

SB 6614 - H AMD 1139

By Representative Orcutt

ADOPTED 03/04/2004

1 On page 7, after line 32, insert the following:

2 "Sec. 2. RCW 46.12.151 and 1990 c 250 s 30 are each amended to  
3 read as follows:

4 If the department is not satisfied as to the ownership of the  
5 vehicle or that there are no undisclosed security interests in it, the  
6 department may register the vehicle but shall either:

7 (1) Withhold issuance of a certificate of ownership for a period of  
8 three years or until the applicant presents documents reasonably  
9 sufficient to satisfy the department as to the applicant's ownership of  
10 the vehicle and that there are no undisclosed security interests in it;  
11 or

12 (2) As a condition of issuing a certificate of ownership, require  
13 the applicant to file with the department a bond for a period of three  
14 years in the form prescribed by the department and executed by the  
15 applicant. The bond shall be in an amount equal to one and one-half  
16 times the value of the vehicle as determined by the department and  
17 conditioned to indemnify any prior owner and secured party and any  
18 subsequent purchaser of the vehicle or person acquiring any security  
19 interest in it, and their respective successors in interest, against  
20 any expense, loss or damage, including reasonable attorney's fees, by  
21 reason of the issuance of the certificate of ownership of the vehicle  
22 or on account of any defect in or undisclosed security interest upon  
23 the right, title and interest of the applicant in and to the vehicle.  
24 Any such interested person has a right of action to recover on the bond  
25 for any breach of its conditions, but the aggregate liability of the  
26 surety to all persons shall not exceed the amount of the bond. At the  
27 end of three years or prior thereto if the vehicle is no longer  
28 registered in this state or when satisfactory evidence of ownership is  
29 surrendered to the department, the owner may apply to the department  
30 for a replacement certificate of ownership without reference to the  
31 bond.

1       (3) Subsections (1) and (2) of this section do not apply to a  
2 vehicle whose fair market value as determined by the department is less  
3 than five hundred dollars. For vehicles with a fair market value of  
4 less than five hundred dollars the department shall withhold issuance  
5 of a certificate of ownership for a period of ninety days or until the  
6 applicant presents documents reasonably sufficient to satisfy the  
7 department as to the applicant's ownership of the vehicle and that  
8 there are no undisclosed security interests in it."

9       Correct the title.

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