

HOUSE BILL REPORT

ESSB 5112

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to auctioning vessels.

Brief Description: Allowing auctioneers to auction vessels without registering as a vessel dealer.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Schoesler, Kohl-Welles, Rasmussen, Pridemore, Clements, Sheldon, Morton, Hatfield and Honeyford).

Brief History:

Committee Activity:

Commerce & Labor: 3/15/07, 3/27/07 [DPA].

Brief Summary of Engrossed Substitute Bill
(As Amended by House Committee)

- Allows auction companies also licensed as motor vehicle dealers to sell vessels up to 25 feet long without registering as vessel dealers.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

Background:

An auction company is any legal or commercial entity that sells goods or real estate at auction. Auction companies must obtain a license from the Department of Licensing (Department) by paying a registration fee, filing a surety bond or other security, and meeting other requirements. Auctioneers selling motor vehicles must also obtain a motor vehicle dealer license and those selling vessels must register as a vessel dealer.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A vessel dealer is a person, partnership, association, or corporation engaged in the business of selling watercraft in the state. Vessel dealers must register with the Department by paying a registration fee and filing a surety bond. Vessel dealer duties include making application for title and maintaining a record of all vessels purchased or consigned and sold by the vessel dealer.

Summary of Amended Bill:

A licensed auction company that is also licensed as a motor vehicle dealer may auction vessels without registering as a vessel dealer, so long as the sale of vessels is incidental to the auction company's primary source of business and the length of any vessel is no longer than 25 feet. The auction company must comply with the other requirements for vessel dealers, including rules adopted by the Department, if the registration fee and surety bond are waived.

Amended Bill Compared to Engrossed Substitute Bill:

Makes clear in the vessel deal chapter that surety bond requirements, in addition to registration fees, are waived and deletes reference to vessels and the waiver of vessel dealer bonding in the motor vehicle chapter. Makes a technical change by eliminating reference to a specific rule.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This is a small bill that means there is one less license to buy. This bill would allow, for example, the auction of dad's old fishing boat that is an incidental part of an auction. Dealers would still have to transfer title.

(Opposed) None.

Persons Testifying: Senator Schoesler, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.