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SECOND SUBSTITUTE HOUSE BILL 1157

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State of Washington

57th Legislature

2002 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Murray, Hankins, Lovick, Fisher and Keiser)

Read first time 02/06/2002. Referred to Committee on .

1 AN ACT Relating to salvage vehicles; and amending RCW 46.12.005 and  
2 46.12.070.

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

4 **Sec. 1.** RCW 46.12.005 and 1996 c 26 s 1 are each amended to read  
5 as follows:

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

8 (1) The words "delivery," "notice," "send," and "security interest"  
9 have the same meaning as these terms are defined in RCW 62A.1-201; the  
10 word "secured party" has the same meaning as this term is defined in  
11 RCW ((~~62A.9-105~~)) 62A.9A-102.

12 (2) "Salvage vehicle" means a vehicle whose certificate of  
13 ownership has been surrendered to the department under RCW 46.12.070  
14 due to the vehicle's destruction or declaration as a total loss or for  
15 which there is documentation indicating that the vehicle has been  
16 declared salvage or has been damaged to the extent that the owner, an  
17 insurer, or other person acting on behalf of the owner, has determined  
18 that the cost of parts and labor plus the salvage value has made it  
19 uneconomical to repair the vehicle. The term does not include a motor

1 vehicle having a model year designation of a calendar year that is at  
2 least six years before the calendar year in which the vehicle was  
3 wrecked, destroyed, or damaged, unless, after the effective date of  
4 this act and immediately before the vehicle was wrecked, destroyed, or  
5 damaged, the vehicle had a retail fair market value of at least the  
6 then market value threshold amount. "Market value threshold amount"  
7 means six thousand five hundred dollars or such greater amount as is  
8 then in effect by rule of the department in accordance with this  
9 section. If, for any year beginning with 2002, the Consumer Price  
10 Index for All Urban Consumers, compiled by the Bureau of Labor  
11 Statistics, United States Department of Labor, or its successor, for  
12 the West Region, in the expenditure category "used cars and trucks,"  
13 shows an increase in the annual average for that year compared to that  
14 of the year immediately prior, the department shall, by rule, increase  
15 the then market value threshold amount by the same percentage as the  
16 percentage increase of the annual average, with the increase of the  
17 market value threshold amount to be effective on July 1st of the year  
18 immediately after the year with the increase of the annual average.  
19 However, the market value threshold amount may not be increased if the  
20 amount of the increase would be less than fifty dollars, and each  
21 increase of the market value threshold amount will be rounded to the  
22 nearest ten dollars. If an increase in the market value threshold  
23 amount is not made because the increase would be less than fifty  
24 dollars, the unmade increase will be carried forward and added to later  
25 year calculations of increase until the unmade increase is included in  
26 an increase made to the market value threshold amount.

27 **Sec. 2.** RCW 46.12.070 and 1990 c 250 s 28 are each amended to read  
28 as follows:

29 Upon the destruction of any vehicle issued a certificate of  
30 ownership under this chapter or a license registration under chapter  
31 46.16 RCW, the registered owner and the legal owner shall forthwith and  
32 within fifteen days thereafter forward and surrender the certificate to  
33 the department, together with a statement of the reason for the  
34 surrender and the date and place of destruction. Failure to notify the  
35 department or the possession by any person of any such certificate for  
36 a vehicle so destroyed, after fifteen days following its destruction,  
37 is prima facie evidence of violation of the provisions of this chapter  
38 and constitutes a gross misdemeanor.

1 Any insurance company settling an insurance claim on a vehicle that  
2 has been issued a certificate of ownership under this chapter or a  
3 certificate of license registration under chapter 46.16 RCW as a total  
4 loss, less salvage value, shall notify the department thereof within  
5 fifteen days after the settlement of the claim. Notification shall be  
6 provided regardless of where or in what jurisdiction the total loss  
7 occurred.

8 For a motor vehicle having a model year designation at least six  
9 years before the calendar year of destruction, the notification to the  
10 department must include a statement of whether the retail fair market  
11 value of the motor vehicle immediately before the destruction was at  
12 least the then market value threshold amount as defined in RCW  
13 46.12.005.

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