
HOUSE BILL 2274

State of Washington 64th Legislature 2015 2nd Special Session

By Representatives Harmsworth, Bergquist, Hayes, Morris, Moscoso, Pollet, Vick, Wilson, Van Werven, and Haler

Read first time 06/27/15. Referred to Committee on Transportation.

1 AN ACT Relating to protecting individuals from reports of sale
2 filed with an incorrect buyer of a subsequently abandoned vehicle;
3 amending RCW 46.12.650, 46.55.105, and 19.16.250; adding a new
4 section to chapter 46.64 RCW; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 46.12.650 and 2010 c 161 s 309 are each amended to
7 read as follows:

8 (1) **Releasing interest.** An owner releasing interest in a vehicle
9 shall:

10 (a) Sign the release of interest section provided on the
11 certificate of title or on a release of interest document or form
12 approved by the department;

13 (b) Give the certificate of title or most recent evidence of
14 ownership to the person gaining the interest in the vehicle;

15 (c) Give the person gaining interest in the vehicle an odometer
16 disclosure statement if one is required; and

17 (d) Report the vehicle sold as provided in subsection (2) of this
18 section.

19 (2) **Report of sale.** An owner shall notify the department, county
20 auditor or other agent, or subagent appointed by the director in
21 writing within five business days after a vehicle is or has been:

- 1 (a) Sold;
- 2 (b) Given as a gift to another person;
- 3 (c) Traded, either privately or to a dealership;
- 4 (d) Donated to charity;
- 5 (e) Turned over to an insurance company or wrecking yard; or
- 6 (f) Disposed of.

7 (3) **Report of sale properly filed.** A report of sale is properly
8 filed if it is received by the department, county auditor or other
9 agent, or subagent appointed by the director within five business
10 days after the date of sale or transfer and it includes:

- 11 (a) The date of sale or transfer;
- 12 (b) The owner's name and address;
- 13 (c) The name and address of the person acquiring the vehicle;
- 14 (d) The vehicle identification number and license plate number;
- 15 (e) A date or stamp by the department showing it was received on
16 or before the fifth business day after the date of sale or transfer;
17 and
- 18 (f) Payment of the fees required under RCW 46.17.050 if the
19 report of sale is processed by a county auditor or other agent or
20 subagent appointed by the director.

21 (4) **Report of sale - administration.** (a) The department shall:
22 ~~((a))~~ (i) Provide or approve reports of sale forms;
23 ~~((b))~~ (ii) Provide a system enabling an owner to submit reports
24 of sale electronically;
25 ~~((c))~~ (iii) Immediately update the department's vehicle record
26 when a report of sale has been filed;
27 ~~((d))~~ (iv) Provide instructions on release of interest forms
28 that allow the seller of a vehicle to release their interest in a
29 vehicle at the same time a financial institution, as defined in RCW
30 ~~((30.22.040))~~ 30A.22.040, releases its lien on the vehicle; and
31 ~~((e))~~ (v) Send a report to the department of revenue that lists
32 vehicles for which a report of sale has been received but no transfer
33 of ownership has taken place. The department shall send the report
34 once each quarter.

35 (b) A report of sale is not proof of a completed vehicle transfer
36 for purposes of the collection of expenses related to towing,
37 storage, and auction of an abandoned vehicle in situations where
38 there is no evidence indicating the buyer knew of or was a party to
39 acceptance of the vehicle transfer. A contract signed by the prior
40 owner and the new owner, a certificate of title, or other legal proof

1 of acceptance of the vehicle by the new owner may be provided to
2 establish legal responsibility for the abandoned vehicle.

3 (5)(a) **Transferring ownership.** A person who has recently acquired
4 a vehicle by purchase, exchange, gift, lease, inheritance, or legal
5 action shall apply to the department, county auditor or other agent,
6 or subagent appointed by the director for a new certificate of title
7 within fifteen days of delivery of the vehicle. A secured party who
8 has possession of the certificate of title shall either:

9 (i) Apply for a new certificate of title on behalf of the owner
10 and pay the fee required under RCW 46.17.100; or

11 (ii) Provide all required documents to the owner, as long as the
12 transfer was not a breach of its security agreement, to allow the
13 owner to apply for a new certificate of title.

