day thereafter, but the total penalty must not exceed one hundred twenty-five dollars. The penalty must be distributed under RCW 46.68.020.

- 10 **Sec. 3.** RCW 46.17.200 and 2011 c 171 s 56 are each amended to read 11 as follows:
- 12 (1) In addition to all other fees and taxes required by law, the 13 department, county auditor or other agent, or subagent appointed by the 14 director shall charge:
- 15 (a) The following license plate fees for each license plate, unless 16 the owner or type of vehicle is exempt from payment:

17	FEE TYPE	FEE	DISTRIBUTION
18	Original issue	\$ 10.00	RCW 46.68.070
19	Reflectivity	\$ 2.00	RCW 46.68.070
20	Replacement	\$ 10.00	RCW 46.68.070
21	Original issue,	\$ 4.00	RCW 46.68.070
22	<u>motorcycle</u>		
23	Replacement,	((\$ 2.00))	RCW 46.68.070
24	motorcycle	\$ 4.00	
25	Original issue, moped	\$1.50	RCW 46.68.070

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- (b) A license plate retention fee, as required under RCW $46.16A.200(10)((\frac{(a)(iii)}{)})$ (c), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.
- 32 (c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from

one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

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- (d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.
- (2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any The fee must be deposited in the motor vehicle fund one person. created in RCW 46.68.070.
 - **Sec. 4.** RCW 46.20.293 and 2007 c 424 s 1 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of ((ten)) thirteen dollars, fifty percent of which must be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

Sec. 5. RCW 46.29.050 and 2010 c 8 s 9028 are each amended to read as follows:

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- (1) The department shall upon request furnish any person or his or 1 2 her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in 3 which such person has been involved. Such abstract shall (a) indicate 4 5 the total number of vehicles involved, whether the vehicles were legally parked or moving, and whether the vehicles were occupied at the 6 7 time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the 8 department, reference to any findings that the person has committed a 9 10 traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. 11 12 department shall collect for each abstract the sum of ((ten)) thirteen 13 dollars, fifty percent of which shall be deposited in the highway 14 safety fund and fifty percent of which must be deposited according to RCW 46.68.038. 15
 - (2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. The department shall collect for each abstract the sum of ((ten)) thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.
- 24 Sec. 6. RCW 46.52.130 and 2010 c 253 s 1 are each amended to read 25 as follows:
 - Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.
- 28 (1) Contents of abstract of driving record. An abstract of a person's driving record, whenever possible, must include:
- 30 (a) An enumeration of motor vehicle accidents in which the person 31 was driving, including:
 - (i) The total number of vehicles involved;
 - (ii) Whether the vehicles were legally parked or moving;
- 34 (iii) Whether the vehicles were occupied at the time of the 35 accident; and
- 36 (iv) Whether the accident resulted in a fatality;

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(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

- (c) The status of the person's driving privilege in this state; and
- (d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.
- (2) Release of abstract of driving record. An abstract of a person's driving record may be furnished to the following persons or entities:
- (a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.
- (ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.
- (b) Employers or prospective employers. (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.
- (ii) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.
- (iii) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of

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court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

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- (c) Volunteer organizations. (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.
- (ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.
- (d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.
- (e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:
- (A) That has motor vehicle or life insurance in effect covering the named individual;
 - (B) To which the named individual has applied; or
- 29 (C) That has insurance in effect covering the employer or a 30 prospective employer of the named individual.
 - (ii) The abstract provided to the insurance company must:
 - (A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

- (C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.
- (iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.
- (iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.
- (v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.
- (f) Alcohol/drug assessment or treatment agencies. An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

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1 (i) Also include records of alcohol-related offenses, as defined in 2 RCW 46.01.260(2), covering a period of not more than the last ten years; and

- (ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.
- (g) City attorneys and county prosecuting attorneys. An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.
- (h) State colleges, universities, or agencies, or units of local government. An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.
- (i) Superintendent of public instruction. An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.
- (3) Release to third parties prohibited. Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.
- (4) **Fee.** The director shall collect a ((ten)) thirteen dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway

- safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.
- 3 (5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.
 - (b) Any intentional violation of this section is a class C felony.

