

FINAL BILL REPORT

EHB 2501

PARTIAL VETO

C 282 L 98

Synopsis as Enacted

Brief Description: Exempting wholesale auto auctions from certain regulations.

Sponsors: Representatives Zellinsky, Robertson, L. Thomas and Carrell.

House Committee on Transportation Policy & Budget
Senate Committee on Transportation

Background: Washington law regulates the sale and purchase of vehicles by motor vehicle dealers, hulk haulers and vehicle wreckers. Those regulations do not include wholesale motor vehicle auction dealers.

Summary: A wholesale motor vehicle auction dealer is defined as any person or firm offering motor vehicles for sale by competitive bidding at a permanent location and at regularly scheduled dates and times. Wholesale motor vehicle auction dealers may sell any classification of motor vehicle. The dealers may only sell to motor vehicle dealers and vehicle wreckers licensed in Washington or another state. However, a wholesale auction dealer may sell a vehicle belonging to the United States government or to the state of Washington to nonlicensed persons, as may be required by the contracting public agency.

A vehicle dealer is not subject to license suspension for the sale of a vehicle that does not have a valid written service agreement, if the sale was made by a wholesale motor vehicle auction dealer to a licensed franchise motor vehicle dealer of the same make.

Additionally, a vehicle dealer is not subject to license suspension for noncompliance with the standards set by Washington state or the federal government pertaining to the construction or safety of vehicles, if a wholesale auto auction dealer sold the vehicle to a licensed vehicle dealer or wrecker. If a wholesale auction dealer has knowledge that the vehicle is wrecked, the dealer must disclose that information on the bill of sale.

Salvage pool operators do not constitute wholesale motor vehicle auction dealers.

Votes on Final Passage:

House 96 0

Senate 46 0 (Senate amended)

House 98 0 (House concurred)

Effective: June 11, 1998

Partial Veto Summary: The definition of wholesale motor vehicle auction dealer is removed from the bill.