
ENGROSSED SUBSTITUTE SENATE BILL 5685

State of Washington

54th Legislature

1995 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Long, Haugen, Wood, Kohl, Prince, Fraser, Owen, Schow, Sellar, Heavey, Rasmussen, Winsley and Sheldon)

Read first time 03/06/95.

1 AN ACT Relating to salvaged vehicles; amending RCW 46.12.310,
2 46.80.005, 46.80.010, 46.80.020, 46.80.040, 46.80.050, 46.80.060,
3 46.80.070, 46.80.080, 46.80.090, 46.80.100, 46.80.110, 46.80.130,
4 46.80.150, 46.80.160, 46.80.170, 46.80.900, 46.12.030, and 46.70.180;
5 reenacting and amending RCW 46.63.020; adding new sections to chapter
6 46.12 RCW; adding new sections to chapter 46.80 RCW; creating a new
7 section; repealing RCW 46.80.055; and prescribing penalties.

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

9 NEW SECTION. **Sec. 1.** A new section is added to chapter 46.12 RCW
10 to read as follows:

11 It is a class C felony for a person to sell or convey a vehicle
12 certificate of ownership except in conjunction with the sale or
13 transfer of the vehicle for which the certificate was originally
14 issued.

15 **Sec. 2.** RCW 46.12.310 and 1975-'76 2nd ex.s. c 91 s 2 are each
16 amended to read as follows:

17 (1) Any vehicle, watercraft, camper, or any component part thereof,
18 from which the manufacturer's serial number or any other distinguishing

1 number or identification mark has been removed, defaced, covered,
2 altered, obliterated, or destroyed, (~~there being reasonable grounds to~~
3 ~~believe that such was done for the purpose of concealing or~~
4 ~~misrepresenting identity, shall~~)) may be impounded and held by the
5 seizing law enforcement agency for the purpose of conducting an
6 investigation to determine the identity of the article or articles, and
7 to determine whether it had been reported stolen.

8 (2) Within five days of the impounding of any vehicle, watercraft,
9 camper, or component part thereof, the law enforcement agency seizing
10 the article or articles shall send written notice of such impoundment
11 by certified mail to all persons known to the agency as claiming an
12 interest in the article or articles. The seizing agency shall exercise
13 reasonable diligence in ascertaining the names and addresses of those
14 persons claiming an interest in the article or articles. Such notice
15 shall advise the person of the fact of seizure, the possible
16 disposition of the article or articles, the requirement of filing a
17 written claim requesting notification of potential disposition, and the
18 right of the person to request a hearing to establish a claim of
19 ownership. Within five days of receiving notice of other persons
20 claiming an interest in the article or articles, the seizing agency
21 shall send a like notice to each such person.

22 (3) If reported as stolen, the seizing law enforcement agency shall
23 promptly release such vehicle, watercraft, camper, or parts thereof as
24 have been stolen, to the person who is the lawful owner or the lawful
25 successor in interest, upon receiving proof that such person presently
26 owns or has a lawful right to the possession of the article or
27 articles.

28 **Sec. 3.** RCW 46.80.005 and 1977 ex.s. c 253 s 1 are each amended to
29 read as follows:

30 The legislature finds and declares that the distribution and sale
31 of vehicle parts in the state of Washington vitally affects the general
32 economy of the state and the public interest and the public welfare,
33 and that in order to promote the public interest and the public welfare
34 and in the exercise of its police power, it is necessary to regulate
35 and license (~~motor~~) vehicle wreckers and dismantlers, the buyers-for-
36 resale, and the sellers of second-hand vehicle components doing
37 business in Washington, in order to prevent the sale of stolen vehicle

1 parts, to prevent frauds, impositions, and other abuses, and to
2 preserve the investments and properties of the citizens of this state.

3 **Sec. 4.** RCW 46.80.010 and 1977 ex.s. c 253 s 2 are each amended to
4 read as follows:

5 The definitions set forth in this section apply throughout this
6 chapter.

7 (1) "~~((Motor))~~ Vehicle wrecker~~((τ))"~~ ~~((~~whenever used in this~~~~
8 ~~chapter, shall))~~ means every person, firm, partnership, association, or
9 corporation engaged in the business of buying, selling, or dealing in
10 vehicles of a type required to be licensed under the laws of this
11 state, for the purpose of wrecking, dismantling, disassembling, or
12 substantially changing the form of ~~((any motor))~~ a vehicle, or who buys
13 or sells integral second-hand parts of component material thereof, in
14 whole or in part, or who deals in second-hand ~~((motor))~~ vehicle parts.

15 (2) "Established place of business~~((τ))"~~ ~~((~~whenever used in this~~~~
16 ~~chapter, shall))~~ means a building or enclosure which the ~~((motor))~~
17 vehicle wrecker occupies either continuously or at regular periods and
18 where his books and records are kept and business is transacted and
19 which must conform with zoning regulations.

20 (3) "Major component part"~~((τ, whenever used in this chapter,~~

21 ~~shall))~~ includes at least each of the following vehicle parts: (a)
22 Engines and short blocks; (b) frame; (c) transmission and/or transfer
23 case; (d) cab; (e) door; (f) front or rear differential; (g) front or
24 rear clip; (h) quarter panel; (i) truck bed or box; (j) seat; (k) hood;
25 ~~((and))~~ (l) bumper; (m) fender; and (n) airbag. The director may
26 supplement this list by rule.

