

# HOUSE BILL REPORT

## HB 2432

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### As Passed House:

February 6, 1996

**Title:** An act relating to disclosure of branded titles to vehicle purchasers.

**Brief Description:** Requiring disclosure of branded titles to vehicle buyers.

**Sponsors:** Representatives Dyer, B. Thomas and K. Schmidt.

### Brief History:

#### Committee Activity:

Transportation: 1/17/96, 1/18/96 [DP].

#### Floor Activity:

Passed House: 2/6/96, 95-0.

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## HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 22 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Brown; Buck; Cairnes; Chopp; Elliot; Hankins; Johnson; McMahan; Ogden; Quall; Robertson; Romero; D. Schmidt; Scott and Tokuda.

**Staff:** Roger Horn (786-7839).

**Background:** Insurers and uninsured vehicle owners are required to submit to the Department of Licensing the title of vehicles that have been declared a total loss. If the vehicle is subsequently rebuilt and the vehicle is under four years of age, a new title containing the brand "rebuilt" is issued. Auto dealers are subject to a fine of \$1,000 or loss of their licenses if they sell a vehicle with knowledge that the title to the vehicle contains a "rebuilt" brand, or that the vehicle has been declared a total loss and then rebuilt, without disclosing that fact clearly in writing. However, the dealer is not required to disclose other title brands, including "former taxicab," "former for hire," "former exempt" (e.g., police vehicle), "former rental," and brands such as salvage, junk and destroyed from other states.

In 1995 provisions in Engrossed Substitute Senate Bill 5685 allowed auto dealers to renegotiate the trade-in allowance of a vehicle if the buyer failed to disclose that the vehicle being traded in had a title which was branded for any reason.

**Summary of Bill:** The statute requiring vehicle dealers to disclose in writing whether a vehicle being purchased has been rebuilt is expanded to require disclosure if the vehicle's title contains any brand.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The consumer has a right to know information about the vehicle being purchased. The vehicle dealer should be required to disclose the same information the consumer is required to disclose regarding the vehicle title.

**Testimony Against:** None.

**Testified:** Representative Philip Dyer, prime sponsor; and Jim Boldt, Washington State Auto Dealers.