
SENATE BILL 5381

State of Washington 57th Legislature 2001 Regular Session

By Senators Gardner, Horn, Haugen, Prentice and Eide

Read first time 01/22/2001. Referred to Committee on Transportation.

1 AN ACT Relating to the retention and issuance of motor vehicle
2 license plates upon sale or transfer of a vehicle; and amending RCW
3 46.12.101 and 46.16.290.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 46.12.101 and 1998 c 203 s 11 are each amended to read
6 as follows:

7 A transfer of ownership in a motor vehicle is perfected by
8 compliance with the requirements of this section.

9 (1) If an owner transfers his or her interest in a vehicle, other
10 than by the creation, deletion, or change of a security interest, the
11 owner shall, at the time of the delivery of the vehicle, execute an
12 assignment to the transferee and provide an odometer disclosure
13 statement under RCW 46.12.124 on the certificate of ownership or as the
14 department otherwise prescribes, and cause the certificate and
15 assignment to be transmitted to the transferee. The owner shall notify
16 the department or its agents or subagents, in writing, on the
17 appropriate form, of the date of the sale or transfer, the name and
18 address of the owner and of the transferee, the transferee's driver's
19 license number if available, and such description of the vehicle,

1 including the vehicle identification number, the license plate number,
2 or both, as may be required in the appropriate form provided or
3 approved for that purpose by the department. In addition, the owner
4 must remove, from the motor vehicle being sold or transferred, the
5 license plate issued to that vehicle and retain it as provided in RCW
6 46.16.290. The report of sale will be deemed properly filed if all
7 information required in this section is provided on the form and
8 includes a department-authorized notation that the document was
9 received by the department, its agents, or subagents on or before the
10 fifth day after the sale of the vehicle, excluding Saturdays, Sundays,
11 and state and federal holidays. Agents and subagents shall immediately
12 electronically transmit the seller's report of sale to the department.
13 Reports of sale processed and recorded by the department's agents or
14 subagents may be subject to fees as specified in RCW 46.01.140 (4)(a)
15 or (5)(b).

16 (2) The requirements of subsection (1) of this section to provide
17 an odometer disclosure statement apply to the transfer of vehicles held
18 for lease when transferred to a lessee and then to the lessor at the
19 end of the leasehold and to vehicles held in a fleet when transferred
20 to a purchaser.

21 (3) Except as provided in RCW 46.70.122, the transferee shall,
22 within fifteen days after delivery to the transferee of the vehicle,
23 execute the application for a new certificate of ownership in the same
24 space provided (~~therefor~~) on the certificate or as the department
25 prescribes, and cause the certificates and application to be
26 transmitted to the department. Upon receipt of the application, the
27 department shall issue new vehicle license plates to the transferee.
28 The department may establish a fee to issue new license plates under
29 this section, the total proceeds of which shall be deposited in the
30 motor vehicle fund.

31 (4) Upon request of the owner or transferee, a secured party in
32 possession of the certificate of ownership shall, unless the transfer
33 was a breach of its security agreement, either deliver the certificate
34 to the transferee for transmission to the department or, when the
35 secured party receives the owner's assignment from the transferee, it
36 shall transmit the transferee's application for a new certificate, the
37 existing certificate, and the required fee to the department.
38 Compliance with this section does not affect the rights of the secured
39 party.

1 (5) If a security interest is reserved or created at the time of
2 the transfer, the certificate of ownership shall be retained by or
3 delivered to the person who becomes the secured party, and the parties
4 shall comply with the provisions of RCW 46.12.170.

5 (6) If the purchaser or transferee fails or neglects to make
6 application to transfer the certificate of ownership and license
7 registration within fifteen days after the date of delivery of the
8 vehicle, he or she shall on making application for transfer be assessed
9 a twenty-five dollar penalty on the sixteenth day and two dollars
10 additional for each day thereafter, but not to exceed one hundred
11 dollars. The director may by rule establish conditions under which the
12 penalty will not be assessed when an application for transfer is
13 delayed for reasons beyond the control of the purchaser. Conditions
14 for not assessing the penalty may be established for but not limited to
15 delays caused by:

- 16 (a) The department requesting additional supporting documents;
- 17 (b) Extended hospitalization or illness of the purchaser;
- 18 (c) Failure of a legal owner to release his or her interest;
- 19 (d) Failure, negligence, or nonperformance of the department,
20 auditor, or subagent.

21 Failure or neglect to make application to transfer the certificate
22 of ownership and license registration within forty-five days after the
23 date of delivery of the vehicle is a misdemeanor.

24 (7) Upon receipt of an application for reissue or replacement of a
25 certificate of ownership and transfer of license registration,
26 accompanied by the endorsed certificate of ownership or other
27 documentary evidence as is deemed necessary, the department shall, if
28 the application is in order and if all provisions relating to the
29 certificate of ownership and license registration have been complied
30 with, issue new certificates of title and license registration as in
31 the case of an original issue and shall transmit the fees together with
32 an itemized detailed report to the state treasurer, to be deposited in
33 the motor vehicle fund.

34 (8) Once each quarter the department shall report to the department
35 of revenue a list of those vehicles for which a seller's report has
36 been received but no transfer of title has taken place.

37 **Sec. 2.** RCW 46.16.290 and 1997 c 291 s 4 are each amended to read
38 as follows:

1 (1) In any case of a valid sale or transfer of the ownership of any
2 vehicle, the right to the certificates properly transferable
3 (~~therewith~~), except as provided in RCW 46.16.280, (~~and to the~~
4 ~~vehicle license plates~~) passes to the purchaser or transferee. It is
5 unlawful for the holder of such certificates, except as provided in RCW
6 46.16.280, (~~or vehicle license plates~~) to fail, neglect, or refuse to
7 endorse the certificates (~~and deliver the vehicle license plates to~~
8 ~~the purchaser or transferee~~)).

9 (2) Effective July 1, 2001, motor vehicle license plates shall not
10 be transferable between motor vehicle owners.

11 (3) When a motor vehicle with valid license plates is sold or
12 transferred, the license plates shall be removed from the vehicle and
13 retained by the seller or transferor. The plates shall be removed from
14 the vehicle before it is delivered to the purchaser or transferee.

15 (4) If the sale or transfer is of a vehicle licensed by the state
16 or any county, city, town, school district, or other political
17 subdivision entitled to exemption as provided by law, or, if the
18 vehicle is licensed with personalized plates, amateur radio operator
19 plates, medal of honor plates, disabled person plates, disabled veteran
20 plates, prisoner of war plates, or other special license plates issued
21 under RCW 46.16.301 as it existed before amendment by section 5,
22 chapter 291, Laws of 1997, the vehicle license plates (~~therefor~~)
23 shall be retained and may be displayed upon a vehicle obtained in
24 replacement of the vehicle (~~so~~) sold or transferred.

--- END ---