14 (b) Compliance with this subsection does not affect the rights of
15 the secured party.

16 (6) **Certificate of title delivered to secured party.** The
17 certificate of title must be kept by or delivered to the person who
18 becomes the secured party when a security interest is reserved or
19 created at the time of the transfer of ownership. The parties must
20 comply with RCW 46.12.675.

21 (7) **Penalty for late transfer.** A person who has recently acquired
22 a motor vehicle by purchase, exchange, gift, lease, inheritance, or
23 legal action who does not apply for a new certificate of title within
24 fifteen calendar days of delivery of the vehicle is charged a
25 penalty, as described in RCW 46.17.140, when applying for a new
26 certificate of title. It is a misdemeanor to fail or neglect to apply
27 for a transfer of ownership within forty-five days after delivery of
28 the vehicle. The misdemeanor is a single continuing offense for each
29 day that passes regardless of the number of days that have elapsed
30 following the forty-five day time period.

31 (8) **Penalty for late transfer - exceptions.** The penalty is not
32 charged if the delay in application is due to at least one of the
33 following:

34 (a) The department requests additional supporting documents;

35 (b) The department, county auditor or other agent, or subagent
36 fails to perform or is neglectful;

37 (c) The owner is prevented from applying due to an illness or
38 extended hospitalization;

39 (d) The legal owner fails or neglects to release interest;

1 (e) The owner did not know of the filing of a report of sale by
2 the previous owner and signs an affidavit to the fact; or

3 (f) The department finds other conditions exist that adequately
4 explain the delay.

5 (9) **Review and issue.** The department shall review applications
6 for certificates of title and issue certificates of title when it has
7 determined that all applicable provisions of law have been complied
8 with.

9 (10) **Rules.** The department may adopt rules as necessary to
10 implement this section.

11 **Sec. 2.** RCW 46.55.105 and 2010 c 161 s 1119 are each amended to
12 read as follows:

13 (1) Except as provided in subsection (4) of this section, the
14 abandonment of any vehicle creates a prima facie presumption that the
15 last registered owner of record is responsible for the abandonment
16 and is liable for costs incurred in removing, storing, and disposing
17 of the abandoned vehicle, less amounts realized at auction.

18 (2) If an unauthorized vehicle is found abandoned under
19 subsection (1) of this section and removed at the direction of law
20 enforcement, the last registered owner of record is guilty of the
21 traffic infraction of "littering—abandoned vehicle," unless the
22 vehicle is redeemed as provided in RCW 46.55.120. In addition to any
23 other monetary penalty payable under chapter 46.63 RCW, the court
24 shall not consider all monetary penalties as having been paid until
25 the court is satisfied that the person found to have committed the
26 infraction has made restitution in the amount of the deficiency
27 remaining after disposal of the vehicle under RCW 46.55.140.

28 (3) A vehicle theft report filed with a law enforcement agency
29 relieves the last registered owner of liability under subsection (2)
30 of this section for failure to redeem the vehicle. However, the last
31 registered owner remains liable for the costs incurred in removing,
32 storing, and disposing of the abandoned vehicle under subsection (1)
33 of this section. Nothing in this section limits in any way the
34 registered owner's rights in a civil action or as restitution in a
35 criminal action against a person responsible for the theft of the
36 vehicle.

37 (4) Properly filing a report of sale or transfer regarding the
38 vehicle involved in accordance with RCW 46.12.650 (1) through (3)
39 relieves the last registered owner of liability under subsections (1)

1 and (2) of this section. However, if there is a reason to believe
2 that a report of sale has been filed in which the reported buyer did
3 not know of the alleged transfer or did not accept the vehicle
4 transfer, the liability remains with the last registered owner to
5 prove the vehicle transfer was made pursuant to a legal transfer or
6 accepted by the person reported as the new owner on the report of
7 sale. If the date of sale as indicated on the report of sale is on or
8 before the date of impoundment, the buyer identified on the latest
9 properly filed report of sale with the department is assumed liable
10 for the costs incurred in removing, storing, and disposing of the
11 abandoned vehicle, less amounts realized at auction. If the date of
12 sale is after the date of impoundment, the previous registered owner
13 is assumed to be liable for such costs. A licensed vehicle dealer is
14 not liable under subsections (1) and (2) of this section if the
15 dealer, as transferee or assignee of the last registered owner of the
16 vehicle involved, has complied with the requirements of RCW 46.70.122
17 upon selling or otherwise disposing of the vehicle, or if the dealer
18 has timely filed a transitional ownership record or report of sale
19 under RCW 46.12.660. In that case the person to whom the licensed
20 vehicle dealer has sold or transferred the vehicle is assumed liable
21 for the costs incurred in removing, storing, and disposing of the
22 abandoned vehicle, less amounts realized at auction.

