

2 **SSB 6173** - S AMD - 125
3 By Senators Wojahn and Moyer

4 RULED OUT OF SCOPE AND OBJECT 2/12/96

5 On page 10, after line 15, insert the following:

6 "NEW SECTION. **Sec. 6.** A new section is added to chapter 46.70 RCW
7 to read as follows:

8 At the time of licensing, registration, title verification,
9 transfer of title, perfecting title, or releasing or satisfying a lien
10 or other security for any motor vehicle, the dealer shall collect a
11 documentary service fee of at least ten dollars and may collect up to
12 thirty dollars. Ten dollars of the fee shall be transmitted to the
13 department for deposit in the emergency medical services and trauma
14 care system trust account. Subagents shall collect the ten dollar fee
15 when performing any function listed in this section, and such fee shall
16 be transmitted to the department for deposit in the emergency medical
17 services and trauma care system trust account under this section."

18 Renumber the sections consecutively and correct any internal
19 references accordingly.

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23 On page 11, line 16, after "order." insert "Any documentary service
24 fee charged by a dealer for licensing, registration, title
25 verification, transfer of title, perfecting title, or releasing or
26 satisfying a lien or other security interest in an amount not to exceed
27 a total of thirty dollars per vehicle sale or vehicle lease shall not
28 be considered a violation of subsection (1) or (2) of this section.
29 Dealers are required to disclose in any advertisement that a
30 documentary service fee in an amount not to exceed thirty dollars may
31 be added to the sale price."

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4 On page 15, after line 32, insert the following:

5 "Sec. 7. RCW 63.14.010 and 1993 sp.s. c 5 s 1 are each amended to
6 read as follows:

7 In this chapter, unless the context otherwise requires:

8 (1) "Goods" means all chattels personal when purchased primarily
9 for personal, family, or household use and not for commercial or
10 business use, but not including money or, except as provided in the
11 next sentence, things in action. The term includes but is not limited
12 to merchandise certificates or coupons, issued by a retail seller, to
13 be used in their face amount in lieu of cash in exchange for goods or
14 services sold by such a seller and goods which, at the time of sale or
15 subsequently, are to be so affixed to real property as to become a part
16 thereof, whether or not severable therefrom;

17 (2) "Lender credit card" means a card or device under a lender
18 credit card agreement pursuant to which the issuer gives to a
19 cardholder residing in this state the privilege of obtaining credit
20 from the issuer or other persons in purchasing or leasing property or
21 services, obtaining loans, or otherwise, and the issuer of which is
22 not: (a) Principally engaged in the business of selling goods; or (b)
23 a financial institution;

24 (3) "Lender credit card agreement" means an agreement entered into
25 or performed in this state prescribing the terms of retail installment
26 transactions pursuant to which the issuer may, with the buyer's
27 consent, purchase or acquire one or more retail sellers' indebtedness
28 of the buyer under a sales slip or memorandum evidencing the purchase,
29 lease, loan, or otherwise to be paid in accordance with the agreement.
30 The issuer of a lender credit card agreement shall not be principally
31 engaged in the business of selling goods or be a financial institution;

32 (4) "Financial institution" means any bank or trust company, mutual
33 savings bank, credit union, or savings and loan association organized
34 pursuant to the laws of any one of the United States of America or the
35 United States of America, or the laws of a foreign country if also
36 qualified to conduct business in any one of the United States of
37 America or pursuant to the laws of the United States of America;

1 (5) "Services" means work, labor, or services of any kind when
2 purchased primarily for personal, family, or household use and not for
3 commercial or business use whether or not furnished in connection with
4 the delivery, installation, servicing, repair, or improvement of goods
5 and includes repairs, alterations, or improvements upon or in
6 connection with real property, but does not include services for which
7 the price charged is required by law to be determined or approved by or
8 to be filed, subject to approval or disapproval, with the United States
9 or any state, or any department, division, agency, officer, or official
10 of either as in the case of transportation services;

11 (6) "Retail buyer" or "buyer" means a person who buys or agrees to
12 buy goods or obtain services or agrees to have services rendered or
13 furnished, from a retail seller;

14 (7) "Retail seller" or "seller" means a person engaged in the
15 business of selling goods or services to retail buyers;

16 (8) "Retail installment transaction" means any transaction in which
17 a retail buyer purchases goods or services from a retail seller
18 pursuant to a retail installment contract, a retail charge agreement,
19 or a lender credit card agreement, as defined in this section, which
20 provides for a service charge, as defined in this section, and under
21 which the buyer agrees to pay the unpaid balance in one or more
22 installments or which provides for no service charge and under which
23 the buyer agrees to pay the unpaid balance in more than four
24 installments;

25 (9) "Retail installment contract" or "contract" means a contract,
26 other than a retail charge agreement, a lender credit card agreement,
27 or an instrument reflecting a sale made pursuant thereto, entered into
28 or performed in this state for a retail installment transaction. The
29 term "retail installment contract" may include a chattel mortgage, a
30 conditional sale contract, and a contract in the form of a bailment or
31 a lease if the bailee or lessee contracts to pay as compensation for
32 their use a sum substantially equivalent to or in excess of the value
33 of the goods sold and if it is agreed that the bailee or lessee is
34 bound to become, or for no other or a merely nominal consideration, has
35 the option of becoming the owner of the goods upon full compliance with
36 the provisions of the bailment or lease. The term "retail installment
37 contract" does not include: (a) A "consumer lease," heretofore or
38 hereafter entered into, as defined in RCW 63.10.020; (b) a lease which
39 would constitute such "consumer lease" but for the fact that: (i) It

