

SENATE BILL REPORT

SB 6083

AS REPORTED BY COMMITTEE ON LAW & JUSTICE, JANUARY 29, 1992

Brief Description: Protecting personal property when motor vehicles are repossessed.

SPONSORS: Senator L. Smith

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 6083 be substituted therefor, and the substitute bill do pass.

Signed by Senators Nelson, Chairman; Erwin, M. Kreidler, Rasmussen, and A. Smith.

Staff: Jack Brummel (786-7428)

Hearing Dates: January 29, 1992

BACKGROUND:

A secured creditor may repossess collateral pledged to secure a loan if the loan is in default. Motor vehicles which are repossessed often have personal property in them at the time of repossession. This personal property may be difficult to get after repossession by the secured party or the secured party's agent.

SUMMARY:

When a motor vehicle is repossessed, the secured party taking possession must immediately return any personal property that is not named in the security agreement. Costs associated with the return of the personal property may not be charged against the debtor by the secured party.

EFFECT OF PROPOSED SUBSTITUTE:

When a motor vehicle is repossessed, the holder of the personal property found in the vehicle must return it to the debtor within 48 hours.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

This will prevent people from losing their personal possessions when their cars are repossessed.

TESTIMONY AGAINST: None

TESTIFIED: Senator Linda Smith, prime sponsor; Lew McMurrin,
Household International