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**SENATE BILL 5668**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Takko, Warnick, and Fortunato

1 AN ACT Relating to moneys received at auctions conducted by  
2 registered tow truck operators; and amending RCW 46.55.130.

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

4 **Sec. 1.** RCW 46.55.130 and 2017 c 152 s 2 are each amended to  
5 read as follows:

6 (1) If, after the expiration of fifteen days from the date of  
7 mailing of notice of custody and sale required in RCW 46.55.110(3) to  
8 the registered and legal owners, the vehicle remains unclaimed and  
9 has not been listed as a stolen vehicle, a suspended license impound  
10 has been directed but no commercially reasonable tender has been paid  
11 under RCW 46.55.120, or a person eligible to redeem under RCW  
12 46.55.120(1)(a)(viii) has not come forth providing information that  
13 the registered or legal owner of a motorcycle or moped is an admitted  
14 patient in a hospital, the registered tow truck operator having  
15 custody of the vehicle shall conduct a sale of the vehicle at public  
16 auction after having first published a notice of the date, place, and  
17 time of the auction, and a method to contact the tow truck operator  
18 conducting the auction such as a telephone number, email address, or  
19 web site, in a newspaper of general circulation in the county in  
20 which the vehicle is located not less than three days and no more  
21 than ten days before the date of the auction. For the purposes of

1 this section, a newspaper of general circulation may be a commercial,  
2 widely circulated, free, classified advertisement circular not  
3 affiliated with the registered tow truck operator and the notice may  
4 be listed in a classification delineating "auctions" or similar  
5 language designed to attract potential bidders to the auction. The  
6 notice shall contain a notification that a public viewing period will  
7 be available before the auction and the length of the viewing period.  
8 The auction shall be held during daylight hours of a normal business  
9 day. The viewing period must be one hour if twenty-five or fewer  
10 vehicles are to be auctioned, two hours if more than twenty-five and  
11 fewer than fifty vehicles are to be auctioned, and three hours if  
12 fifty or more vehicles are to be auctioned. If the registered tow  
13 truck operator is notified that the registered or legal owner of the  
14 moped or motorcycle is an admitted patient in the hospital as  
15 evidenced by a declaration on a form authorized by the department,  
16 the registered tow truck operator may delay the auction of the moped  
17 or motorcycle for a reasonable time in a good faith effort to provide  
18 additional time for the redemption of the vehicle.

19 (2) The following procedures are required in any public auction  
20 of such abandoned vehicles:

21 (a) The auction shall be held in such a manner that all persons  
22 present are given an equal time and opportunity to bid;

23 (b) All bidders must be present at the time of auction unless  
24 they have submitted to the registered tow truck operator, who may or  
25 may not choose to use the preauction bid method, a written bid on a  
26 specific vehicle. Written bids may be submitted up to five days  
27 before the auction and shall clearly state which vehicle is being bid  
28 upon, the amount of the bid, and who is submitting the bid;

29 (c) The open bid process, including all written bids, shall be  
30 used so that everyone knows the dollar value that must be exceeded;

31 (d) The highest two bids received shall be recorded in written  
32 form and shall include the name, address, and telephone number of  
33 each such bidder;

34 (e) In case the high bidder defaults, the next bidder has the  
35 right to purchase the vehicle for the amount of his or her bid;

36 (f) The successful bidder shall apply for title within fifteen  
37 days;

38 (g) The registered tow truck operator shall post a copy of the  
39 auction procedure at the bidding site. If the bidding site is  
40 different from the licensed office location, the operator shall post

1 a clearly visible sign at the office location that describes in  
2 detail where the auction will be held. At the bidding site a copy of  
3 the newspaper advertisement that lists the vehicles for sale shall be  
4 posted;

5 (h) The moneys derived from the auction, up to the amount of the  
6 registered tow truck operator's lien, shall constitute a payment of  
7 the accumulated towing and storage charges and not consideration for  
8 the transfer of ownership, title, or possession of the vehicle. All  
9 surplus moneys derived from the auction after satisfaction of the  
10 registered tow truck operator's lien shall be remitted within thirty  
11 days to the department for deposit in the state motor vehicle fund. A  
12 report identifying the vehicles resulting in any surplus shall  
13 accompany the remitted funds. If the director subsequently receives a  
14 valid claim from the registered vehicle owner of record as determined  
15 by the department within one year from the date of the auction, the  
16 surplus moneys shall be remitted to such owner;

17 (i) If an operator receives no bid, or if the operator is the  
18 successful bidder at auction, the operator shall, within forty-five  
19 days, sell the vehicle to a licensed vehicle wrecker, hulk hauler, or  
20 scrap processor by use of the abandoned vehicle report-affidavit of  
21 sale, or the operator shall apply for title to the vehicle.

22 (3) A tow truck operator may refuse to accept a bid at an  
23 abandoned vehicle auction under this section for any reason in the  
24 operator's posted operating procedures and for any of the following  
25 reasons: (a) The bidder is currently indebted to the operator; (b)  
26 the operator has knowledge that the bidder has previously abandoned  
27 vehicles purchased at auction; or (c) the bidder has purchased, at  
28 auction, more than four vehicles in the last calendar year without  
29 obtaining title to any or all of the vehicles. In no case may an  
30 operator hold a vehicle for longer than ninety days without holding  
31 an auction on the vehicle, except for vehicles that are under a  
32 police or judicial hold.

33 (4) (a) The accumulation of storage charges applied to the lien at  
34 auction under RCW 46.55.140 may not exceed fifteen additional days  
35 from the date of receipt of the information by the operator from the  
36 department as provided by RCW 46.55.110(3) plus the storage charges  
37 accumulated prior to the receipt of the information. However,  
38 vehicles redeemed pursuant to RCW 46.55.120 prior to their sale at  
39 auction are subject to payment of all accumulated storage charges  
40 from the time of impoundment up to the time of redemption.

1           (b) The failure of the registered tow truck operator to comply  
2 with the time limits provided in this chapter limits the accumulation  
3 of storage charges to five days except where delay is unavoidable.  
4 Providing incorrect or incomplete identifying information to the  
5 department in the abandoned vehicle report shall be considered a  
6 failure to comply with these time limits if correct information is  
7 available. However, storage charges begin to accrue again on the date  
8 the correct and complete information is provided to the department by  
9 the registered tow truck operator.

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