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- 6 **Sec. 7.** RCW 46.70.061 and 2002 c 352 s 23 are each amended to read 7 as follows:
- 8 (1) The annual fees for original licenses issued for twelve 9 consecutive months from the date of issuance under this chapter shall 10 be:
- 11 (a) Vehicle dealers, principal place of business for each and every 12 license classification: ((Seven)) Nine hundred ((fifty)) seventy-five 13 dollars;
- 14 (b) Vehicle dealers, each subagency, and temporary subagency: One 15 hundred dollars;
 - (c) Vehicle manufacturers: Five hundred dollars.
- 17 (2) The annual fee for renewal of any license issued pursuant to this chapter shall be:
- 19 (a) Vehicle dealers, principal place of business for each and every 20 license classification: ((Two)) Three hundred ((fifty)) twenty-five 21 dollars;
 - (b) Vehicle dealer, each and every subagency: Twenty-five dollars;
 - (c) Vehicle manufacturers: Two hundred fifty dollars.
 - If any licensee fails or neglects to apply for such renewal within thirty days after the expiration of the license, or assigned renewal date under a staggered licensing system, the license shall be declared canceled by the director, in which case the licensee will be required to apply for an original license and pay the fee required for the original license.
- 30 (3) The fee for the transfer to another location of any license 31 classification issued pursuant to this chapter shall be twenty-five 32 dollars.
 - (4) The fee for vehicle dealer license plates and manufacturer license plates shall be the amount required by law for vehicle license plates exclusive of excise tax and gross weight and tonnage fees.
- 36 (5) All fees collected under this chapter shall be deposited in the 37 state treasury and credited to the motor vehicle fund.

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- 1 (6) The fees prescribed in this section are in addition to any 2 excise taxes imposed by chapter 82.44 RCW.
 - Sec. 8. RCW 46.70.180 and 2010 c 161 s 1136 are each amended to read as follows:

Each of the following acts or practices is unlawful:

- (1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:
- (a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;
- (b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;
- (c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;
- (d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;
- (e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.
- (2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.
- (ii) However, an amount not to exceed ((the-applicable-amount provided in (iii)(A) and (B) of this subsection (2)(a))) one hundred fifty dollars per vehicle sale or lease may be charged by a dealer to

recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

(((iii) A dealer may charge under (a)(ii) of this subsection:

- (A) As of July 26, 2009, through June 30, 2014, an amount not to exceed one hundred fifty dollars; and
 - (B) As of July 1, 2014, an amount not to exceed fifty dollars.))
- (b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:
- (i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;
- (ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee;
- (iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and
- (iv) Dealers disclose in any advertisement that a documentary service fee in an amount ((provided-in-(iv)(A)-and-(B)-of-this subsection (2)(b))) up to one hundred fifty dollars may be added to the sale price or the capitalized cost((÷
- (A) As of July 26, 2009, through June 30, 2014, an amount up to one hundred fifty dollars; and
 - (B) As of July 1, 2014, an amount up to fifty dollars)).

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

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(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

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- (4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:
- (a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing

company discovers that approval of the contract or financing or 1 2 approval of the lease was based upon material misrepresentations made lessee, including, but not 3 buyer or limited misrepresentations regarding income, employment, or debt of the buyer 4 or lessee, as long as the dealer, or his or her staff, has not, with 5 knowledge of the material misrepresentation, aided, 6 assisted, 7 encouraged, or participated, directly or indirectly, in misrepresentation. A dealer shall not be in violation of this 8 subsection (4)(a) if the buyer or 9 lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her 10 staff, has not, with knowledge of the material misrepresentation, 11 12 aided, assisted, encouraged, or participated, directly or indirectly, 13 in the misrepresentation.

When a dealer informs a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by an electronic mail message, the dealer must also transmit the communication by any additional means;

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- (b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:
- (i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or
- (ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or
- (iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

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(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

- (5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.
- (6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.
- 12 (7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.
 - (8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:
 - (a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;
 - (b) The dealer has satisfied the lien; and
 - (c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.
 - (9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following

receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

- (10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.
- (11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.
- (12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:
- 31 (a) Receiving or paying any purchase moneys or funds into or out of 32 any account controlled or used by any buyer's agent;
 - (b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or
- (c) Signing any other documentation relating to the purchase, sale,lease, or transfer of any new motor vehicle.

