

2501

Sponsor(s): Representatives Zellinsky, Robertson, L. Thomas and Carrell

Brief Title: Exempting wholesale auto auctions from certain regulations.

HB 2501.E - DIGEST

(DIGEST AS ENACTED)

Provides that any 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.

Provides that any vehicle dealer is not subject to license suspension for noncompliance with the standards set by the state of Washington 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.

Provides that a wholesale motor vehicle auction dealer may:

- (1) Sell any classification of motor vehicle;

- (2) sell only to motor vehicle dealers and vehicle wreckers licensed under Title 46 RCW by the state of Washington or licensed by any other state; or

- (3) sell a motor vehicle belonging to the United States government, the state of Washington, or a political subdivision to nonlicensed persons as may be required by the contracting public agency. However, a publicly owned "wrecked vehicle" as defined in RCW 46.80.010 may be sold to motor vehicle dealers and vehicle wreckers licensed under Title 46 RCW by the state of Washington or licensed by any other state.

Requires that, if the wholesale motor vehicle auction dealer knows that a vehicle is a "wrecked vehicle" as defined by RCW 46.80.101, the dealer must disclose this fact on the bill of sale.

VETO MESSAGE ON HB 2501

April 2, 1998

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 1, 3, and 5, Engrossed House Bill No. 2501 entitled:

"AN ACT Relating to wholesale motor vehicle auctions;"

Engrossed House Bill No. 2501 modifies state law relating to wholesale motor vehicle auction dealers.

Sections 1, 3, and 5 of the bill each contains the definition of "wholesale motor vehicle auction dealer," which is technically flawed. The definition would include all firms, wholesale and retail, that offer motor vehicles for sale by competitive bidding at a permanent location and with regularly scheduled dates. This

would unintentionally force such retailers, as well as wholesalers, to sell only to motor vehicle dealers and vehicle wreckers. That result would limit the options available to consumers and likely result in some dealers operating illegally.

For these reasons, I have vetoed sections 1, 3, and 5 of Engrossed House Bill No. 2501.

With the exception of sections 1, 3, and 5, Engrossed House Bill No. 2501 is approved.

Respectfully submitted,
Gary Locke
Governor