
Transportation Committee

HB 1939

Brief Description: Concerning vehicle dealer documentary service fees.

Sponsors: Representatives Takko, Armstrong, Morris, Springer, Eddy, Wood, Warnick, Ericksen, Sells, Kenney, Simpson, Moeller, Ormsby and Wallace.

Brief Summary of Bill

- Increases the the documentary service fee that a vehicle dealer may charge from \$50 to \$150.
- Discloses in writing by the dealer to the purchaser or lessee that the documentary service fee is negotiable and dealer must not represent the fee as being required by the State of Washington.

Hearing Date: 2/24/09

Staff: Jerry Long (786-7306)

Background:

A vehicle dealer may charge a maximum documentary service fee of \$50 per vehicle sale or lease to cover administrative costs for collecting motor vehicle excise taxes; licensing, registration, and other agency fees; verifying and clearing titles; and perfecting, releasing, or satisfying liens or other security interests.

The documentary service fee must: be disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement; not be represented to the purchaser as a fee or charge required by the State of Washington to be paid by the dealer or the vehicle buyer; and be disclosed in any advertisement that a documentary service fee in an amount up to \$50 may be added to the sale price or the capitalized cost.

Summary of Bill:

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.

The documentary service fee that a vehicle dealer may charge on a vehicle sale or lease is increased from a maximum of \$50 to \$150.

The dealer must disclose to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure. The dealer must not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee.

Appropriation: None.

Fiscal Note: Available.

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