23 (5) For the purposes of reporting notices of traffic infraction
24 to the department under RCW 46.20.270 and 46.52.101, and for purposes
25 of reporting notices of failure to appear, respond, or comply
26 regarding a notice of traffic infraction to the department under RCW
27 46.63.070(6), a traffic infraction under subsection (2) of this
28 section is not considered to be a standing, stopping, or parking
29 violation.

30 (6) A notice of infraction for a violation of this section may be
31 filed with a court of limited jurisdiction organized under Title 3,
32 35, or 35A RCW, or with a violations bureau subject to the court's
33 jurisdiction.

34 (7) A person named as a buyer in a report of sale filed under RCW
35 46.12.650(4) in which there was no acceptance of the transfer has a
36 cause of action against the person who filed the report to recover
37 costs associated with towing, storage, auction, or any other damages
38 incurred as a result of being named as the buyer in the report of
39 sale, including reasonable attorneys' fees and litigation costs. The
40 cause of action provided in this subsection is in addition to any

1 other remedy available to the person at law or in equity. A person
2 that files a fraudulent report of sale is guilty of a gross
3 misdemeanor with a nonnegotiable penalty of one thousand dollars.

4 **Sec. 3.** RCW 19.16.250 and 2013 c 148 s 2 are each amended to
5 read as follows:

6 No licensee or employee of a licensee shall:

7 (1) Directly or indirectly aid or abet any unlicensed person to
8 engage in business as a collection agency in this state or receive
9 compensation from such unlicensed person: PROVIDED, That nothing in
10 this chapter shall prevent a licensee from accepting, as forwarder,
11 claims for collection from a collection agency or attorney whose
12 place of business is outside the state.

13 (2) Collect or attempt to collect a claim by the use of any means
14 contrary to the postal laws and regulations of the United States
15 postal department.

16 (3) Publish or post or cause to be published or posted, any list
17 of debtors commonly known as "bad debt lists" or threaten to do so.
18 For purposes of this chapter, a "bad debt list" means any list of
19 natural persons alleged to fail to honor their lawful debts. However,
20 nothing herein shall be construed to prohibit a licensee from
21 communicating to its customers or clients by means of a coded list,
22 the existence of a check dishonored because of insufficient funds,
23 not sufficient funds or closed account by the financial institution
24 servicing the debtor's checking account: PROVIDED, That the debtor's
25 identity is not readily apparent: PROVIDED FURTHER, That the licensee
26 complies with the requirements of subsection (10)(e) of this section.

27 (4) Have in his or her possession or make use of any badge, use a
28 uniform of any law enforcement agency or any simulation thereof, or
29 make any statements which might be construed as indicating an
30 official connection with any federal, state, county, or city law
31 enforcement agency, or any other governmental agency, while engaged
32 in collection agency business.

33 (5) Perform any act or acts, either directly or indirectly,
34 constituting the unauthorized practice of law.

35 (6) Advertise for sale or threaten to advertise for sale any
36 claim as a means of endeavoring to enforce payment thereof or
37 agreeing to do so for the purpose of soliciting claims, except where
38 the licensee has acquired claims as an assignee for the benefit of
39 creditors or where the licensee is acting under court order.

1 (7) Use any name while engaged in the making of a demand for any
2 claim other than the name set forth on his or her or its current
3 license issued hereunder.