27 (4) "Wrecked vehicle"~~((τ, whenever used in this chapter, shall))~~
28 means a vehicle which is disassembled or dismantled or a vehicle which
29 is acquired with the intent to dismantle or disassemble and never again
30 to operate as a vehicle, or a vehicle which has sustained such damage
31 that its cost to repair exceeds the fair market value of a like vehicle
32 which has not sustained such damage, or a damaged vehicle whose salvage
33 value plus cost to repair equals or exceeds its fair market value, if
34 repaired, or a vehicle which has sustained such damage or deterioration
35 that it may not lawfully operate upon the highways of this state for
36 which the salvage value plus cost to repair exceeds its fair market
37 value, if repaired; further, it is presumed that a vehicle is a wreck

1 if it has sustained such damage or deterioration that it may not
2 lawfully operate upon the highways of this state.

3 **Sec. 5.** RCW 46.80.020 and 1979 c 158 s 192 are each amended to
4 read as follows:

5 It (~~shall be~~) is unlawful for (~~any motor vehicle wrecker, as~~
6 ~~defined herein,~~) a person to engage in the business of wrecking
7 (~~motor~~) vehicles (~~or trailers~~) without having first applied for and
8 received a license (~~from the department of licensing authorizing him~~
9 ~~so to do~~). A person or firm engaged in the unlawful activity is
10 guilty of a gross misdemeanor. A second or subsequent offense is a
11 class C felony.

12 **Sec. 6.** RCW 46.80.040 and 1971 ex.s. c 7 s 3 are each amended to
13 read as follows:

14 (~~Such~~) The application, together with a fee of twenty-five
15 dollars, and a surety bond as (~~hereinafter~~) provided in RCW
16 46.80.070, shall be forwarded to the department. Upon receipt of the
17 application the department shall, if the application (~~be~~) is in
18 order, issue a (~~motor~~) vehicle wrecker's license authorizing (~~him~~)
19 the wrecker to do business as such and forward the fee(~~, together with~~
20 ~~an itemized and detailed report,~~) to the state treasurer, to be
21 deposited in the motor vehicle fund. Upon receiving the certificate
22 the owner shall cause it to be prominently displayed in (~~his~~) the
23 place of business, where it may be inspected by an investigating
24 officer at any time.

25 **Sec. 7.** RCW 46.80.050 and 1985 c 109 s 7 are each amended to read
26 as follows:

27 A license issued on this application (~~shall~~) remains in force
28 until suspended or revoked and may be renewed annually upon
29 reapplication according to RCW 46.80.030 and upon payment of a fee of
30 ten dollars. (~~Any motor~~) A vehicle wrecker who fails or neglects to
31 renew (~~his~~) the license before the assigned expiration date shall
32 (~~be required to~~) pay the fee for an original (~~motor~~) vehicle
33 wrecker license as provided in this chapter.

34 Whenever a (~~motor~~) vehicle wrecker ceases to do business as such
35 or (~~his~~) the license has been suspended or revoked, (~~he~~) the

1 wrecker shall immediately surrender (~~such~~) the license to the
2 department.

3 **Sec. 8.** RCW 46.80.060 and 1961 c 12 s 46.80.060 are each amended
4 to read as follows:

5 (~~The motor vehicle wrecker shall obtain a special set of license
6 plates in addition to the regular licenses and plates required for the
7 operation of such vehicles which shall be displayed on vehicles owned
8 and/or operated by him and used in the conduct of his business. The
9 fee for these plates shall be five dollars for the original plates and
10 two dollars for each additional set of plates bearing the same license
11 number.~~) All vehicles used for towing or transporting vehicles or
12 hulks on the highways of this state in the conduct of a vehicle wrecker
13 business must display the firm's name, city of address, and telephone
14 number. This information must be painted on or permanently affixed to
15 both sides of the vehicle in accordance with rules adopted by the
16 department.

17 **Sec. 9.** RCW 46.80.070 and 1977 ex.s. c 253 s 5 are each amended to
18 read as follows:

19 Before issuing a (~~motor~~) vehicle wrecker's license, the
20 department shall require the applicant to file with (~~said~~) the
21 department a surety bond in the amount of one thousand dollars, running
22 to the state of Washington and executed by a surety company authorized
23 to do business in the state of Washington. (~~Such~~) The bond shall be
24 approved as to form by the attorney general and conditioned (~~that~~
25 ~~such~~) upon the wrecker (~~shall conduct his~~) conducting the business
26 in conformity with the provisions of this chapter. Any person who
27 (~~shall have~~) has suffered any loss or damage by reason of fraud,
28 carelessness, neglect, violation of the terms of this chapter, or
29 misrepresentation on the part of the wrecking company, (~~shall have the~~
30 ~~right to~~) may institute an action for recovery against (~~such motor~~)
31 the vehicle wrecker and surety upon (~~such~~) the bond (~~:- PROVIDED,~~
32 ~~That~~). However, the aggregate liability of the surety to all persons
33 shall in no event exceed the amount of the bond.

34 **Sec. 10.** RCW 46.80.080 and 1977 ex.s. c 253 s 6 are each amended
35 to read as follows:

1 (1) Every (~~motor~~) vehicle wrecker shall maintain books or files
2 in which (~~he~~) the wrecker shall keep a record and a description of:
3 (a) Every vehicle wrecked, dismantled, disassembled, or
4 substantially altered by (~~him~~) the wrecker; and
5 (b) Every major component part acquired by (~~him~~) the wrecker;
6 together with a bill of sale signed by a seller whose identity has been
7 verified and the name and address of the person, firm, or corporation
8 from whom (~~he~~) the wrecker purchased the vehicle or part(~~+~~
9 ~~PROVIDED, That~~). Major component parts shall be further identified by
10 the vehicle identification number of the vehicle from which the part
11 came.