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It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

- (13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.
- (14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:
- (a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;
- (b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or

termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

- (d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;
- (e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;
- (f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this

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- section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.
 - (15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.
 - (16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.
 - (17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or one thousand dollars, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.
 - (b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.
 - (c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.
 - (d) As used in this section:

36 (i) "Cosmetic parts" means parts that are attached by and can be 37 replaced in total through the use of screws, bolts, or other fasteners

without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

- (ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.
- NEW SECTION. Sec. 9. A new section is added to chapter 46.68 RCW to read as follows:
- The public transportation grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants to aid transit authorities with operations.
- NEW SECTION. Sec. 10. A new section is added to chapter 46.17 RCW to read as follows:
 - (1) Before accepting an application for an annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee in addition to any other fees and taxes required by law. The one hundred dollar fee is due only at the time of annual registration renewal.
 - (2) This section only applies to:

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- 26 (a) A vehicle that is designed to have the capability to drive at 27 a speed of more than thirty-five miles per hour; and
- 28 (b) An annual vehicle registration renewal that is due on or after 29 February 1, 2013.
 - (3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited

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- in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.
- 3 (b) If in any year the amount of proceeds from the fee collected 4 under this section exceeds one million dollars, the excess amount over 5 one million dollars must be deposited as follows:
- 6 (i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;
- 8 (ii) Fifteen percent to the transportation improvement account 9 created in RCW 47.26.084; and
- 10 (iii) Fifteen percent to the rural arterial trust account created 11 in RCW 36.79.020.
- NEW SECTION. **Sec. 11.** Section 10 of this act expires on the effective date of legislation enacted by the legislature that imposes a vehicle miles traveled fee or tax.
- NEW SECTION. Sec. 12. The department of licensing must provide written notice of the expiration date of section 10 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.
- 20 **Sec. 13.** RCW 46.10.420 and 2010 c 161 s 231 are each amended to 21 read as follows:
 - (1) Each dealer of snowmobiles in this state shall obtain a snowmobile dealer license from the department in a manner prescribed by the department. Upon receipt of an application for a snowmobile dealer's license and the fee provided in subsection (2) of this section, the dealer is licensed and a snowmobile dealer license number must be assigned.
 - (2) The annual license fee for a snowmobile dealer is twenty-five dollars, which covers all of the snowmobiles offered by a dealer for sale and not rented on a regular, commercial basis. Snowmobiles rented on a regular commercial basis by a snowmobile dealer must be registered separately under RCW 46.10.310, 46.10.400, 46.10.430, and 46.10.440.
- 33 (3) Upon the issuance of a snowmobile dealer license, a snowmobile 34 dealer may purchase, at a cost to be determined by the department, 35 snowmobile dealer license plates of a size and color to be determined

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- by the department. The snowmobile dealer license plates must contain the snowmobile license number assigned to the dealer. Each snowmobile operated by a dealer, dealer representative, or prospective customer for the purposes of demonstration or testing shall display snowmobile dealer license plates in a clearly visible manner.
 - (4) Only a dealer, dealer representative, or prospective customer may display a snowmobile dealer plate, and only a dealer, dealer representative, or prospective customer may use a snowmobile dealer's license plate for the purposes described in subsection (3) of this section.
 - (5) Snowmobile dealer licenses are nontransferable.

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- (6) It is unlawful for any snowmobile dealer to sell a snowmobile at wholesale or retail, or to test or demonstrate any snowmobile, within the state, unless the dealer has a snowmobile dealer license as required under this section.
 - (7) When a snowmobile is sold by a snowmobile dealer, the dealer:
- 17 (a) Shall apply for licensing in the purchaser's name ((within 18 fifteen days following the sale)) as provided by rules adopted by the 19 department; and
- 20 (b) May issue a temporary license as provided by rules adopted by 21 the department.
- 22 **Sec. 14.** RCW 46.12.675 and 2010 c 161 s 316 are each amended to 23 read as follows:
 - (1) A security interest in a vehicle other than one held as inventory by a manufacturer or a dealer and for which a certificate of title is required is perfected only by:
- 27 (a) Complying with the requirements of RCW 46.12.660 or this 28 section;
- 29 (b) Receipt by the department, county auditor or other agent, or 30 subagent appointed by the director of:
 - (i) The existing certificate of title, if any;
- 32 (ii) An application for a certificate of title containing the name 33 and address of the secured party; and
 - (iii) Payment of the required fees.
- 35 (2) A security interest is perfected when it is created if the 36 secured party's name and address appear on the most recently issued 37 certificate of title or, if not, it is created when the department,

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county auditor or other agent, or subagent appointed by the director receives the certificate of title or an application for a certificate of title and the fees required in subsection (1) of this section.

