

SB 5282 - H COMM AMD
By Committee on Transportation

ADOPTED 04/07/2023

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 46.12.650 and 2016 c 86 s 1 are each amended to
4 read as follows:

5 (1) **Releasing interest.** An owner releasing interest in a vehicle
6 shall:

7 (a) Sign the release of interest section provided on the
8 certificate of title or on a release of interest document or form
9 approved by the department;

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

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

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

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

19 (a) Sold;

20 (b) Given as a gift to another person;

21 (c) Traded, either privately or to a dealership;

22 (d) Donated to charity;

23 (e) Turned over to an insurance company or wrecking yard; or

24 (f) Disposed of.

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

29 (a) The date of sale or transfer;

30 (b) The owner's full name and complete, current address;

31 (c) The full name and complete, current address of the person
32 acquiring the vehicle, including street name and number, and

1 apartment number if applicable, or post office box number, city or
2 town, and postal code;

3 (d) The vehicle identification number and license plate number;

4 (e) A date or stamp by the department showing it was received on
5 or before the fifth business day after the date of sale or transfer;
6 and

7 (f) Payment of the fees required under RCW 46.17.050.

8 (4) **Report of sale - administration.** (a) The department shall:

9 (i) Provide or approve reports of sale forms;

10 (ii) Provide a system enabling an owner to submit reports of sale
11 electronically;

12 (iii) Immediately update the department's vehicle record when a
13 report of sale has been filed;

14 (iv) Provide instructions on release of interest forms that allow
15 the seller of a vehicle to release their interest in a vehicle at the
16 same time a financial institution, as defined in RCW 30A.22.040,
17 releases its lien on the vehicle; and

18 (v) Send a report to the department of revenue that lists
19 vehicles for which a report of sale has been received but no transfer
20 of ownership has taken place. The department shall send the report
21 once each quarter.

22 (b) A report of sale is not proof of a completed vehicle transfer
23 for purposes of the collection of expenses related to towing,
24 storage, and auction of an abandoned vehicle in situations where
25 there is no evidence indicating the buyer knew of or was a party to
26 acceptance of the vehicle transfer. A contract signed by the prior
27 owner and the new owner, a certificate of title, a receipt, a
28 purchase order or wholesale order, or other legal proof or record of
29 acceptance of the vehicle by the new owner may be provided to
30 establish legal responsibility for the abandoned vehicle.

31 (5) **Report of sale - licensed dealers.** A vehicle dealer as
32 defined in RCW 46.70.011 may, but is not required to, file a report
33 of sale on behalf of an owner who trades in, sells, or otherwise
34 transfers ownership of a vehicle to the dealer. A vehicle dealer who
35 files on behalf of an owner shall collect and remit the fees required
36 under RCW 46.17.050 from the owner in addition to any other fees
37 charged to or owed by the customer.

38 (6)(a) **Transferring ownership.** A person who has recently acquired
39 a vehicle by purchase, exchange, gift, lease, inheritance, or legal
40 action shall apply to the department, county auditor or other agent,

1 or subagent appointed by the director for a new certificate of title
2 within (~~(fifteen)~~) 15 days of delivery of the vehicle. A secured
3 party who has possession of the certificate of title shall either:

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

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

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

11 (~~(+6)~~) (7) **Certificate of title delivered to secured party.** The
12 certificate of title must be kept by or delivered to the person who
13 becomes the secured party when a security interest is reserved or
14 created at the time of the transfer of ownership. The parties must
15 comply with RCW 46.12.675.

16 (~~(+7)~~) (8) **Penalty for late transfer.** A person who has recently
17 acquired a motor vehicle by purchase, exchange, gift, lease,
18 inheritance, or legal action who does not apply for a new certificate
19 of title within (~~(fifteen)~~) 15 calendar days of delivery of the
20 vehicle is charged a penalty, as described in RCW 46.17.140, when
21 applying for a new certificate of title. It is a misdemeanor to fail
22 or neglect to apply for a transfer of ownership within (~~(forty-five)~~)
23 45 days after delivery of the vehicle. The misdemeanor is a single
24 continuing offense for each day that passes regardless of the number
25 of days that have elapsed following the (~~(forty-five-day)~~) 45-day
26 time period.

27 (~~(+8)~~) (9) **Penalty for late transfer - exceptions.** The penalty
28 is not charged if the delay in application is due to at least one of
29 the following:

30 (a) The department requests additional supporting documents;

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

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

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

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

38 (f) The department finds other conditions exist that adequately
39 explain the delay.

1 (~~(9)~~) (10) **Review and issue.** The department shall review
2 applications for certificates of title and issue certificates of
3 title when it has determined that all applicable provisions of law
4 have been complied with.

5 (~~(10)~~) (11) **Rules.** The department may adopt rules as necessary
6 to implement this section."

7 Correct the title.

EFFECT: States that a vehicle dealer who files on behalf of an owner shall, rather than may, collect and remit the required fees.

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