12 (2) (~~Such~~) The record shall also contain the following data
13 regarding the wrecked or acquired vehicle or vehicle (~~which~~) that is
14 the source of a major component part:

15 (a) The certificate of title number (if previously titled in this
16 or any other state);
17 (b) Name of state where last registered;
18 (c) Number of the last license number plate issued;
19 (d) Name of vehicle;
20 (e) Motor or identification number and serial number of the
21 vehicle;
22 (f) Date purchased;
23 (g) Disposition of the motor and chassis;
24 (h) Yard number assigned by the licensee to the vehicle or major
25 component part, which shall also appear on the identified vehicle or
26 part; and
27 (i) Such other information as the department may require.

28 (3) (~~Such~~) The records shall also contain a bill of sale signed
29 by the seller for other minor component parts acquired by the licensee,
30 identifying the seller by name, address, and date of sale.

31 (4) (~~Such~~) The records shall be maintained by the licensee at his
32 or her established place of business for a period of three years from
33 the date of acquisition.

34 (5) (~~Such record shall be~~) The record is subject to inspection at
35 all times during regular business hours by members of the police
36 department, sheriff's office, members of the Washington state patrol,
37 or officers or employees of the department.

38 (6) A (~~motor~~) vehicle wrecker shall also maintain a similar
39 record of all disabled vehicles that have been towed or transported to

1 the motor vehicle wrecker's place of business or to other places
2 designated by the owner of the vehicle or his or her representative.
3 This record shall specify the name and description of the vehicle, name
4 of owner, number of license plate, condition of the vehicle and place
5 to which it was towed or transported.

6 (7) Failure to comply with this section is a gross misdemeanor.

7 **Sec. 11.** RCW 46.80.090 and 1979 c 158 s 194 are each amended to
8 read as follows:

9 Within thirty days after acquiring a vehicle (~~((has been acquired by~~
10 ~~the motor vehicle wrecker it shall be the duty of such motor)),~~ the
11 vehicle wrecker (~~((to))~~) shall furnish a written report to the department
12 (~~((on forms furnished by the department))~~). This report shall be in such
13 form as the department shall prescribe and shall be accompanied by
14 (~~((the certificate of title, if the vehicle has been last registered in~~
15 ~~a state which issues a certificate, or a record of registration if~~
16 ~~registered in a state which does not issue a certificate of title))~~)
17 evidence of ownership as determined by the department. No (~~((motor))~~)
18 vehicle wrecker (~~((shall))~~) may acquire a vehicle without first obtaining
19 (~~((such record or title. It shall be the duty of the motor))~~) evidence
20 of ownership as determined by the department. The vehicle wrecker
21 (~~((to))~~) shall furnish a monthly report of all acquired vehicles
22 (~~((wrecked, dismantled, disassembled, or substantially changed in form~~
23 ~~by him))~~). This report shall be made on forms prescribed by the
24 department and contain such information as the department may require.
25 This statement shall be signed by the (~~((motor))~~) vehicle wrecker or
26 (~~((his))~~) an authorized representative and the facts therein sworn to
27 before a notary public, or before an officer or employee of the
28 department (~~((of licensing))~~) designated by the director to administer
29 oaths or acknowledge signatures, pursuant to RCW 46.01.180.

30 **Sec. 12.** RCW 46.80.100 and 1977 ex.s. c 253 s 8 are each amended
31 to read as follows:

32 If, after issuing a (~~((motor))~~) vehicle wrecker's license, the bond
33 is canceled by the surety in a method provided by law, the department
34 shall immediately notify the principal covered by (~~((such))~~) the bond
35 (~~((by registered mail))~~) and afford (~~((him))~~) the principal the opportunity
36 of obtaining another bond before the termination of the original (~~((and~~
37 ~~should such))~~). If the principal fails, neglects, or refuses to obtain

1 ((such)) a replacement, the director may cancel or suspend the
2 ((motor)) vehicle wrecker's license ((which has been issued to him
3 under the provisions of this chapter)). Notice of cancellation of the
4 bond may be accomplished by sending a notice by first class mail using
5 the last known address in department records for the principal covered
6 by the bond and recording the transmittal on an affidavit of first
7 class mail.

8 **Sec. 13.** RCW 46.80.110 and 1989 c 337 s 17 are each amended to
9 read as follows:

10 (1) The director or a designee may, pursuant to the provisions of
11 chapter 34.05 RCW, by order deny, suspend, or revoke the license of
12 ((any motor)) a vehicle wrecker, or assess a civil fine of up to five
13 hundred dollars for each violation, if the director finds that the
14 applicant or licensee has:

15 ((+1)) (a) Acquired a vehicle or major component part other than
16 by first obtaining title or other documentation as provided by this
17 chapter;

18 ((+2)) (b) Willfully misrepresented the physical condition of any
19 motor or integral part of a ((motor)) vehicle;

20 ((+3)) (c) Sold, had in ((his)) the wrecker's possession, or
21 disposed of a ((motor)) vehicle ((or trailer)) or any part thereof when
22 he or she knows that ((such)) the vehicle or part has been stolen, or
23 appropriated without the consent of the owner;