4 (8) Give or send to any debtor or cause to be given or sent to
5 any debtor, any notice, letter, message, or form, other than through
6 proper legal action, process, or proceedings, which represents or
7 implies that a claim exists unless it shall indicate in clear and
8 legible type:

9 (a) The name of the licensee and the city, street, and number at
10 which he or she is licensed to do business;

11 (b) The name of the original creditor to whom the debtor owed the
12 claim if such name is known to the licensee or employee: PROVIDED,
13 That upon written request of the debtor, the licensee shall provide
14 this name to the debtor or cease efforts to collect on the debt until
15 this information is provided;

16 (c) If the notice, letter, message, or form is the first notice
17 to the debtor or if the licensee is attempting to collect a different
18 amount than indicated in his or her or its first notice to the
19 debtor, an itemization of the claim asserted must be made including:

20 (i) Amount owing on the original obligation at the time it was
21 received by the licensee for collection or by assignment;

22 (ii) Interest or service charge, collection costs, or late
23 payment charges, if any, added to the original obligation by the
24 original creditor, customer or assignor before it was received by the
25 licensee for collection, if such information is known by the licensee
26 or employee: PROVIDED, That upon written request of the debtor, the
27 licensee shall make a reasonable effort to obtain information on such
28 items and provide this information to the debtor;

29 (iii) Interest or service charge, if any, added by the licensee
30 or customer or assignor after the obligation was received by the
31 licensee for collection;

32 (iv) Collection costs, if any, that the licensee is attempting to
33 collect;

34 (v) Attorneys' fees, if any, that the licensee is attempting to
35 collect on his or her or its behalf or on the behalf of a customer or
36 assignor; and

37 (vi) Any other charge or fee that the licensee is attempting to
38 collect on his or her or its own behalf or on the behalf of a
39 customer or assignor;

1 (d) If the notice, letter, message, or form concerns a judgment
2 obtained against the debtor, no itemization of the amounts contained
3 in the judgment is required, except postjudgment interest, if
4 claimed, and the current account balance;

5 (e) If the notice, letter, message, or form is the first notice
6 to the debtor, an itemization of the claim asserted must be made
7 including the following information:

8 (i) The original account number or redacted original account
9 number assigned to the debt, if known to the licensee or employee:
10 PROVIDED, That upon written request of the debtor, the licensee must
11 make a reasonable effort to obtain this information or cease efforts
12 to collect on the debt until this information is provided; and

13 (ii) The date of the last payment to the creditor on the subject
14 debt by the debtor, if known to the licensee or employee: PROVIDED,
15 That upon written request of the debtor, the licensee must make a
16 reasonable effort to obtain this information or cease efforts to
17 collect on the debt until this information is provided.

18 (9) Communicate in writing with a debtor concerning a claim
19 through a proper legal action, process, or proceeding, where such
20 communication is the first written communication with the debtor,
21 without providing the information set forth in subsection (8)(c) of
22 this section in the written communication.

23 (10) Communicate or threaten to communicate, the existence of a
24 claim to a person other than one who might be reasonably expected to
25 be liable on the claim in any manner other than through proper legal
26 action, process, or proceedings except under the following
27 conditions:

28 (a) A licensee or employee of a licensee may inform a credit
29 reporting bureau of the existence of a claim. If the licensee or
30 employee of a licensee reports a claim to a credit reporting bureau,
31 the licensee shall, upon receipt of written notice from the debtor
32 that any part of the claim is disputed, notify the credit reporting
33 bureau of the dispute by written or electronic means and create a
34 record of the fact of the notification and when the notification was
35 provided;

36 (b) A licensee or employee in collecting or attempting to collect
37 a claim may communicate the existence of a claim to a debtor's
38 employer if the claim has been reduced to a judgment;

1 (c) A licensee or employee in collecting or attempting to collect
2 a claim that has not been reduced to judgment, may communicate the
3 existence of a claim to a debtor's employer if:

4 (i) The licensee or employee has notified or attempted to notify
5 the debtor in writing at his or her last known address or place of
6 employment concerning the claim and the debtor after a reasonable
7 time has failed to pay the claim or has failed to agree to make
8 payments on the claim in a manner acceptable to the licensee, and

9 (ii) The debtor has not in writing to the licensee disputed any
10 part of the claim: PROVIDED, That the licensee or employee may only
11 communicate the existence of a claim which has not been reduced to
12 judgment to the debtor's employer once unless the debtor's employer
13 has agreed to additional communications.

