

WSR 23-06-080

EXPEDITED RULES

DEPARTMENT OF LICENSING

[Filed March 1, 2023, 11:46 a.m.]

Title of Rule and Other Identifying Information: WAC 308-56A-460 Destroyed or wrecked vehicle—Reporting—Rebuilt, 308-56A-500 Definitions, 308-96A-260 Assignment of original registration year, and 308-94A-035 Deliver of off-road vehicle on dealer temporary permit.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The purpose of all changes is to update references to "temporary permits" to now refer to "temporary license plates." These changes are in accordance with SHB 1790, passed in 2022; temporary plates replace temporary permits as an administrative concept and throughout chapter 46.16A RCW.

Reasons Supporting Proposal: These updates are needed to maintain the relevancy of the rule. Following the effectiveness of SHB 1790, "temporary permits" are not defined or used in relevant statutes.

Statutory Authority for Adoption: RCW 46.12.600, 46.01.110, 46.16A.220.

Statute Being Implemented: RCW 46.04.5851, 46.16A.300, 46.16A.305, 46.17.400.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Department of licensing, governmental.

Name of Agency Personnel Responsible for Drafting: Carl Backen, 1125 Washington Street S.E., Olympia, WA 98501, 360-902-3843; Implementation and Enforcement: George Price, 1125 Washington Street S.E., Olympia, WA 98501, 360-902-0120.

Agency Comments or Recommendations, if any, as to Statutory Language, Implementation, Enforcement, and Fiscal Matters: Not applicable.

This notice meets the following criteria to use the expedited adoption process for these rules:

Adopts or incorporates by reference without material change federal statutes or regulations, Washington state statutes, rules of other Washington state agencies, shoreline master programs other than those programs governing shorelines of statewide significance, or, as referenced by Washington state law, national consensus codes that generally establish industry standards, if the material adopted or incorporated regulates the same subject matter and conduct as the adopting or incorporating rule.

Explanation of the Reason the Agency Believes the Expedited Rule-Making Process is Appropriate: References in statute to "temporary permits" were replaced with reference to "temporary license plates" with the passage of SHB 1790 in 2022. These rule amendments memorialize that change and ensure that rule is consistent with current statutory wording and framework.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Ellis Star-

rett, Department of Licensing, 1125 Washington Street S.E., Olympia, WA 98504, phone 360-902-3846, email rulescoordinator@dol.wa.gov, AND RECEIVED BY May 1, 2023.

March 1, 2023
Ellis Starrett
Rules and Policy Manager

OTS-4346.1

AMENDATORY SECTION (Amending WSR 22-10-102, filed 5/4/22, effective 7/1/22)

WAC 308-56A-460 Destroyed or wrecked vehicle—Reporting—Rebuilt.

(1) **What are total loss, destroyed, salvage, and wrecked vehicles?** For the purposes of this section:

(a) A total loss vehicle is one whose destruction has been reported to the department as described in RCW 46.12.600 by an insurer (insurance companies and self-insurers as described in RCW 46.29.630);

(b) A destroyed vehicle is one whose destruction has been reported to the department as described in RCW 46.12.600 by the vehicle's owner;

(c) A salvage vehicle as defined in RCW 46.04.514;

Note: When used in this section, the terms "destroyed" and "destroyed vehicle" include total loss, destroyed, and salvage vehicles.

(d) A wrecked vehicle as defined in RCW 46.80.010(6).

Note: A vehicle may be considered destroyed or wrecked when the evidence of ownership is a salvage certificate/title, insurance company bill of sale, or wrecker bill of sale from any jurisdiction, or when the evidence of ownership indicates the vehicle may be a destroyed vehicle not reported to the department.

(2) **How are vehicles reported to the department as total loss, destroyed, salvage, or wrecked?**

(a) Insurers may report total loss vehicles to the department:

(i) Electronically through the department's online reporting system. Insurers must destroy ownership documents for a vehicle reported this way; or

(ii) By submitting the certificate of title or affidavit in lieu of title indicating the vehicle is "DESTROYED"; or

(iii) By submitting a completed total loss claim settlement form.

