
SUBSTITUTE SENATE BILL 6676

State of Washington

58th Legislature

2004 Regular Session

By Senate Committee on Highways & Transportation (originally sponsored by Senators Murray, Haugen, Horn, Oke, Benton and Rasmussen; by request of Department of Licensing)

READ FIRST TIME 02/10/04.

1 AN ACT Relating to transfer of vehicle license plates and
2 ownership; and amending RCW 46.12.101, 46.16.023, 46.16.290, 46.16.316,
3 and 46.16.590.

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

5 **Sec. 1.** RCW 46.12.101 and 2003 c 264 s 7 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~~
2 ~~number, or both,~~) as may be required in the appropriate form provided
3 or approved for that purpose by the department. The report of sale
4 will be deemed properly filed if all information required in this
5 section is provided on the form and includes a department-authorized
6 notation that the document was received by the department, its agents,
7 or subagents on or before the fifth day after the sale of the vehicle,
8 excluding Saturdays, Sundays, and state and federal holidays. Agents
9 and subagents shall immediately electronically transmit the seller's
10 report of sale to the department. Reports of sale processed and
11 recorded by the department's agents or subagents may be subject to fees
12 as specified in RCW 46.01.140 (4)(a) or (5)(b). By January 1, 2003,
13 the department shall create a system enabling the seller of a vehicle
14 to transmit the report of sale electronically. The system created by
15 the department must immediately indicate on the department's vehicle
16 record that a seller's report of sale has been filed.

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

22 (3) Except as provided in RCW 46.70.122 the transferee shall within
23 fifteen days after delivery to the transferee of the vehicle, execute
24 the application for a new certificate of ownership in the same space
25 provided therefor on the certificate or as the department prescribes,
26 and cause the certificates and application to be transmitted to the
27 department.

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

37 (5) If a security interest is reserved or created at the time of

1 the transfer, the certificate of ownership shall be retained by or
2 delivered to the person who becomes the secured party, and the parties
3 shall comply with the provisions of RCW 46.12.170.

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

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

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

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

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

35 **Sec. 2.** RCW 46.16.023 and 1993 c 488 s 5 are each amended to read
36 as follows:

- 37 (1) Every owner or lessee of a vehicle seeking to apply for an

1 excise tax exemption under RCW 82.08.0287, 82.12.0282, or 82.44.015
2 shall apply to the director for, and upon satisfactory showing of
3 eligibility, receive in lieu of the regular motor vehicle license
4 plates for that vehicle, special plates of a distinguishing separate
5 numerical series or design, as the director shall prescribe. In
6 addition to paying all other initial fees required by law, each
7 applicant for the special license plates shall pay an additional
8 license fee of twenty-five dollars upon the issuance of such plates.
9 The special fee shall be deposited in the motor vehicle fund.
10 Application for renewal of the license plates shall be as prescribed
11 for the renewal of other vehicle licenses. No renewal is required for
12 vehicles exempted under RCW 46.16.020.

13 (2) Whenever the ownership of a vehicle receiving special plates
14 under subsection (1) of this section is transferred or assigned, the
15 plates shall be removed from the motor vehicle, and if another vehicle
16 qualifying for special plates is acquired, the plates shall be
17 transferred to that vehicle for a fee of (~~five~~) ten dollars, and the
18 director shall be immediately notified of the transfer of the plates.
19 Otherwise the removed plates shall be immediately forwarded to the
20 director to be canceled. Whenever the owner or lessee of a vehicle
21 receiving special plates under subsection (1) of this section is for
22 any reason relieved of the tax-exempt status, the special plates shall
23 immediately be forwarded to the director along with an application for
24 replacement plates and the required fee. Upon receipt the director
25 shall issue the license plates that are otherwise provided by law.

26 (3) Any person who knowingly makes any false statement of a
27 material fact in the application for a special plate under subsection
28 (1) of this section is guilty of a gross misdemeanor.

29 **Sec. 3.** RCW 46.16.290 and 1997 c 291 s 4 are each amended to read
30 as follows:

31 (1) In any case of a valid sale or transfer of the ownership of any
32 vehicle, the right to the certificates properly transferable therewith,
33 except as provided in RCW 46.16.280, and to the vehicle license plates
34 passes to the purchaser or transferee. It is unlawful for the holder
35 of such certificates, except as provided in RCW 46.16.280, or vehicle
36 license plates to fail, neglect, or refuse to endorse the certificates
37 and deliver the vehicle license plates to the purchaser or transferee.

1 (2)(a) If the sale or transfer is of a vehicle licensed with
2 current standard issue license plates, the vehicle license plates may
3 be retained and displayed upon a vehicle obtained in replacement of the
4 vehicle so sold or transferred. If a person applies for a transfer of
5 the plate or plates to another eligible vehicle, the plates must be
6 transferred to a vehicle requiring the same type of plate. A transfer
7 fee of ten dollars must be charged in addition to all other applicable
8 fees. The transfer fees must be deposited in the motor vehicle fund.

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

19 **Sec. 4.** RCW 46.16.316 and 1997 c 291 s 10 are each amended to read
20 as follows:

21 Except as provided in RCW 46.16.305:

22 (1) When a person who has been issued a special license plate or
23 plates: (a) Under RCW 46.16.301 as it existed before amendment by
24 section 5, chapter 291, Laws of 1997, or under RCW 46.16.305(2) or
25 46.16.324; or (b) approved by the special license plate review board
26 under RCW 46.16.715 through 46.16.775 sells, trades, or otherwise
27 transfers or releases ownership of the vehicle upon which the special
28 license plate or plates have been displayed, he or she shall
29 immediately report the transfer of such plate or plates to an acquired
30 vehicle or vehicle eligible for such plates pursuant to departmental
31 rule, or he or she shall surrender such plates to the department
32 immediately if such surrender is required by departmental rule. If a
33 person applies for a transfer of the plate or plates to another
34 eligible vehicle, a transfer fee of ((five)) ten dollars shall be
35 charged in addition to all other applicable fees. Such transfer fees
36 shall be deposited in the motor vehicle fund. Failure to surrender the
37 plates when required is a traffic infraction.

1 (2) If the special license plate or plates issued by the department
2 become lost, defaced, damaged, or destroyed, application for a
3 replacement special license plate or plates shall be made and fees paid
4 as provided by law for the replacement of regular license plates.

5 **Sec. 5.** RCW 46.16.590 and 1975 c 59 s 5 are each amended to read
6 as follows:

7 Whenever any person who has been issued personalized license plates
8 applies to the department for transfer of such plates to a subsequently
9 acquired vehicle or camper eligible for personalized license plates, a
10 transfer fee of (~~five~~) ten dollars shall be charged in addition to
11 all other appropriate fees. Such transfer fees shall be deposited in
12 the motor vehicle fund.

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