## HOUSE BILL 2483


State of Washington 58th Legislature 2004 Regular Session

By Representatives Murray and McIntire

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Read first time 01/15/2004. Referred to Committee on Transportation.

- 1 AN ACT Relating to the disposition of title fees; amending RCW
- 2 46.12.040, 46.12.101, and 46.68.020; and providing an effective date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 46.12.040 and 2002 c 352 s 3 are each amended to read 5 as follows:
  - (1) The application for an original certificate of ownership accompanied by a draft, money order, certified bank check, or cash for five dollars, together with the last preceding certificates or other satisfactory evidence of ownership, shall be forwarded to the director.
  - (2) The fee shall be in addition to any other fee for the license registration of the vehicle. The certificate of ownership shall not be required to be renewed annually, or at any other time, except as by law provided.
- 14 (3) In addition to the application fee and any other fee for the 15 license registration of a vehicle, the department shall collect from 16 the applicant a fee of fifteen dollars for vehicles previously 17 registered in any other state or country. The proceeds from the fee 18 shall be deposited in ((the motor vehicle fund)) accordance with RCW

p. 1 HB 2483

- 1 46.68.020. For vehicles requiring a physical examination, the
- 2 inspection fee shall be fifty dollars and shall be deposited in ((the
- 3 motor vehicle fund)) accordance with RCW 46.68.020.

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Sec. 2. RCW 46.12.101 and 2003 c 264 s 7 are each amended to read as follows:

A transfer of ownership in a motor vehicle is perfected by compliance with the requirements of this section.

- (1) If an owner transfers his or her interest in a vehicle, other than by the creation, deletion, or change of a security interest, the owner shall, at the time of the delivery of the vehicle, execute an assignment to the transferee and provide an odometer disclosure statement under RCW 46.12.124 on the certificate of ownership or as the department otherwise prescribes, and cause the certificate and assignment to be transmitted to the transferee. The owner shall notify the department or its agents or subagents, in writing, on the appropriate form, of the date of the sale or transfer, the name and address of the owner and of the transferee, the transferee's driver's license number if available, and such description of the vehicle, including the vehicle identification number, the license plate number, or both, as may be required in the appropriate form provided or approved for that purpose by the department. The report of sale will be deemed properly filed if all information required in this section is provided on the form and includes a department-authorized notation that the document was received by the department, its agents, or subagents on or before the fifth day after the sale of the vehicle, excluding Saturdays, Sundays, and state and federal holidays. Agents and subagents shall immediately electronically transmit the seller's report of sale to the department. Reports of sale processed and recorded by the department's agents or subagents may be subject to fees as specified in RCW 46.01.140 (4)(a) or (5)(b). By January 1, 2003, the department shall create a system enabling the seller of a vehicle to transmit the report of sale electronically. The system created by the department must immediately indicate on the department's vehicle record that a seller's report of sale has been filed.
- (2) The requirements of subsection (1) of this section to provide an odometer disclosure statement apply to the transfer of vehicles held

HB 2483 p. 2

for lease when transferred to a lessee and then to the lessor at the end of the leasehold and to vehicles held in a fleet when transferred to a purchaser.

- (3) Except as provided in RCW 46.70.122 the transferee shall within fifteen days after delivery to the transferee of the vehicle, execute the application for a new certificate of ownership in the same space provided therefor on the certificate or as the department prescribes, and cause the certificates and application to be transmitted to the department accompanied by a fee of five dollars in addition to any other fees required.
- (4) Upon request of the owner or transferee, a secured party in possession of the certificate of ownership shall, unless the transfer was a breach of its security agreement, either deliver the certificate to the transferee for transmission to the department or, when the secured party receives the owner's assignment from the transferee, it shall transmit the transferee's application for a new certificate, the existing certificate, and the required fee to the department. Compliance with this section does not affect the rights of the secured party.
- (5) If a security interest is reserved or created at the time of the transfer, the certificate of ownership shall be retained by or delivered to the person who becomes the secured party, and the parties shall comply with the provisions of RCW 46.12.170.
- (6) If the purchaser or transferee fails or neglects to make application to transfer the certificate of ownership and license registration within fifteen days after the date of delivery of the vehicle, he or she shall on making application for transfer be assessed a twenty-five dollar penalty on the sixteenth day and two dollars additional for each day thereafter, but not to exceed one hundred dollars. The director may by rule establish conditions under which the penalty will not be assessed when an application for transfer is delayed for reasons beyond the control of the purchaser. Conditions for not assessing the penalty may be established for but not limited to delays caused by:
  - (a) The department requesting additional supporting documents;
  - (b) Extended hospitalization or illness of the purchaser;
  - (c) Failure of a legal owner to release his or her interest;

p. 3 HB 2483

1 (d) Failure, negligence, or nonperformance of the department, 2 auditor, or subagent.

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Failure or neglect to make application to transfer the certificate of ownership and license registration within forty-five days after the date of delivery of the vehicle is a misdemeanor.

- (7) Upon receipt of an application for reissue or replacement of a certificate of ownership and transfer of license registration, accompanied by the endorsed certificate of ownership or other documentary evidence as is deemed necessary, the department shall, if the application is in order and if all provisions relating to the certificate of ownership and license registration have been complied with, issue new certificates of title and license registration as in the case of an original issue and shall transmit the fees together with an itemized detailed report to the state treasurer.
- 15 (8) Once each quarter the department shall report to the department 16 of revenue a list of those vehicles for which a seller's report has 17 been received but no transfer of title has taken place.
- 18 **Sec. 3.** RCW 46.68.020 and 2003 c 264 s 8 are each amended to read 19 as follows:

The director shall forward all fees for certificates of ownership or other moneys accruing under the provisions of chapter 46.12 RCW to the state treasurer, together with a proper identifying detailed report. The state treasurer shall credit such moneys as follows:

- 24 (1) The fees collected under RCW 46.12.040(1) and 46.12.101(6) 25 shall be credited to the multimodal transportation account in RCW 26 47.66.070.
- 27 (2)(a) Beginning July 27, 2003, and until July 1, 2008, the fees 28 collected under RCW 46.12.080, <u>46.12.101(3)</u>, 46.12.170, and 46.12.181 29 shall be credited as follows:
- 30 (i) 58.12 percent shall be credited to a segregated subaccount of 31 the air pollution control account in RCW 70.94.015;
- 32 (ii)  $((\frac{15.71}{16.60}))$  percent shall be credited to the vessel response account created in RCW 90.56.335; and
- (iii) The remainder shall be credited into the transportation 2003 account (nickel account).
- 36 (b) Beginning July 1, 2008, and thereafter, the fees collected

HB 2483 p. 4

under RCW 46.12.080,  $\underline{46.12.101(3)}$ , 46.12.170, and 46.12.181 shall be credited to the transportation 2003 account (nickel account).

- (3) ((All other fees under chapter 46.12 RCW shall be credited to the motor vehicle account, unless specified otherwise)) The fees collected under RCW 46.12.040(3) and 46.12.060 shall be credited to the motor vehicle account.
- 7 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect July 1, 2004.

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p. 5 HB 2483