

SENATE BILL REPORT

SB 6530

As Passed Senate, February 13, 2002

Title: An act relating to salvage vehicles.

Brief Description: Adjusting the definition of salvage vehicles.

Sponsors: Senators Rasmussen, Haugen, Long, Hale and Winsley.

Brief History:

Committee Activity: Transportation: 1/25/02, 2/4/02 [DP].

Passed Senate: 2/13/02, 48-0.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Eide, Finkbeiner, Horn, Jacobsen, Johnson, Kastama, Keiser, McAuliffe, McDonald, Oke, Prentice, T. Sheldon, Shin and Swecker.

Staff: Michael Groesch (786-7434)

Background: Under current law, when a vehicle is destroyed beyond repair or declared a total loss, the owner must surrender the title and registration to the Department of Licensing within 15 days of the accident. Once a vehicle's title is surrendered to the department, the vehicle is considered a "salvage vehicle." If the salvage vehicle is rebuilt, current law requires that the department issue a special title and registration with the words "Wa. Rebuilt" displayed across the front of the document. Also, upon inspection of the rebuilt vehicle, the State Patrol must affix or inscribe a marking on the inside of the driver's side door, indicating the vehicle was previously destroyed or declared a total loss. This marking is sometimes referred to as a brand.

Vehicles that are six years old or older are specifically excluded from the special titling and branding requirements.

Summary of Bill: In addition to vehicles that are less than six years old, salvage vehicles requiring special titling and branding must include all vehicles that had a market value of at least \$6,500 immediately before the vehicle was wrecked, destroyed, or damaged.

The \$6,500 threshold must be adjusted annually by the Department of Licensing rule. The annual adjustment must be made according to the growth in the Consumer Price Index (CPI) for used cars and trucks as compiled by the Bureau of Labor Statistics. The threshold amount must not be adjusted if the CPI calculation yields an increase of less than \$50. Any increase to the threshold amount must be rounded to the nearest \$10.

A technical change is made to delete a reference to an obsolete definition of "secured party" and to include the updated reference.

Appropriation: None.

Fiscal Note: Requested on January 24, 2002.

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

Testimony For: The bill is the result of a lengthy process of consultation that included the interested state agencies and private parties. The changes provide improved consumer protection for the purchasers of used vehicles.

Testimony Against: None.

Testified: Senator Marilyn Rasmussen; Gary Smith, Independent Business Association; Eric Bernard, Auto Recyclers of Washington.