14 (d) A licensee may for the purpose of locating the debtor or
15 locating assets of the debtor communicate the existence of a claim to
16 any person who might reasonably be expected to have knowledge of the
17 whereabouts of a debtor or the location of assets of the debtor if
18 the claim is reduced to judgment, or if not reduced to judgment,
19 when:

20 (i) The licensee or employee has notified or attempted to notify
21 the debtor in writing at his or her last known address or last known
22 place of employment concerning the claim and the debtor after a
23 reasonable time has failed to pay the claim or has failed to agree to
24 make payments on the claim in a manner acceptable to the licensee,
25 and

26 (ii) The debtor has not in writing disputed any part of the
27 claim.

28 (e) A licensee may communicate the existence of a claim to its
29 customers or clients if the claim is reduced to judgment, or if not
30 reduced to judgment, when:

31 (i) The licensee has notified or attempted to notify the debtor
32 in writing at his or her last known address or last known place of
33 employment concerning the claim and the debtor after a reasonable
34 time has failed to pay the claim or has failed to agree to make
35 payments on the claim in a manner acceptable to the licensee, and

36 (ii) The debtor has not in writing disputed any part of the
37 claim.

38 (11) Threaten the debtor with impairment of his or her credit
39 rating if a claim is not paid: PROVIDED, That advising a debtor that
40 the licensee has reported or intends to report a claim to a credit

1 reporting agency is not considered a threat if the licensee actually
2 has reported or intends to report the claim to a credit reporting
3 agency.

4 (12) Communicate with the debtor after notification in writing
5 from an attorney representing such debtor that all further
6 communications relative to a claim should be addressed to the
7 attorney: PROVIDED, That if a licensee requests in writing
8 information from an attorney regarding such claim and the attorney
9 does not respond within a reasonable time, the licensee may
10 communicate directly with the debtor until he or she or it again
11 receives notification in writing that an attorney is representing the
12 debtor.

13 (13) Communicate with a debtor or anyone else in such a manner as
14 to harass, intimidate, threaten, or embarrass a debtor, including but
15 not limited to communication at an unreasonable hour, with
16 unreasonable frequency, by threats of force or violence, by threats
17 of criminal prosecution, and by use of offensive language. A
18 communication shall be presumed to have been made for the purposes of
19 harassment if:

20 (a) It is made with a debtor or spouse in any form, manner, or
21 place, more than three times in a single week, unless the licensee is
22 responding to a communication from the debtor or spouse;

23 (b) It is made with a debtor at his or her place of employment
24 more than one time in a single week, unless the licensee is
25 responding to a communication from the debtor;

26 (c) It is made with the debtor or spouse at his or her place of
27 residence between the hours of 9:00 p.m. and 7:30 a.m. A call to a
28 telephone is presumed to be received in the local time zone to which
29 the area code of the number called is assigned for landline numbers,
30 unless the licensee reasonably believes the telephone is located in a
31 different time zone. If the area code is not assigned to landlines in
32 any specific geographic area, such as with toll-free telephone
33 numbers, a call to a telephone is presumed to be received in the
34 local time zone of the debtor's last known place of residence, unless
35 the licensee reasonably believes the telephone is located in a
36 different time zone.

37 (14) Communicate with the debtor through use of forms or
38 instruments that simulate the form or appearance of judicial process,
39 the form or appearance of government documents, or the simulation of
40 a form or appearance of a telegraphic or emergency message.

1 (15) Communicate with the debtor and represent or imply that the
2 existing obligation of the debtor may be or has been increased by the
3 addition of attorney fees, investigation fees, service fees, or any
4 other fees or charges when in fact such fees or charges may not
5 legally be added to the existing obligation of such debtor.

6 (16) Threaten to take any action against the debtor which the
7 licensee cannot legally take at the time the threat is made.

8 (17) Send any telegram or make any telephone calls to a debtor or
9 concerning a debt or for the purpose of demanding payment of a claim
10 or seeking information about a debtor, for which the charges are
11 payable by the addressee or by the person to whom the call is made:
12 PROVIDED, That:

13 (a) This subsection does not prohibit a licensee from attempting
14 to communicate by way of a cellular telephone or other wireless
15 device: PROVIDED, That a licensee cannot cause charges to be incurred
16 to the recipient of the attempted communication more than three times
17 in any calendar week when the licensee knows or reasonably should
18 know that the number belongs to a cellular telephone or other
19 wireless device, unless the licensee is responding to a communication
20 from the debtor or the person to whom the call is made.

