

FINAL BILL REPORT

ESHB 1939

C 123 L 09

Synopsis as Enacted

Brief Description: Concerning vehicle dealer documentary service fees.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Takko, Armstrong, Morris, Springer, Eddy, Wood, Warnick, Ericksen, Sells, Kenney, Simpson, Moeller, Ormsby and Wallace).

House Committee on Transportation Senate Committee on Transportation

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 and 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 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:

The documentary service fee that a vehicle dealer may charge on a vehicle sale or lease is increased from a maximum of \$50 to a maximum of \$150 until July 1, 2014. On July 1, 2014, the fee is returned to a maximum of \$50.

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.

Votes on Final Passage:

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.

House 73 22
Senate 42 3

Effective: July 26, 2009