

SENATE BILL REPORT

SB 5244

As Passed Senate, February 27, 2017

Title: An act relating to the means of communication between a buyer or lessee and an auto dealer during the "bushing" period.

Brief Description: Concerning the means of communication between a buyer or lessee and an auto dealer during the "bushing" period.

Sponsors: Senators O'Ban, Hobbs, Takko and Wilson.

Brief History:

Committee Activity: Transportation: 1/31/17, 2/06/17 [DP].

Floor Activity:

Passed Senate: 2/27/17, 49-0.

Brief Summary of Bill

- Specifies the ways an auto dealer may communicate the acceptance or rejection of the sales contract, lease, or financing of a motor vehicle to a buyer or lessee during the bushing period.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators King, Chair; Sheldon, Vice Chair; Hobbs, Ranking Minority Member; Liias, Assistant Ranking Minority Member; Cleveland, Fortunato, Hawkins, O'Ban, Takko, Van De Wege, Walsh and Wilson.

Staff: Kellee Keegan (786-7429)

Background: Bushing is the four-day period that occurs after the buyer or lessee signs a sales contract, lease, or financing of a motor vehicle in which the auto dealer informs the buyer or lessee that they unconditionally accept the terms of the contract or lease or they reject it. These four working days are provided to the dealer to find financing and finalize the sale or lease and are exclusive of Saturday, Sunday, or a legal holiday. If an auto dealer contacts the buyer or lessee during the bushing period by email, the dealer must also transmit the communication by any additional means.

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.

Summary of Bill: The ways in which an auto dealer may inform a buyer or lessee during the bushing period of the acceptance or rejection of a contract, lease, or financing are specifically identified and include the following:

- an email message to the buyer's or lessee's supplied email address;
- a phone call;
- a voice message or a text message to a phone number provided by the buyer or lessee;
- in-person oral communication;
- a letter by first-class mail if the buyer or lessee expresses that as a preference or does not provide an email and a phone number able to receive free text messages; or
- by another means agreed to by the buyer or lessee or approved by the Department of Licensing.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is a simple bill. A customer buys the car, a dealer has four days to secure financing, and current law says dealers must either call or send a letter to the buyer or lessee. This bill allows for other methods of communication between the dealer and the buyer or lessee.

Persons Testifying: PRO: Senator Steve O'Ban, Prime Sponsor; Scott Hazlegrove, WA State Auto Dealers Association.

Persons Signed In To Testify But Not Testifying: No one.