24 ((+4)) (d) Sold, bought, received, concealed, had in ((his)) the
25 wrecker's possession, or disposed of a ((motor)) vehicle ((or trailer))
26 or part thereof having a missing, defaced, altered, or covered
27 manufacturer's identification number, unless approved by a law
28 enforcement officer;

29 ((+5)) (e) Committed forgery or misstated a material fact on any
30 title, registration, or other document covering a vehicle that has been
31 reassembled from parts obtained from the disassembling of other
32 vehicles;

33 ((+6)) (f) Committed any dishonest act or omission ((which)) that
34 the director has reason to believe has caused loss or serious
35 inconvenience as a result of a sale of a ((motor)) vehicle((-
36 trailer-)) or part thereof;

37 ((+7)) (g) Failed to comply with any of the provisions of this
38 chapter or with any of the rules adopted under it, or with any of the

1 provisions of Title 46 RCW relating to registration and certificates of
2 title of vehicles;

3 ~~((+8))~~ (h) Procured a license fraudulently or dishonestly ~~((or~~
4 ~~that such license was erroneously issued))~~;

5 ~~((+9))~~ (i) Been convicted of a crime that directly relates to the
6 business of a vehicle wrecker and the time elapsed since conviction is
7 less than ten years, or suffered any judgment within the preceding five
8 years in any civil action involving fraud, misrepresentation, or
9 conversion. For the purposes of this section, conviction means in
10 addition to a final conviction in either a federal, state, or municipal
11 court, an unvacated forfeiture of bail or collateral deposited to
12 secure a defendant's appearance in court, the payment of a fine, a plea
13 of guilty, or a finding of guilt regardless of whether the sentence is
14 deferred or the penalty is suspended.

15 (2) In addition to actions by the department under this section, it
16 is a gross misdemeanor to violate subsection (1) (a), (b), or (h) of
17 this section.

18 NEW SECTION. Sec. 14. A new section is added to chapter 46.80 RCW
19 to read as follows:

20 If a person whose vehicle wrecker license has previously been
21 canceled for cause by the department files an application for a license
22 to conduct business as a vehicle wrecker, or if the department is of
23 the opinion that the application is not filed in good faith or that the
24 application is filed by some person as a subterfuge for the real person
25 in interest whose license has previously been canceled for cause, the
26 department may refuse to issue the person a license to conduct business
27 as a vehicle wrecker.

28 **Sec. 15.** RCW 46.80.130 and 1971 ex.s. c 7 s 9 are each amended to
29 read as follows:

30 (1) It ~~((shall be))~~ is unlawful for ~~((any motor))~~ a vehicle wrecker
31 to keep ~~((any motor))~~ a vehicle or any integral part thereof in any
32 place other than the established place of business, designated in the
33 certificate issued by the department, without permission of the
34 department.

35 (2) All premises containing ~~((such motor))~~ vehicles or parts
36 thereof shall be enclosed by a wall or fence of such height as to
37 obscure the nature of the business carried on therein, except as

1 provided in subsection (3) of this section. To the extent reasonably
2 necessary or permitted by the topography of the land, the department
3 ~~((shall have the right to))~~ may establish specifications or standards
4 for ~~((said))~~ the fence or wall~~((: PROVIDED, HOWEVER, That such))~~. The
5 wall or fence shall be painted or stained a neutral shade ~~((which~~
6 ~~shall))~~ that blends in with the surrounding premises, and ~~((that such))~~
7 the wall or fence must be kept in good repair. A living hedge of
8 sufficient density to prevent a view of the confined area may be
9 substituted for such a wall or fence. Any dead or dying portion of
10 ~~((such))~~ the hedge shall be replaced.

11 (3) Beginning July 1, 1996, vehicles and parts may be displayed
12 outside the fence or building only during business hours and only if
13 the display is not in conflict with applicable county or city
14 regulations.

15 (4) Violation of subsection (1) or (3) of this section is a gross
16 misdemeanor.

17 **Sec. 16.** RCW 46.80.150 and 1983 c 142 s 9 are each amended to read
18 as follows:

19 It shall be the duty of the chiefs of police, or the Washington
20 state patrol, in cities having a population of over five thousand
21 persons, and in all other cases the Washington state patrol, to make
22 periodic inspection of the ~~((motor))~~ vehicle wrecker's licensed
23 premises and records provided for in this chapter during normal
24 business hours, and furnish a certificate of inspection to the
25 department in such manner as may be determined by the department~~((: PROVIDED, That the above inspection))~~. In any instance ~~((can be made~~
26 ~~by))~~, an authorized representative of the department may make the
27 inspection.

29 **Sec. 17.** RCW 46.80.160 and 1961 c 12 s 46.80.160 are each amended
30 to read as follows:

31 Any municipality or political subdivision of this state ~~((which))~~
32 that now has or subsequently makes provision for the regulation of
33 ~~((automobile))~~ vehicle wreckers shall comply strictly with the
34 provisions of this chapter.

35 **Sec. 18.** RCW 46.80.170 and 1977 ex.s. c 253 s 11 are each amended
36 to read as follows:

1 (~~It shall be~~) Unless otherwise provided by law, it is a (~~gross~~)
2 misdemeanor for any person to violate any of the provisions of this
3 chapter or the rules (~~and regulations promulgated as provided~~)
4 adopted under this chapter(~~, and any person so convicted shall be~~
5 ~~punished by imprisonment for not less than thirty days or more than one~~
6 ~~year in jail or by a fine of one thousand dollars~~)).