21 (b) The licensee is not in violation of (a) of this subsection if
22 the licensee at least monthly updates its records with information
23 provided by a commercial provider of cellular telephone lists that
24 the licensee in good faith believes provides reasonably current and
25 comprehensive data identifying cellular telephone numbers, calls a
26 number not appearing in the most recent list provided by the
27 commercial provider, and does not otherwise know or reasonably should
28 know that the number belongs to a cellular telephone.

29 (c) This subsection may not be construed to increase the number
30 of communications permitted pursuant to subsection (13)(a) of this
31 section.

32 (18) Call, or send a text message or other electronic
33 communication to, a cellular telephone or other wireless device more
34 than twice in any day when the licensee knows or reasonably should
35 know that the number belongs to a cellular telephone or other
36 wireless device, unless the licensee is responding to a communication
37 from the debtor or the person to whom the call, text message, or
38 other electronic communication is made. The licensee is not in
39 violation of this subsection if the licensee at least monthly updates
40 its records with information provided by a commercial provider of

1 cellular telephone lists that the licensee in good faith believes
2 provides reasonably current and comprehensive data identifying
3 cellular telephone numbers, calls a number not appearing in the most
4 recent list provided by the commercial provider, and does not
5 otherwise know or reasonably should know that the number belongs to a
6 cellular telephone. Nothing in this subsection may be construed to
7 increase the number of communications permitted pursuant to
8 subsection (13)(a) of this section.

9 (19) Intentionally block its telephone number from displaying on
10 a debtor's telephone.

11 (20) In any manner convey the impression that the licensee is
12 vouched for, bonded to or by, or is an instrumentality of the state
13 of Washington or any agency or department thereof.

14 (21) Collect or attempt to collect in addition to the principal
15 amount of a claim any sum other than allowable interest, collection
16 costs or handling fees expressly authorized by statute, and, in the
17 case of suit, attorney's fees and taxable court costs. A licensee may
18 collect or attempt to collect collection costs and fees, including
19 contingent collection fees, as authorized by a written agreement or
20 contract, between the licensee's client and the debtor, in the
21 collection of a commercial claim. The amount charged to the debtor
22 for collection services shall not exceed thirty-five percent of the
23 commercial claim.

24 (22) Procure from a debtor or collect or attempt to collect on
25 any written note, contract, stipulation, promise or acknowledgment
26 under which a debtor may be required to pay any sum other than
27 principal, allowable interest, except as noted in subsection (21) of
28 this section, and, in the case of suit, attorney's fees and taxable
29 court costs.

30 (23) Bring an action or initiate an arbitration proceeding on a
31 claim when the licensee knows, or reasonably should know, that such
32 suit or arbitration is barred by the applicable statute of
33 limitations.

34 (24) Upon notification by a debtor that the debtor disputes all
35 debts arising from a series of dishonored checks, automated
36 clearinghouse transactions on a demand deposit account, or other
37 preprinted written instruments, initiate oral contact with a debtor
38 more than one time in an attempt to collect from the debtor debts
39 arising from the identified series of dishonored checks, automated
40 clearinghouse transactions on a demand deposit account, or other

1 preprinted written instruments when: (a) Within the previous one
2 hundred eighty days, in response to the licensee's attempt to collect
3 the initial debt assigned to the licensee and arising from the
4 identified series of dishonored checks, automated clearinghouse
5 transactions on a demand deposit account, or other preprinted written
6 instruments, the debtor in writing notified the licensee that the
7 debtor's checkbook or other series of preprinted written instruments
8 was stolen or fraudulently created; (b) the licensee has received
9 from the debtor a certified copy of a police report referencing the
10 theft or fraudulent creation of the checkbook, automated
11 clearinghouse transactions on a demand deposit account, or series of
12 preprinted written instruments; (c) in the written notification to
13 the licensee or in the police report, the debtor identified the
14 financial institution where the account was maintained, the account
15 number, the magnetic ink character recognition number, the full bank
16 routing and transit number, and the check numbers of the stolen
17 checks, automated clearinghouse transactions on a demand deposit
18 account, or other preprinted written instruments, which check numbers
19 included the number of the check that is the subject of the
20 licensee's collection efforts; (d) the debtor provides, or within the
21 previous one hundred eighty days provided, to the licensee a legible
22 copy of a government-issued photo identification, which contains the
23 debtor's signature and which was issued prior to the date of the
24 theft or fraud identified in the police report; and (e) the debtor
25 advised the licensee that the subject debt is disputed because the
26 identified check, automated clearinghouse transaction on a demand
27 deposit account, or other preprinted written instrument underlying
28 the debt is a stolen or fraudulently created check or instrument.