1 was entered into before April 29, 1983; (ii) the lessee was not a
2 natural person; (iii) the lease was not primarily for personal, family,
3 or household purposes; or (iv) the total contractual obligations
4 exceeded twenty-five thousand dollars; or (c) a lease-purchase
5 agreement under chapter 63.19 RCW;

6 (10) "Retail charge agreement," "revolving charge agreement," or
7 "charge agreement" means an agreement between a retail buyer and a
8 retail seller that is entered into or performed in this state and that
9 prescribes the terms of retail installment transactions with one or
10 more sellers which may be made thereunder from time to time and under
11 the terms of which a service charge, as defined in this section, is to
12 be computed in relation to the buyer's unpaid balance from time to
13 time;

14 (11) "Service charge" however denominated or expressed, means the
15 amount which is paid or payable for the privilege of purchasing goods
16 or services to be paid for by the buyer in installments over a period
17 of time. It does not include the amount, if any, charged for insurance
18 premiums, delinquency charges, attorneys' fees, court costs, the
19 vehicle dealer documentary service fee as provided in section 5 of this
20 act, or official fees;

21 (12) "Sale price" means the price for which the seller would have
22 sold or furnished to the buyer, and the buyer would have bought or
23 obtained from the seller, the goods or services which are the subject
24 matter of a retail installment transaction. The sale price may include
25 any taxes, registration and license fees, any vehicle dealer
26 documentary fee as provided for in section 5 of this act and charges
27 for transferring vehicle titles, delivery, installation, servicing,
28 repairs, alterations, or improvements;

29 (13) "Official fees" means the amount of the fees prescribed by law
30 and payable to the state, county, or other governmental agency for
31 filing, recording, or otherwise perfecting, and releasing or
32 satisfying, a retained title, lien, or other security interest created
33 by a retail installment transaction;

34 (14) "Time balance" means the principal balance plus the service
35 charge;

36 (15) "Principal balance" means the sale price of the goods or
37 services which are the subject matter of a retail installment contract
38 less the amount of the buyer's down payment in money or goods or both,
39 plus the amounts, if any, included therein, if a separate identified

1 charge is made therefor and stated in the contract, for insurance, any
2 vehicle dealer documentary service fee, and official fees;

3 (16) "Person" means an individual, partnership, joint venture,
4 corporation, association, or any other group, however organized;

5 (17) "Rate" means the percentage which, when multiplied times the
6 outstanding balance for each month or other installment period, yields
7 the amount of the service charge for such month or period.

8 **Sec. 8.** RCW 63.14.130 and 1992 c 193 s 1 are each amended to read
9 as follows:

10 The service charge shall be inclusive of all charges incident to
11 investigating and making the retail installment contract or charge
12 agreement and for the privilege of making the installment payments
13 thereunder and no other fee, expense or charge whatsoever shall be
14 taken, received, reserved or contracted therefor from the buyer, except
15 for any vehicle dealer documentary service fee as provided for in
16 section 5 of this act.

17 (1) The service charge, in a retail installment contract, shall not
18 exceed the dollar amount or rate agreed to by contract and disclosed
19 under RCW 63.14.040(1)(7)(g).

20 (2) The service charge in a retail charge agreement, revolving
21 charge agreement, lender credit card agreement, or charge agreement,
22 shall not exceed the schedule or rate agreed to by contract and
23 disclosed under RCW 63.14.120(1). If the service charge so computed is
24 less than one dollar for any month, then one dollar may be charged.

25 NEW SECTION. **Sec. 9.** A new section is added to chapter 88.02 RCW
26 to read as follows:

27 At the time of licensing, registration, title verification,
28 transfer of title, perfecting title, or releasing or satisfying a lien
29 or other security for any vessel, the dealer shall collect a
30 documentary service fee of at least ten dollars and may collect up to
31 thirty dollars. Ten dollars of the fee shall be transmitted to the
32 department for deposit in the emergency medical services and trauma
33 care system trust account.

34 NEW SECTION. **Sec. 10.** A new section is added to chapter 46.10 RCW
35 to read as follows:

1 At the time of sale or resale of any snowmobile, the dealer shall
2 collect a ten-dollar fee from the purchaser. The fee shall be
3 transmitted to the department for deposit in the emergency medical
4 services and trauma care system trust account.

5 NEW SECTION. **Sec. 11.** A new section is added to chapter 88.12 RCW
6 to read as follows:

7 At the time of sale or resale of any personal watercraft, the
8 dealer shall collect a ten-dollar fee from the purchaser. The fee
9 shall be transmitted to the department of licensing for deposit in the
10 emergency medical services and trauma care system trust account."

11 Renumber the sections consecutively and correct any internal
12 references accordingly.

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16 On page 1, line 2 of the title, after "46.70.130," strike "and" and
17 after "46.70.180" insert ", 63.14.010, and 63.14.130"

18 On page 1, line 2 of the title, after "46.70.180;" insert "adding
19 a new section to chapter 46.70 RCW; adding a new section to chapter
20 88.02 RCW; adding a new section to chapter 46.10 RCW; adding a new
21 section to chapter 88.12 RCW;"

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