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SENATE BILL 5590

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State of Washington

65th Legislature

2017 Regular Session

By Senators Chase, Ericksen, and Hobbs

Read first time 01/30/17. Referred to Committee on Transportation.

1 AN ACT Relating to illegal vehicle wrecking operations; amending  
2 RCW 46.80.020 and 46.80.150; reenacting and amending RCW 46.80.010;  
3 adding a new section to chapter 46.80 RCW; creating a new section;  
4 and providing a contingent expiration date.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that Washington  
7 state citizens are being harmed by an excessive number of illegal  
8 vehicle wrecking businesses and that the current penalties in statute  
9 are not a deterrent to operating an illegal vehicle wrecking  
10 business. The legislature intends with this act to clarify illegal  
11 vehicle wrecking and increase the penalties for persons, firms, or  
12 corporations engaged in illegal vehicle wrecking.

13 **Sec. 2.** RCW 46.80.010 and 2010 c 161 s 1138 and 2010 c 8 s 9097  
14 are each reenacted and amended to read as follows:

15 The definitions set forth in this section apply throughout this  
16 chapter.

17 (1) "Core" means a major component part received by a vehicle  
18 wrecker in exchange for a like part sold by the vehicle wrecker, is  
19 not resold as a major component part except for scrap metal value or  
20 for remanufacture, and the vehicle wrecker maintains records for

1 three years from the date of acquisition to identify the name of the  
2 person from whom the core was received.

3 (2) "Established place of business" means a building or enclosure  
4 which the vehicle wrecker occupies either continuously or at regular  
5 periods and where his or her books and records are kept and business  
6 is transacted and which must conform with zoning regulations.

7 (3) "Interim owner" means the owner of a vehicle who has the  
8 original certificate of title for the vehicle, which certificate has  
9 been released by the person named on the certificate and assigned to  
10 the person offering to sell the vehicle to the wrecker.

11 (4) "Major component part" includes at least each of the  
12 following vehicle parts: (a) Engines and short blocks; (b) frame; (c)  
13 transmission and/or transfer case; (d) cab; (e) door; (f) front or  
14 rear differential; (g) front or rear clip; (h) quarter panel; (i)  
15 truck bed or box; (j) seat; (k) hood; (l) bumper; (m) fender; and (n)  
16 airbag. The director may supplement this list by rule.

17 (5) "Motor vehicle" means a vehicle required to be registered in  
18 accordance with chapter 46.16A RCW.

19 (6) "Used vehicle parts" means parts removed from a wrecked or  
20 nonoperable vehicle or a vehicle that does not meet the requirements  
21 under chapter 204-10 WAC and are sold to, bartered with, traded with,  
22 or given to another person, firm, or corporation to be used on  
23 another vehicle. "Used parts" includes (a) major component parts and  
24 any other parts removed from a wrecked or nonoperable vehicle or a  
25 vehicle that does not meet the requirements under chapter 204-10 WAC  
26 and (b) secondhand parts.

27 (7) "Vehicle wrecker" means every person, firm, partnership,  
28 association, or corporation engaged in the business of buying,  
29 selling, or dealing in vehicles of a type required to be registered  
30 under the laws of this state, for the purpose of wrecking,  
31 dismantling, disassembling, or substantially changing the form of a  
32 vehicle, or who buys or sells integral secondhand parts of component  
33 material thereof, in whole or in part, or who deals in secondhand  
34 vehicle parts.

35 ~~((6))~~ (8) "Wrecked vehicle" means a vehicle which is  
36 disassembled or dismantled or a vehicle which is acquired with the  
37 intent to dismantle or disassemble and never again to operate as a  
38 vehicle, or a vehicle which has sustained such damage that its cost  
39 to repair exceeds the fair market value of a like vehicle which has  
40 not sustained such damage, or a damaged vehicle whose salvage value

1 plus cost to repair equals or exceeds its fair market value, if  
2 repaired, or a vehicle which has sustained such damage or  
3 deterioration that it may not lawfully operate upon the highways of  
4 this state for which the salvage value plus cost to repair exceeds  
5 its fair market value, if repaired; further, it is presumed that a  
6 vehicle is a wreck if it has sustained such damage or deterioration  
7 that it may not lawfully operate upon the highways of this state.

8 **Sec. 3.** RCW 46.80.020 and 2003 c 53 s 253 are each amended to  
9 read as follows:

10 (1) It is unlawful for a person to engage in the business of  
11 wrecking vehicles without having first applied for and received a  
12 license issued under this chapter.

13 (2)(a) Except as provided in (b) of this subsection, a person or  
14 firm engaged in the unlawful activity described in this section is in  
15 violation of chapter 19.86 RCW and is also guilty of a gross  
16 misdemeanor.

17 (b) A second or subsequent offense is a class C felony punishable  
18 according to chapter 9A.20 RCW.