- (3) If a vehicle is subject to a security interest when brought into this state, perfection of the security interest is determined by the law of the jurisdiction where the vehicle was when the security interest was attached, subject to the following:
- (a) The security interest continues perfected in this state if the name of the secured party is shown on the existing certificate of title issued by that jurisdiction. The name of the secured party must be shown on the certificate of title issued for the vehicle by this state. The security interest continues perfected in this state when the department issues the certificate of title.
- (b) If the security interest was not perfected under the law of the jurisdiction where the vehicle was when the security interest was attached, it may be perfected in this state. Perfection begins when the department receives the information and fees required in subsection (1) of this section.
- (4)(a) After a certificate of title has been issued, the registered owner or secured party must apply to the department, county auditor or other agent, or subagent appointed by the director for a new certificate of title when a security interest is granted on a vehicle. Within ten days after creating a security agreement, the registered owner or secured party must submit:
 - (i) An application for a certificate of title;
- (ii) The certificate of title last issued for the vehicle, or other documentation required by the department; and
 - (iii) The fee required in RCW 46.17.100.
- (b) If satisfied that a certificate of title should be reissued, the department shall change the vehicle record and issue a new certificate of title to the secured party.
- (5) A secured party shall release the security interest when the conditions within the security agreement have been met and there is no further secured obligation. The secured party must either:
- (a) Assign the certificate of title to the registered owner or the registered owner's designee and send the certificate of title to the department, county auditor or other agent, or subagent appointed by the director with the fee required in RCW 46.17.100; or

- 1 (b) Assign the certificate of title to the person acquiring the 2 vehicle from the registered owner with the registered owner's release 3 of interest.
 - (6) The department shall issue a new certificate of title to the registered owner when the department receives the release of interest and required fees as provided in subsection (5)(a) of this section.
 - (7) A secured party is liable for one hundred dollars payable to the registered owner or person acquiring the vehicle from the registered owner when:
- 10 (a) The secured party fails to either assign the certificate of 11 title to the registered owner or to the person acquiring the vehicle 12 from the registered owner or apply for a new certificate of title 13 within ten days after proper demand; and
- 14 (b) The failure of the secured party to act as described in (a) of 15 this subsection results in a loss to the registered owner or person 16 acquiring the vehicle from the registered owner.
- 17 **Sec. 15.** RCW 46.16A.320 and 2010 c 161 s 425 are each amended to 18 read as follows:
 - (1)(a) A vehicle owner may operate an unregistered vehicle on public highways under the authority of a trip permit issued by this state. For purposes of trip permits, a vehicle is considered unregistered if:
- 23 (i) Under reciprocal relations with another jurisdiction, the owner 24 would be required to register the vehicle in this state;
- 25 (ii) <u>Not registered when registration is required under this</u> 26 <u>chapter;</u>
 - (iii) The license tabs have expired; or

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- (((iii))) (iv) The current gross weight license is insufficient for the load being carried. The licensed gross weight may not exceed eighty thousand pounds for a combination of vehicles or forty thousand pounds for a single unit vehicle with three or more axles.
- 32 (b) Trip permits are required to move mobile homes or park model 33 trailers and may only be issued if property taxes are paid in full.
 - (2) Trip permits may not be:
- 35 (a) Issued to vehicles registered under RCW 46.16A.455(5) in lieu 36 of further registration within the same registration year; or

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- (b) Used for commercial motor vehicles owned by a motor carrier subject to RCW 46.32.080 if the motor carrier's department of transportation number has been placed out of service by the Washington state patrol. A violation of or a failure to comply with this subsection is a gross misdemeanor, subject to a minimum monetary penalty of two thousand five hundred dollars for the first violation and five thousand dollars for each subsequent violation.
 - (3)(a) Each trip permit authorizes the operation of a single vehicle at the maximum legal weight limit for the vehicle for a period of three consecutive days beginning with the day of first use. No more than three trip permits may be used for any one vehicle in any thirty consecutive day period. No more than two trip permits may be used for any one recreational vehicle, as defined in RCW 43.22.335, in a one-year period. Every trip permit must:
 - (i) Identify the vehicle for which it is issued;
- 16 (ii) Be completed in its entirety;