7 NEW SECTION. Sec. 19. A new section is added to chapter 46.80 RCW
8 to read as follows:

9 (1) If it appears to the director that an unlicensed person has
10 engaged in an act or practice constituting a violation of this chapter,
11 or a rule adopted or an order issued under this chapter, the director
12 may issue an order directing the person to cease and desist from
13 continuing the act or practice. The director shall give the person
14 reasonable notice of and opportunity for a hearing. The director may
15 issue a temporary order pending a hearing. The temporary order remains
16 in effect until ten days after the hearing is held and becomes final if
17 the person to whom the notice is addressed does not request a hearing
18 within fifteen days after receipt of the notice.

19 (2) The director may assess a fine of up to one thousand dollars
20 with the final order for each act or practice constituting a violation
21 of this chapter.

22 NEW SECTION. Sec. 20. A new section is added to chapter 46.80 RCW
23 to read as follows:

24 The department of licensing or its authorized agent may examine or
25 subpoena any persons, books, papers, records, data, vehicles, or
26 vehicle parts bearing upon the investigation or proceeding under this
27 chapter.

28 The persons subpoenaed may be required to testify and produce any
29 books, papers, records, data, vehicles, or vehicle parts that the
30 director deems relevant or material to the inquiry.

31 The director or an authorized agent may administer an oath to the
32 person required to testify, and a person giving false testimony after
33 the administration of the oath is guilty of perjury in the first
34 degree.

35 A court of competent jurisdiction may, upon application by the
36 director, issue to a person who fails to comply, an order to appear
37 before the director or officer designated by the director, to produce

1 documentary or other evidence touching the matter under investigation
2 or in question.

3 **Sec. 21.** RCW 46.80.900 and 1977 ex.s. c 253 s 13 are each amended
4 to read as follows:

5 The provisions of this chapter shall be liberally construed to the
6 end that traffic in stolen vehicle parts may be prevented, and
7 irresponsible, unreliable, or dishonest persons may be prevented from
8 engaging in the business of wrecking (~~motor~~) vehicles or selling used
9 vehicle parts in this state and reliable persons may be encouraged to
10 engage in businesses of wrecking or reselling vehicle parts in this
11 state.

12 NEW SECTION. **Sec. 22.** (1) The legislature recognizes that
13 currently the state patrol inspects rebuilt vehicles for stolen parts.
14 However, they are not authorized to perform complete safety
15 inspections.

16 (2) The state patrol shall assemble a study group and complete a
17 study, to be submitted to the legislative transportation committee no
18 later than January 1, 1996, on the feasibility of implementing safety
19 inspections for vehicles that are rebuilt after surrender of the
20 certificate of ownership to the department of licensing under RCW
21 46.12.070 due to the vehicle's destruction or declaration as a total
22 loss. The study shall include, but is not limited to:

- 23 (a) An examination of safety inspection systems in other states;
24 (b) A determination of how a safety inspection program might be
25 implemented in Washington state;
26 (c) An analysis of the cost of conducting a safety inspection and
27 who should be responsible for bearing those costs; and
28 (d) An evaluation of whether state agencies or private business
29 might most effectively and efficiently conduct safety inspections.

30 (3) The study group prescribed in subsection (2) of this section
31 must include representatives of the state patrol, the department of
32 licensing, the Washington traffic safety commission, the insurance
33 industry, the autobody industry, and other appropriate groups.

34 (4) Section 24 of this act and RCW 46.12.050 require notification
35 on the certificates of ownership and registration as to whether a
36 vehicle has previously been destroyed or declared a total loss. The
37 department of licensing, in consultation with the study group members

1 prescribed in subsection (3) of this section, shall study the
2 feasibility of expanding the notification requirement to apply to all
3 vehicles, regardless of age. The study group shall also develop a
4 recommendation regarding the feasibility of differentiating on the
5 certificates of ownership and registration whether the vehicle has
6 sustained cosmetic damage or structural damage. The department shall
7 report its findings to the legislative transportation committee no
8 later than January 1, 1996.

9 **Sec. 23.** RCW 46.12.030 and 1990 c 238 s 1 are each amended to read
10 as follows:

11 The application for certificate of ownership shall be upon a blank
12 form to be furnished by the department and shall contain:

13 (1) A full description of the vehicle, which shall contain the
14 proper vehicle identification number, the number of miles indicated on
15 the odometer at the time of delivery of the vehicle, and any
16 distinguishing marks of identification;

17 (2) The name and address of the person who is to be the registered
18 owner of the vehicle and, if the vehicle is subject to a security
19 interest, the name and address of the secured party;

20 (3) Such other information as the department may require. The
21 department may in any instance, in addition to the information required
22 on the application, require additional information and a physical
23 examination of the vehicle or of any class of vehicles, or either. A
24 physical examination of the vehicle is mandatory if it previously was
25 registered in any other state or country or if it has been rebuilt
26 after surrender of the certificate of ownership to the department under
27 RCW 46.12.070 due to the vehicle's destruction or declaration as a
28 total loss. The inspection must verify that the vehicle identification
29 number is genuine and agrees with the number shown on the foreign title
30 and registration certificate. If the vehicle is from a jurisdiction
31 that does not issue titles, the inspection must verify that the vehicle
32 identification number is genuine and agrees with the number shown on
33 the registration certificate. The inspection must also confirm that
34 the license plates on the vehicle are those assigned to the vehicle by
35 the jurisdiction in which the vehicle was previously licensed. The
36 inspection must be made by a member of the Washington state patrol or
37 other person authorized by the department to make such inspections.