Note: Reports of total loss vehicles must include the insurer's name, address, and the date of loss.

(b) Registered or legal owners report a vehicle as destroyed by submitting the certificate of title or affidavit in lieu of title indicating the vehicle is "DESTROYED," and must include the registered owner's name, address, and date of loss.

(c) Licensed wreckers report wrecked vehicles as required in RCW 46.80.090.

(d) For vehicles six through 20 years old a statement whether or not the vehicle meets the market value threshold amount as defined in RCW 46.12.600 is also required.

(3) **What is the current market value threshold amount?** The current market value threshold amount is \$10,430.

(4) **How is the market value threshold amount determined?** Using the current market value threshold amount described in RCW 46.12.600 each year the department will add the increased value if the increase is equal to or greater than \$50.

(5) **What if the "market value threshold amount" is not provided as required?** If the market value threshold amount is not provided when required, the department would treat the report of destruction as if the market value threshold as described in RCW 46.12.600 has been met. The certificate of title will be branded according to WAC 308-56A-530.

(6) **What documentation is required to obtain a certificate of title after a vehicle is destroyed?** After a vehicle has been reported destroyed or wrecked and is rebuilt, you must submit the following documentation to the department in order to obtain a new certificate of title:

(a) Application for certificate of title as described in RCW 46.12.530;

(b) Certificate of vehicle inspection as described in WAC 308-56A-150;

(c) Bill of sale from the insurer, owner, or wrecker who reported the vehicle's destruction to the department.

(i) Bills of sale from insurers must include a representative's signature and title of office;

(ii) Bills of sale from insurers and wreckers do not need to be notarized;

(iii) Bills of sale from owners shown on department records must be notarized or certified;

(iv) A bill of sale is not required when owners shown on department records retain a destroyed vehicle and apply for a new certificate of ownership;

(v) Releases of interest from lien holder(s) or proof of payment such as a canceled check bearing a notation that it has been paid by the bank on which it was drawn or a notarized statement on a receipt from the legal owner that the debt is satisfied are required when the vehicle is retained by the registered owner(s).

(d) Odometer disclosure statement, if applicable.

(7) **What is required of a Washington licensed vehicle dealer prior to selling a destroyed or wrecked vehicle?** Except as permitted by RCW 46.70.101 (1)(b)(viii), before a dealer may sell a destroyed or wrecked vehicle under their Washington vehicle dealer license, the dealer must:

(a) Rebuild the vehicle to standards set by the state of Washington or the federal government pertaining to the construction and safety of vehicles; and

(b) Obtain a vehicle inspection by the Washington state patrol; and

(c) Apply for and receive a certificate of ownership for the vehicle, issued in the name of the vehicle dealer.

(8) **Once a destroyed or wrecked vehicle is rebuilt, do the license plates remain with the vehicle?** Whether or not the license plates remain with the vehicle depends on the circumstance:

(a) Standard issue license plates may remain with a destroyed vehicle unless they are severely damaged or the vehicle was issued a department temporary (~~permit~~) license plate described in WAC 308-56A-140;

(b) Replacement license plates are required for wrecked vehicles since Washington licensed wreckers are required by WAC 308-63-070 to remove them;

(c) Special license plates may remain with or be transferred to a destroyed or wrecked vehicle;

(d) Applicants may retain the current license plate number as provided for in RCW 46.16A.200, unless the vehicle was issued a de-

partment temporary ((permit)) license plate as described in WAC 308-56A-140.

(9) **Will the certificate of ownership or registration certificate indicate "WA REBUILT"?** Salvage or wrecked vehicles meeting the criteria described in WAC 308-56A-530 will be branded "WA REBUILT."