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- 17 (iii) Be signed by the operator before operation of the vehicle on 18 the public highways of this state;
- 19 (iv) Not be altered or corrected. Altering or correcting data on 20 the trip permit invalidates the trip permit; and
- (v) Be displayed on the vehicle for which it is issued as required by the department.
 - (b) Vehicles operating under the authority of trip permits are subject to all laws, rules, and regulations affecting the operation of similar vehicles in this state.
 - (4) Prorate operators operating commercial vehicles on trip permits in Washington shall retain the customer copy of each permit for four years.
 - (5) Trip permits may be obtained from field offices of the department of transportation, department of licensing, county auditors or other agents, and subagents appointed by the department for the fee provided in RCW 46.17.400(1)(h). Exchanges, credits, or refunds may not be given for trip permits after they have been purchased.
- 34 (6) Except as provided in subsection (2)(b) of this section, a 35 violation of or a failure to comply with this section is a gross 36 misdemeanor.
- 37 (7) The department may adopt rules necessary to administer this section.

Sec. 16. RCW 88.02.640 and 2011 c 326 s 5, 2011 c 171 s 134, and 2011 c 169 s 1 are each reenacted and amended to read as follows:

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(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

б	FEE	AMOUNT	AUTHORITY	DISTRIBUTION
7	(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
8	(b) Derelict vessel and	Subsection (3) of this	Subsection (3) of this	Subsection (3) of this
9	invasive species removal	section	section	section
10	(c) Derelict vessel removal	\$1.00	Subsection (4) of this	Subsection (4) of this
11	surcharge		section	section
12	(d) <u>Duplicate certificate of</u>	<u>\$1.25</u>	RCW 88.02.530(1)(c)	General fund
13	<u>title</u>			
14	(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
15	(((e))) <u>(f)</u> Filing	RCW 46.17.005	RCW ((46.17.005))	RCW 46.68.400
16			88.02.560(2)	
17	(((f))) (g) License plate	RCW 46.17.015	RCW ((46.17.015))	RCW 46.68.370
18	technology		88.02.560(2)	
19	$((\frac{g}{g}))$ (h) License service	RCW 46.17.025	RCW ((46.17.025))	RCW 46.68.220
20			88.02.560(2)	
21	(((h))) (i) Nonresident	\$25.00	RCW 88.02.620(3)	Subsection (5) of this
22	vessel permit			section
23	(((i))) (j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this
24				section
25	$((\frac{i}{2}))$ (k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
26	(((k))) (1) Replacement	\$1.25	RCW 88.02.595(1)(c)	General fund
27	decal			
28	$(((\frac{1}{2})))$ (m) Title application	\$5.00	RCW 88.02.515	General fund
29	$((\frac{m}{m}))$ (n) Transfer	\$1.00	RCW 88.02.560(7)	General fund
30	(((n))) (o) Vessel visitor	\$30.00	RCW 88.02.610(3)	Subsection (6) of this
31	permit			section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

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1 (3)(a) The derelict vessel and invasive species removal fee 2 required in subsection (1) of this section is five dollars and must be 3 distributed as follows:

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- (i) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;
- (ii) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667;
- (iii) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and
- 10 (iv) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.
 - (b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.
- 21 (4) Until January 1, 2014, an annual derelict vessel removal 22 surcharge of one dollar must be charged with each vessel registration. 23 The surcharge:
 - (a) Is to address the significant backlog of derelict vessels accumulated in Washington state waters that pose a threat to the health and safety of the people and to the environment;
 - (b) Is to be used only for the removal of vessels that are less than seventy-five feet in length; and
- 29 (c) Must be deposited into the derelict vessel removal account 30 created in RCW 79.100.100.
 - (5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.
- 37 (6) The thirty dollar vessel visitor permit fee must be distributed 38 as follows:

- 1 (a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;
- 3 (b) The department may keep an amount to cover costs for providing 4 the vessel visitor permit;

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- (c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and
- 7 (d) Any fees required for licensing agents under RCW 46.17.005 are 8 in addition to any other fee or tax due for the titling and 9 registration of vessels.
- 10 (7)(a) The fifty dollar quick title service fee must be distributed 11 as follows:
- 12 (i) If the fee is paid to the director, the fee must be deposited 13 to the general fund.
- (ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.
- 19 (b) For the purposes of this subsection, "quick title" has the same 20 meaning as in RCW 88.02.540.
- NEW SECTION. Sec. 17. Sections 1 through 12 of this act take effect October 1, 2012.
- NEW SECTION. Sec. 18. Section 9 of this act expires July 1, 2015.

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