19 (3) Advertising or offering to sell, barter, trade, or give any  
20 used motor vehicle for any used vehicle parts, except for parts sold  
21 in accordance with RCW 46.04.125, without having received a license  
22 issued in compliance with this chapter, is a violation of this  
23 chapter and chapter 19.86 RCW.

24 **Sec. 4.** RCW 46.80.150 and 1995 c 256 s 16 are each amended to  
25 read as follows:

26 (~~It shall be the duty of the chiefs of police, or~~) The  
27 Washington state patrol(~~, in cities having a population of over five~~  
28 ~~thousand persons, and in all other cases the Washington state patrol,~~  
29 ~~to~~) shall make periodic inspections of the vehicle wrecker's  
30 licensed premises and records provided for in this chapter during  
31 normal business hours, and furnish a certificate of inspection to the  
32 department in such manner as may be determined by the department. The  
33 Washington state patrol may delegate its inspection responsibility to  
34 a police chief of a city or the sheriff of a county as long as the  
35 state patrol determines that the police chief or sheriff has the same  
36 expertise to conduct the inspection as the state patrol. In any  
37 instance, an authorized representative of the department may make the  
38 inspection.

1        NEW SECTION.    **Sec. 5.**    A new section is added to chapter 46.80  
2 RCW to read as follows:

3        (1) The legislature finds that:

4            (a) There is a high probability of large-scale illegal vehicle  
5 wrecking and illegal sales of used vehicle parts occurring in  
6 Washington state by persons, firms, and corporations that are not  
7 licensed as required under this chapter;

8            (b) Illegal wrecking and the illegal sale of used vehicle parts  
9 are harming the citizens of Washington state by increasing insurance  
10 rates on vehicles due to an excessive number of stolen vehicles that  
11 are dismantled and the parts from those stolen vehicles being sold by  
12 the vehicle thieves; and

13          (c) Washington citizens are also being harmed by:

14            (i) Illegal vehicle wreckers selling used vehicle parts and not  
15 collecting or remitting sales taxes or paying other applicable taxes;

16            (ii) Illegal vehicle wreckers who fail to properly collect waste  
17 fluids and gases as required by the state's air quality laws,  
18 dangerous waste laws, clean water laws, and soil protection laws,  
19 with state taxpayers having to pay for the cleanup of contaminated  
20 soils, contaminated waters, and air pollution caused by such illegal  
21 operations; and

22            (iii) The sharp decline of lawful vehicle wrecking operations  
23 that keep records about the location and ultimate disposal of wrecked  
24 motor vehicles.

25          (2)(a) Subject to the availability of amounts appropriated for  
26 this specific purpose, the department, the Washington state patrol,  
27 the department of revenue, and the department of ecology must form a  
28 task force to establish a plan to identify, inspect, and stop or  
29 minimize illegal vehicle wrecking operations in Washington state.

30            (b) The task force must solicit input from licensed vehicle  
31 wreckers and their representatives on how to identify and locate  
32 illegal vehicle wrecking operations.

33            (c) By November 1, 2017, the task force must provide a written  
34 report to the standing transportation committees of the house of  
35 representatives and the senate, the standing environment committee of  
36 the house of representatives and the standing energy, environment,  
37 and telecommunications committee of the senate, the public safety  
38 committee of the house of representatives and the law and justice  
39 committee of the senate, or their successor committees, on the  
40 following:

1 (i) Its plan to identify illegal vehicle wrecking operations;  
2 (ii) Its plan to investigate illegal vehicle wrecking operations;  
3 (iii) Its plan to stop or minimize illegal vehicle wrecking  
4 operations;  
5 (iv) Its schedule and any additional resources needed to  
6 implement such plans;  
7 (v) Any recommendations by the task force for changes in state  
8 statutes or rules; and  
9 (vi) Any other recommendations by the task force.

10 (d) By January 1, 2020, the task force must provide a written  
11 report to the standing transportation committees of the house of  
12 representatives and the senate, the standing environment committee of  
13 the house of representatives and the standing energy, environment,  
14 and telecommunications committee of the senate, the public safety  
15 committee of the house of representatives and the law and justice  
16 committee of the senate, or their successor committees, on the  
17 following:

18 (i) The number of illegal vehicle wrecking operations the task  
19 force has identified in the previous two calendar years, by year;  
20 (ii) The number of illegal vehicle wrecking operations the task  
21 force has investigated in the previous two calendar years, by year;  
22 (iii) The number of illegal vehicle wrecking operations the task  
23 force has stopped operating in the previous two calendar years, by  
24 year;  
25 (iv) The amount of sales taxes not collected or remitted from  
26 such operations to the department of revenue for the previous two  
27 calendar years, by year; and  
28 (v) The estimated amount of used oil, used antifreeze, and other  
29 substances that are harmful to the environment that have been  
30 released into the environment by illegal vehicle wrecking operations  
31 for the previous two calendar years, by year.

32 (3) This section expires July 1, 2020, if the report required in  
33 subsection (2)(d) of this section is submitted as required in  
34 subsection (2)(d) of this section.

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