29 The licensee is not in violation of this subsection if the
30 licensee initiates oral contact with the debtor more than one time in
31 an attempt to collect debts arising from the identified series of
32 dishonored checks, automated clearinghouse transactions on a demand
33 deposit account, or other preprinted written instruments when: (i)
34 The licensee acted in good faith and relied on their established
35 practices and procedures for batching, recording, or packeting debtor
36 accounts, and the licensee inadvertently initiates oral contact with
37 the debtor in an attempt to collect debts in the identified series
38 subsequent to the initial debt assigned to the licensee; (ii) the
39 licensee is following up on collection of a debt assigned to the
40 licensee, and the debtor has previously requested more information

1 from the licensee regarding the subject debt; (iii) the debtor has
2 notified the licensee that the debtor disputes only some, but not all
3 the debts arising from the identified series of dishonored checks,
4 automated clearinghouse transactions on a demand deposit account, or
5 other preprinted written instruments, in which case the licensee
6 shall be allowed to initiate oral contact with the debtor one time
7 for each debt arising from the series of identified checks, automated
8 clearinghouse transactions on a demand deposit account, or written
9 instruments and initiate additional oral contact for those debts that
10 the debtor acknowledges do not arise from stolen or fraudulently
11 created checks or written instruments; (iv) the oral contact is in
12 the context of a judicial, administrative, arbitration, mediation, or
13 similar proceeding; or (v) the oral contact is made for the purpose
14 of investigating, confirming, or authenticating the information
15 received from the debtor, to provide additional information to the
16 debtor, or to request additional information from the debtor needed
17 by the licensee to accurately record the debtor's information in the
18 licensee's records.

19 (25) Bring an action or initiate an arbitration proceeding on a
20 claim for any amounts related to a transfer of sale of a vehicle when
21 the licensee has been informed or reasonably should know that the
22 department of licensing transfer of sale form was filed and the
23 transfer of the vehicle was not made pursuant to a legal transfer or
24 voluntarily accepted by the person designated as the purchaser/
25 transferee.

26 (26) Submit an affidavit or other request pursuant to chapter
27 6.32 RCW asking a superior or district court to transfer a bond
28 posted by a debtor subject to a money judgment to the licensee, when
29 the debtor has appeared as required.

30 NEW SECTION. Sec. 4. A new section is added to chapter 46.64
31 RCW to read as follows:

32 If a person has caused a victim to lose money or property through
33 the filing of a vehicle report of sale in which the designated buyer
34 had no knowledge of the vehicle transfer or the fraudulent filing of
35 the report of sale, upon conviction or when the offender pleads
36 guilty and agrees with the prosecutor's recommendation that the
37 offender be required to pay restitution to a victim, the court may
38 order the defendant to pay an amount, fixed by the court, not to
39 exceed double the amount of the defendant's gain or victim's loss

1 from the filing of the vehicle report of sale in which the designated
2 buyer had no knowledge of the vehicle transfer or the fraudulent
3 filing of the report of sale. Such an amount may be used to provide
4 restitution to the victim at the order of the court. It is the duty
5 of the prosecuting attorney to investigate the alternative of
6 restitution, and to recommend it to the court, when the prosecuting
7 attorney believes that restitution is appropriate and feasible. If
8 the court orders restitution, the court must make a finding as to the
9 amount of the victim's loss due to the filing of the report of sale
10 in which the designated buyer had no knowledge of the vehicle
11 transfer or the fraudulent filing of the report of sale, and if the
12 record does not contain sufficient evidence to support such finding,
13 the court may conduct a hearing upon the issue. For purposes of this
14 section, "loss" refers to the amount of money or the value of
15 property or services lost.

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