[Statutory Authority: RCW 46.12.600. WSR 22-10-102, § 308-56A-460, filed 5/4/22, effective 7/1/22; WSR 22-02-056, § 308-56A-460, filed 1/4/22, effective 2/4/22; WSR 20-19-113, § 308-56A-460, filed 9/21/20, effective 10/22/20; WSR 19-13-008, § 308-56A-460, filed 6/6/19, effective 7/7/19. Statutory Authority: RCW 46.01.110 and 46.12.600. WSR 12-20-032, § 308-56A-460, filed 9/27/12, effective 10/28/12; WSR 11-22-034, § 308-56A-460, filed 10/26/11, effective 11/26/11. Statutory Authority: RCW 46.01.110. WSR 10-19-045, § 308-56A-460, filed 9/13/10, effective 10/14/10. Statutory Authority: RCW 46.12.005 and 46.01.110. WSR 09-19-113, § 308-56A-460, filed 9/22/09, effective 10/23/09. Statutory Authority: RCW 46.01.110. WSR 04-08-080, § 308-56A-460, filed 4/6/04, effective 5/7/04; WSR 02-19-016, § 308-56A-460, filed 9/9/02, effective 10/10/02; WSR 01-20-010, § 308-56A-460, filed 9/20/01, effective 10/21/01. Statutory Authority: RCW 46.01.110 and 46.12.070. WSR 00-06-025, § 308-56A-460, filed 2/23/00, effective 3/25/00. Statutory Authority: RCW 46.01.110. WSR 92-15-024, § 308-56A-460, filed 7/6/92, effective 8/6/92. Statutory Authority: RCW 46.01.110 and 46.12.070. WSR 91-04-025, § 308-56A-460, filed 1/29/91, effective 3/1/91; Order MV 208, § 308-56A-460, filed 7/31/74.]

AMENDATORY SECTION (Amending WSR 11-23-014, filed 11/7/11, effective 12/8/11)

WAC 308-56A-500 Definitions. The following definitions apply to terms used in chapters 46.12 and 46.16A RCW and chapter 308-56A WAC:

(1) "Affidavit in lieu of title" is a written declaration confirming the certificate of title is unavailable, lost, stolen, destroyed or mutilated. The affidavit in lieu of title may be used to release interest in the vehicle. The signature of the owner completing the affidavit in lieu of title must be notarized or certified as described in WAC 308-56A-270.

(2) "Affixed" means attached.

(3) "Brands" means a permanent notation on the electric vehicle record which prints on the certificate of title and vehicle registration certificate that records a circumstance or condition involving a vehicle.

(4) "Brands incident date" is the date that a brand was first applied to a vehicle. For states/jurisdictions participating in the National Motor Vehicle Title Information System (NMVTIS), it's the date the brand was first reported. For all states or jurisdictions, it is established by using the date the current title was issued. Brands on Washington records prior to the effective date of this rule will reflect a brand incident date equal to the date the last Washington certificate of title was issued.

(5) "Certificate of title" (also referred to as "certificate of ownership" or "title") is a legal document indicating proof of ownership and will establish a fact or sustain a judgment unless contradictory evidence is produced. A certificate of title may be a document

other than a title when a title document is not issued by a jurisdiction. For example, for Canadian vehicles, the certificate of title is the registration.

(6) "Comment" means an indication on the certificate of title, vehicle title or registration application, or vehicle registration certificate that relates to tax liability, type of ownership, title transaction type or previous or current condition of the vehicle.

(7) "Commercial parking company" means any business directly engaged in providing vehicle parking upon property owned or controlled by the business and approved for public parking of vehicles.

(8) "Current license plate registration" means the current registration or one that has been expired less than one year.

(9) "Department temporary ((~~permit~~) license plate)" is a permit issued temporarily in lieu of registration and license plates when required documentation is unavailable.

(10) "Electronic/electronically filing" is a method to transmit information to the department that may include, but is not limited to, the use of the internet or facsimile.

(11) "Involuntary divestiture" means a change in vehicle ownership without the registered owner's involvement.