1 The application shall be subscribed by the registered owner and be
2 sworn to by that applicant in the manner described by RCW 9A.72.085.
3 The department shall retain the application in either the original,
4 computer, or photostatic form.

5 NEW SECTION. **Sec. 24.** A new section is added to chapter 46.12 RCW
6 to read as follows:

7 (1) Effective January 1, 1997, the department shall issue a unique
8 certificate of ownership and certificate of license registration, as
9 required by chapter 46.16 RCW, for vehicles less than four years old
10 that are rebuilt after surrender of the certificate of ownership to the
11 department under RCW 46.12.070 due to the vehicle's destruction or
12 declaration as a total loss. Each certificate shall conspicuously
13 display across its front, a word indicating that the vehicle was
14 rebuilt.

15 (2) Beginning January 1, 1997, upon inspection of a vehicle that
16 has been rebuilt under RCW 46.12.030, the state patrol shall securely
17 affix or inscribe a marking at the driver's door latch indicating that
18 the vehicle has previously been destroyed or declared a total loss.

19 (3) It is unlawful for a person to remove the marking prescribed in
20 subsection (2) of this section. Upon conviction, the person is guilty
21 of a class C felony.

22 (4) The department may adopt rules as necessary to implement this
23 section.

24 **Sec. 25.** RCW 46.63.020 and 1994 c 275 s 33 and 1994 c 141 s 2 are
25 each reenacted and amended to read as follows:

26 Failure to perform any act required or the performance of any act
27 prohibited by this title or an equivalent administrative regulation or
28 local law, ordinance, regulation, or resolution relating to traffic
29 including parking, standing, stopping, and pedestrian offenses, is
30 designated as a traffic infraction and may not be classified as a
31 criminal offense, except for an offense contained in the following
32 provisions of this title or a violation of an equivalent administrative
33 regulation or local law, ordinance, regulation, or resolution:

34 (1) RCW 46.09.120(2) relating to the operation of a nonhighway
35 vehicle while under the influence of intoxicating liquor or a
36 controlled substance;

37 (2) RCW 46.09.130 relating to operation of nonhighway vehicles;

1 (3) RCW 46.10.090(2) relating to the operation of a snowmobile
2 while under the influence of intoxicating liquor or narcotics or
3 habit-forming drugs or in a manner endangering the person of another;
4 (4) RCW 46.10.130 relating to the operation of snowmobiles;
5 (5) Chapter 46.12 RCW relating to certificates of ownership and
6 registration and markings indicating that a vehicle has been destroyed
7 or declared a total loss;
8 (6) RCW 46.16.010 relating to initial registration of motor
9 vehicles;
10 (7) RCW 46.16.011 relating to permitting unauthorized persons to
11 drive;
12 (8) RCW 46.16.160 relating to vehicle trip permits;
13 (9) RCW 46.16.381 (6) or (9) relating to unauthorized use or
14 acquisition of a special placard or license plate for disabled persons'
15 parking;
16 (10) RCW 46.20.021 relating to driving without a valid driver's
17 license;
18 (11) RCW 46.20.336 relating to the unlawful possession and use of
19 a driver's license;
20 (12) RCW 46.20.342 relating to driving with a suspended or revoked
21 license or status;
22 (13) RCW 46.20.410 relating to the violation of restrictions of an
23 occupational driver's license;
24 (14) RCW 46.20.420 relating to the operation of a motor vehicle
25 with a suspended or revoked license;
26 (15) RCW 46.20.750 relating to assisting another person to start a
27 vehicle equipped with an ignition interlock device;
28 (16) RCW 46.25.170 relating to commercial driver's licenses;
29 (17) Chapter 46.29 RCW relating to financial responsibility;
30 (18) RCW 46.30.040 relating to providing false evidence of
31 financial responsibility;
32 (19) RCW 46.37.435 relating to wrongful installation of
33 sunscreening material;
34 (20) RCW 46.44.180 relating to operation of mobile home pilot
35 vehicles;
36 (21) RCW 46.48.175 relating to the transportation of dangerous
37 articles;
38 (22) RCW 46.52.010 relating to duty on striking an unattended car
39 or other property;

- 1 (23) RCW 46.52.020 relating to duty in case of injury to or death
2 of a person or damage to an attended vehicle;
- 3 (24) RCW 46.52.090 relating to reports by repairmen, storagemen,
4 and appraisers;
- 5 (25) RCW 46.52.100 relating to driving under the influence of
6 liquor or drugs;
- 7 (26) RCW 46.52.130 relating to confidentiality of the driving
8 record to be furnished to an insurance company, an employer, and an
9 alcohol/drug assessment or treatment agency;
- 10 (27) RCW 46.55.020 relating to engaging in the activities of a
11 registered tow truck operator without a registration certificate;
- 12 (28) RCW 46.55.035 relating to prohibited practices by tow truck
13 operators;
- 14 (29) RCW 46.61.015 relating to obedience to police officers,
15 flagmen, or fire fighters;
- 16 (30) RCW 46.61.020 relating to refusal to give information to or
17 cooperate with an officer;
- 18 (31) RCW 46.61.022 relating to failure to stop and give
19 identification to an officer;
- 20 (32) RCW 46.61.024 relating to attempting to elude pursuing police
21 vehicles;
- 22 (33) RCW 46.61.500 relating to reckless driving;
- 23 (34) RCW 46.61.502, 46.61.504, 46.61.5051, 46.61.5052, and
24 46.61.5053 relating to persons under the influence of intoxicating
25 liquor or drugs;
- 26 (35) RCW 46.61.520 relating to vehicular homicide by motor vehicle;
- 27 (36) RCW 46.61.522 relating to vehicular assault;
- 28 (37) RCW 46.61.525 relating to negligent driving;
- 29 (38) RCW 46.61.527(4) relating to reckless endangerment of roadway
30 workers;
- 31 (39) RCW 46.61.530 relating to racing of vehicles on highways;
- 32 (40) RCW 46.61.685 relating to leaving children in an unattended
33 vehicle with the motor running;
- 34 (41) RCW 46.64.010 relating to unlawful cancellation of or attempt
35 to cancel a traffic citation;
- 36 (42) RCW 46.64.048 relating to attempting, aiding, abetting,
37 coercing, and committing crimes;
- 38 (43) Chapter 46.65 RCW relating to habitual traffic offenders;

