
Transportation Committee

HB 2021

Brief Description: Disclosing rebuilt vehicles in private sales.

Sponsors: Representatives Wallace, Boldt, Moeller, Uptegrove and Kenney.

Brief Summary of Bill

- Extends the definition of a salvage vehicle to include vehicles under 10 years old.
- When a vehicle is sold between two private parties, the owner must disclose to the buyer, if the vehicle has ever been rebuilt, as well as sign a statement to this effect on the report of sale.

Hearing Date: 3/4/03

Staff: Reema Griffith (786-7301).

Background:

Under current law when a vehicle is wrecked beyond repair or declared a total loss, the owner must surrender the title and registration to the Department of Licensing (DOL) within 15 days of the accident. Once a vehicle's title is surrendered to the DOL on the grounds of being a total loss, the vehicle is considered a "salvage vehicle." If the salvage vehicle is rebuilt, current law requires that the DOL 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 Washington 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.

Although current laws have established ways to keep track of salvage vehicles, the definition of a "salvage vehicle" limits the effectiveness of those laws. Current provisions specifically exclude vehicles that are 6 years old or older, unless the vehicle had a fair market value of at least \$6,500 just prior to being destroyed. Therefore, if a 7-year-old vehicle worth less than \$6,500 is damaged beyond repair, it will not be classified as a "salvage vehicle," which then removes the requirement for the word "rebuilt" to be stated on the vehicle's title and registration. Also under current law, there is no requirement that an owner of a rebuilt vehicle disclose to a buyer that the vehicle has been destroyed and subsequently rebuilt.

Summary of Bill:

The definition of salvage vehicle is extended to include all vehicles under 10 years old, regardless of their value.

When a vehicle is being sold via a private party transaction between the legal owner and a private buyer, the owner must disclose if the vehicle was ever, to his or her knowledge, destroyed in an accident and subsequently rebuilt. The report of sale form must include a statement to this effect which the owner must sign, under penalty of perjury.

Appropriation: None.

Fiscal Note: Requested on February 27, 2003.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.