(12) "Impossible" as used in RCW 46.16A.200, means that there was nothing made by the manufacturer (to include, but not limited to, a bracket or the bumper of the vehicle) for the originally manufactured vehicle which would allow the license plate to be affixed to the vehicle in the manner prescribed in RCW 46.16A.200.

(13) "Joint tenancy with rights of survivorship" (JTWROS) means two or more people who own a vehicle in joint tenancy with the right to own individually if one of them dies.

(14) "Jurisdiction code" means an abbreviation used by the department that indicates state, province, district, or country.

(15) "Lien holder" means a person or entity that has a legal right or interest in another's property until a debt or duty that it secures is satisfied.

(16) "Not eligible for road use" (NEFRU) means a vehicle that does not meet Federal Motor Vehicle Safety standards, other federal or state standards for public road use as adopted, applied, and enforced by the Washington state patrol described in RCW 46.37.005.

(17) "A declaration under penalty of perjury" means a statement signed by the applicant to the effect - "I declare under penalty of perjury under the laws of the state of Washington that the information I have provided on this form is true and correct." Anyone who knowingly makes a false statement may be guilty of a crime under state law.

(18) "Personal representative" means:

(a) An individual appointed by the court; or

(b) An individual named in the last will and testament and confirmed by the court to manage the estate of a deceased person.

Personal representative may also include executor, administrator, special administrator, and guardian or limited guardian and special representative as defined in RCW 11.02.005(1).

(19) "Registered owner" means the same as described in RCW 46.04.460.

(20) "Security interest holders" means in this instance, the same as "lien holder" as defined in subsection (15) of this section.

(21) "Standard brand" is a brand found on the brands list maintained by the National Motor Vehicle Title Information System (NMVTIS) program.

(22) "Transferee" means a person to whom a vehicle is transferred, by purchase, gift, or any means other than by creation of a security interest, and any person who, as agent, signs an odometer disclosure statement for the transferee, when applicable.

(23) "Transferor" means a person who transfers ownership in a vehicle by sale, gift, or any means other than by creation of a security interest and any person who, as agent, signs an odometer disclosure statement for the transferor, when applicable.

(24) "Unique brand" means a brand issued by a state that is not participating in the National Motor Vehicle Title Information System (NMVTIS) program and does not appear on the brands list maintained by NMVTIS.

(25) "Report of sale" is a document as required by RCW 46.12.650 or electronic record transaction that protects the seller of a vehicle from certain criminal and civil liabilities arising from use of the vehicle by another person after the vehicle has been sold or a change of ownership has occurred.

(26) "Washington vehicle licensing office" means an office that is operated by the department or an agent or subagent appointed under RCW 46.01.140 for the purpose of carrying out the vehicle titling and registration provisions in Title 46 RCW.

[Statutory Authority: RCW 46.01.110. WSR 11-23-014, § 308-56A-500, filed 11/7/11, effective 12/8/11. Statutory Authority: RCW 46.12.005 and 46.01.110. WSR 09-19-113, § 308-56A-500, filed 9/22/09, effective 10/23/09. Statutory Authority: RCW 46.01.110 and 46.12.101. WSR 06-23-038, § 308-56A-500, filed 11/7/06, effective 12/8/06. Statutory Authority: RCW 46.16.010. WSR 05-23-135, § 308-56A-500, filed 11/22/05, effective 1/3/06. Statutory Authority: RCW 46.01.110. WSR 05-07-152, § 308-56A-500, filed 3/23/05, effective 5/15/05; WSR 04-08-081, § 308-56A-500, filed 4/6/04, effective 5/7/04; WSR 02-19-016, § 308-56A-500, filed 9/9/02, effective 10/10/02. Statutory Authority: RCW 65.20.110. WSR 00-13-083, § 308-56A-500, filed 6/20/00, effective 7/21/00; WSR 00-06-004, § 308-56A-500, filed 2/18/00, effective 3/20/00; WSR 90-11-091, § 308-56A-500, filed 5/18/90, effective 6/18/90.]