1 (44) Chapter 46.70 RCW relating to unfair motor vehicle business
2 practices, except where that chapter provides for the assessment of
3 monetary penalties of a civil nature;

4 (45) Chapter 46.72 RCW relating to the transportation of passengers
5 in for hire vehicles;

6 (46) Chapter 46.80 RCW relating to motor vehicle wreckers;

7 (47) Chapter 46.82 RCW relating to driver's training schools;

8 (48) RCW 46.87.260 relating to alteration or forgery of a cab card,
9 letter of authority, or other temporary authority issued under chapter
10 46.87 RCW;

11 (49) RCW 46.87.290 relating to operation of an unregistered or
12 unlicensed vehicle under chapter 46.87 RCW.

13 **Sec. 26.** RCW 46.70.180 and 1994 c 284 s 13 are each amended to
14 read as follows:

15 Each of the following acts or practices is unlawful:

16 (1) To cause or permit to be advertised, printed, displayed,
17 published, distributed, broadcasted, televised, or disseminated in any
18 manner whatsoever, any statement or representation with regard to the
19 sale or financing of a vehicle which is false, deceptive, or
20 misleading, including but not limited to the following:

21 (a) That no down payment is required in connection with the sale of
22 a vehicle when a down payment is in fact required, or that a vehicle
23 may be purchased for a smaller down payment than is actually required;

24 (b) That a certain percentage of the sale price of a vehicle may be
25 financed when such financing is not offered in a single document
26 evidencing the entire security transaction;

27 (c) That a certain percentage is the amount of the service charge
28 to be charged for financing, without stating whether this percentage
29 charge is a monthly amount or an amount to be charged per year;

30 (d) That a new vehicle will be sold for a certain amount above or
31 below cost without computing cost as the exact amount of the factory
32 invoice on the specific vehicle to be sold;

33 (e) That a vehicle will be sold upon a monthly payment of a certain
34 amount, without including in the statement the number of payments of
35 that same amount which are required to liquidate the unpaid purchase
36 price.

37 (2) To incorporate within the terms of any purchase and sale
38 agreement any statement or representation with regard to the sale or

1 financing of a vehicle which is false, deceptive, or misleading,
2 including but not limited to terms that include as an added cost to the
3 selling price of a vehicle an amount for licensing or transfer of title
4 of that vehicle which is not actually due to the state, unless such
5 amount has in fact been paid by the dealer prior to such sale.

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

14 (4) To commit, allow, or ratify any act of "bushing" which is
15 defined as follows: Taking from a prospective buyer of a vehicle a
16 written order or offer to purchase, or a contract document signed by
17 the buyer, which:

18 (a) Is subject to the dealer's, or his or her authorized
19 representative's future acceptance, and the dealer fails or refuses
20 within forty-eight hours, exclusive of Saturday, Sunday, or legal
21 holiday, and prior to any further negotiations with said buyer, to
22 deliver to the buyer either the dealer's signed acceptance or all
23 copies of the order, offer, or contract document together with any
24 initial payment or security made or given by the buyer, including but
25 not limited to money, check, promissory note, vehicle keys, a trade-in,
26 or certificate of title to a trade-in; or

27 (b) Permits the dealer to renegotiate a dollar amount specified as
28 trade-in allowance on a vehicle delivered or to be delivered by the
29 buyer as part of the purchase price, for any reason except:

30 (i) Failure to disclose that the vehicle's certificate of ownership
31 has been branded for any reason, including, but not limited to, status
32 as a rebuilt vehicle as provided in RCW 46.12.050 and section 24 of
33 this act; and

34 (ii) Substantial physical damage or latent mechanical defect
35 occurring before the dealer took possession of the vehicle and which
36 could not have been reasonably discoverable at the time of the taking
37 of the order, offer, or contract; or

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

4 (5) To commit any offense relating to odometers, as such offenses
5 are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A
6 violation of this subsection is a class C felony punishable under
7 chapter 9A.20 RCW.

8 (6) For any vehicle dealer or vehicle salesman to refuse to
9 furnish, upon request of a prospective purchaser, the name and address
10 of the previous registered owner of any used vehicle offered for sale.

11 (7) To commit any other offense under RCW 46.37.423, 46.37.424, or
12 46.37.425.

13 (8) To commit any offense relating to a dealer's temporary license
14 permit, including but not limited to failure to properly complete each
15 such permit, or the issuance of more than one such permit on any one
16 vehicle.

17 (9) For a dealer, salesman, or mobile home manufacturer, having
18 taken an instrument or cash "on deposit" from a purchaser prior to the
19 delivery of the bargained-for vehicle, to commingle the "on deposit"
20 funds with assets of the dealer, salesman, or mobile home manufacturer
21 instead of holding the "on deposit" funds as trustee in a separate
22 trust account until the purchaser has taken delivery of the bargained-
23 for vehicle. Delivery of a manufactured home shall be deemed to occur
24 in accordance with RCW 46.70.135(5). Failure, immediately upon
25 receipt, to endorse "on deposit" instruments to such a trust account,
26 or to set aside "on deposit" cash for deposit in such trust account,
27 and failure to deposit such instruments or cash in such trust account
28 by the close of banking hours on the day following receipt thereof,
29 shall be evidence of intent to commit this unlawful practice:
30 PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate
31 trust account which equals his or her customary total customer deposits
32 for vehicles for future delivery. For purposes of this section, "on
33 deposit" funds received from a purchaser of a manufactured home means
34 those funds that a seller requires a purchaser to advance before
35 ordering the manufactured home, but does not include any loan proceeds
36 or moneys that might have been paid on an installment contract.

37 (10) For a dealer or manufacturer to fail to comply with the
38 obligations of any written warranty or guarantee given by the dealer or
39 manufacturer requiring the furnishing of goods and services or repairs

1 within a reasonable period of time, or to fail to furnish to a
2 purchaser, all parts which attach to the manufactured unit including
3 but not limited to the undercarriage, and all items specified in the
4 terms of a sales agreement signed by the seller and buyer.

5 (11) For a vehicle dealer to pay to or receive from any person,
6 firm, partnership, association, or corporation acting, either directly
7 or through a subsidiary, as a buyer's agent for consumers, any
8 compensation, fee, gratuity, or reward in connection with the purchase
9 or sale of a new motor vehicle.

10 (12) For a buyer's agent acting directly or through a subsidiary to
11 pay to or to receive from any motor vehicle dealer any compensation,
12 fee, gratuity, or reward in connection with the purchase or sale of a
13 new motor vehicle.

14 (13) For a buyer's agent to arrange for or to negotiate the
15 purchase, or both, of a new motor vehicle through an out-of-state
16 dealer without disclosing in writing to the customer that the new
17 vehicle would not be subject to chapter 19.118 RCW.

18 (14) Being a manufacturer, other than a motorcycle manufacturer
19 governed by chapter 46.94 RCW, to:

20 (a) Coerce or attempt to coerce any vehicle dealer to order or
21 accept delivery of any vehicle or vehicles, parts or accessories, or
22 any other commodities which have not been voluntarily ordered by the
23 vehicle dealer: PROVIDED, That recommendation, endorsement,
24 exposition, persuasion, urging, or argument are not deemed to
25 constitute coercion;

26 (b) Cancel or fail to renew the franchise or selling agreement of
27 any vehicle dealer doing business in this state without fairly
28 compensating the dealer at a fair going business value for his or her
29 capital investment which shall include but not be limited to tools,
30 equipment, and parts inventory possessed by the dealer on the day he or
31 she is notified of such cancellation or termination and which are still
32 within the dealer's possession on the day the cancellation or
33 termination is effective, if: (i) The capital investment has been
34 entered into with reasonable and prudent business judgment for the
35 purpose of fulfilling the franchise; and (ii) the cancellation or
36 nonrenewal was not done in good faith. Good faith is defined as the
37 duty of each party to any franchise to act in a fair and equitable
38 manner towards each other, so as to guarantee one party freedom from
39 coercion, intimidation, or threats of coercion or intimidation from the

1 other party: PROVIDED, That recommendation, endorsement, exposition,
2 persuasion, urging, or argument are not deemed to constitute a lack of
3 good faith.

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

8 (d) Coerce or attempt to coerce a vehicle dealer to engage in any
9 practice forbidden in this section by either threats of actual
10 cancellation or failure to renew the dealer's franchise agreement;

11 (e) Refuse to deliver any vehicle publicly advertised for immediate
12 delivery to any duly licensed vehicle dealer having a franchise or
13 contractual agreement for the retail sale of new and unused vehicles
14 sold or distributed by such manufacturer within sixty days after such
15 dealer's order has been received in writing unless caused by inability
16 to deliver because of shortage or curtailment of material, labor,
17 transportation, or utility services, or by any labor or production
18 difficulty, or by any cause beyond the reasonable control of the
19 manufacturer;

20 (f) To provide under the terms of any warranty that a purchaser of
21 any new or unused vehicle that has been sold, distributed for sale, or
22 transferred into this state for resale by the vehicle manufacturer may
23 only make any warranty claim on any item included as an integral part
24 of the vehicle against the manufacturer of that item.

25 Nothing in this section may be construed to impair the obligations
26 of a contract or to prevent a manufacturer, distributor,
27 representative, or any other person, whether or not licensed under this
28 chapter, from requiring performance of a written contract entered into
29 with any licensee hereunder, nor does the requirement of such
30 performance constitute a violation of any of the provisions of this
31 section if any such contract or the terms thereof requiring
32 performance, have been freely entered into and executed between the
33 contracting parties. This paragraph and subsection (14)(b) of this
34 section do not apply to new motor vehicle manufacturers governed by
35 chapter 46.96 RCW.

36 (15) Unlawful transfer of an ownership interest in a motor vehicle
37 as defined in RCW 19.116.050.

1 NEW SECTION. **Sec. 27.** RCW 46.80.055 and 1985 c 109 s 8 are each
2 repealed.

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