

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 6676**

59th Legislature  
2006 Regular Session

Passed by the Senate February 14, 2006  
YEAS 45 NAYS 2

---

**President of the Senate**

Passed by the House March 7, 2006  
YEAS 98 NAYS 0

---

**Speaker of the House of Representatives**

Approved

---

**Governor of the State of Washington**

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6676** as passed by the Senate and the House of Representatives on the dates hereon set forth.

---

**Secretary**

FILED

**Secretary of State  
State of Washington**

---

**SUBSTITUTE SENATE BILL 6676**

---

Passed Legislature - 2006 Regular Session

**State of Washington                      59th Legislature                      2006 Regular Session**

**By** Senate Committee on Judiciary (originally sponsored by Senators  
Roach, Kline, Mulliken, Fairley and Rasmussen)

READ FIRST TIME 02/03/06.

1            AN ACT Relating to fraudulent filing of vehicle report of sale;  
2 amending RCW 46.12.102; reenacting and amending RCW 46.12.101; adding  
3 a new section to chapter 9.45 RCW; and prescribing penalties.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 9.45 RCW  
6 to read as follows:

7            Every person who files a vehicle report of sale without the  
8 knowledge of the transferee shall be guilty of fraudulent filing of  
9 vehicle report of sale and shall be punished as follows:

10           (1) Where the victim incurred damages in an amount less than two  
11 hundred fifty dollars, the defendant is guilty of a gross misdemeanor.

12           (2) Where the victim incurred damages in an amount exceeding two  
13 hundred fifty dollars, the defendant is guilty of a class C felony.

14           (3) Where the victim incurred damages in an amount exceeding one  
15 thousand five hundred dollars, the defendant is guilty of a class B  
16 felony.

17           **Sec. 2.** RCW 46.12.101 and 2004 c 223 s 1 and 2004 c 200 s 2 are  
18 each reenacted and amended to read as follows:

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

3 (1) If an owner transfers his or her interest in a vehicle, other  
4 than by the creation, deletion, or change of a security interest, the  
5 owner shall, at the time of the delivery of the vehicle, execute an  
6 assignment to the transferee and provide an odometer disclosure  
7 statement under RCW 46.12.124 on the certificate of ownership or as the  
8 department otherwise prescribes, and cause the certificate and  
9 assignment to be transmitted to the transferee. The owner shall notify  
10 the department or its agents or subagents, in writing, on the  
11 appropriate form, of the date of the sale or transfer, the name and  
12 address of the owner and of the transferee, the transferee's driver's  
13 license number if available, and such description of the vehicle,  
14 including the vehicle identification number, as may be required in the  
15 appropriate form provided or approved for that purpose by the  
16 department. The report of sale will be deemed properly filed if all  
17 information required in this section is provided on the form and  
18 includes a department-authorized notation that the document was  
19 received by the department, its agents, or subagents on or before the  
20 fifth day after the sale of the vehicle, excluding Saturdays, Sundays,  
21 and state and federal holidays. Agents and subagents shall immediately  
22 electronically transmit the seller's report of sale to the department.  
23 Reports of sale processed and recorded by the department's agents or  
24 subagents may be subject to fees as specified in RCW 46.01.140 (4)(a)  
25 or (5)(b). By January 1, 2003, the department shall create a system  
26 enabling the seller of a vehicle to transmit the report of sale  
27 electronically. The system created by the department must immediately  
28 indicate on the department's vehicle record that a seller's report of  
29 sale has been filed.

30 (2) The requirements of subsection (1) of this section to provide  
31 an odometer disclosure statement apply to the transfer of vehicles held  
32 for lease when transferred to a lessee and then to the lessor at the  
33 end of the leasehold and to vehicles held in a fleet when transferred  
34 to a purchaser.

35 (3) Except as provided in RCW 46.70.122 the transferee shall within  
36 fifteen days after delivery to the transferee of the vehicle, execute  
37 the application for a new certificate of ownership in the same space  
38 provided therefor on the certificate or as the department prescribes,

1 and cause the certificates and application to be transmitted to the  
2 department accompanied by a fee of five dollars in addition to any  
3 other fees required.

4 (4) Upon request of the owner or transferee, a secured party in  
5 possession of the certificate of ownership shall, unless the transfer  
6 was a breach of its security agreement, either deliver the certificate  
7 to the transferee for transmission to the department or, when the  
8 secured party receives the owner's assignment from the transferee, it  
9 shall transmit the transferee's application for a new certificate, the  
10 existing certificate, and the required fee to the department.  
11 Compliance with this section does not affect the rights of the secured  
12 party.

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

17 (6) If the purchaser or transferee fails or neglects to make  
18 application to transfer the certificate of ownership and license  
19 registration within fifteen days after the date of delivery of the  
20 vehicle, he or she shall on making application for transfer be assessed  
21 a twenty-five dollar penalty on the sixteenth day and two dollars  
22 additional for each day thereafter, but not to exceed one hundred  
23 dollars. The director may by rule establish conditions under which the  
24 penalty will not be assessed when an application for transfer is  
25 delayed for reasons beyond the control of the purchaser. Conditions  
26 for not assessing the penalty may be established for but not limited to  
27 delays caused by:

- 28 (a) The department requesting additional supporting documents;
- 29 (b) Extended hospitalization or illness of the purchaser;
- 30 (c) Failure of a legal owner to release his or her interest;
- 31 (d) Failure, negligence, or nonperformance of the department,  
32 auditor, or subagent;

33 (e) The transferee had no knowledge of the filing of the vehicle  
34 report of sale and signs an affidavit to the fact.

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

1 (7) Upon receipt of an application for reissue or replacement of a  
2 certificate of ownership and transfer of license registration,  
3 accompanied by the endorsed certificate of ownership or other  
4 documentary evidence as is deemed necessary, the department shall, if  
5 the application is in order and if all provisions relating to the  
6 certificate of ownership and license registration have been complied  
7 with, issue new certificates of title and license registration as in  
8 the case of an original issue and shall transmit the fees together with  
9 an itemized detailed report to the state treasurer.

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

13 **Sec. 3.** RCW 46.12.102 and 2005 c 331 s 1 are each amended to read  
14 as follows:

15 (1) An owner who has made a bona fide sale or transfer of a vehicle  
16 and has delivered possession of it to a purchaser shall not by reason  
17 of any of the provisions of this title be deemed the owner of the  
18 vehicle so as to be subject to civil liability or criminal liability  
19 for the operation of the vehicle thereafter by another person when the  
20 owner has also fulfilled both of the following requirements:

21 (a) When the owner has made proper endorsement and delivery of the  
22 certificate of ownership and has delivered the certificate of  
23 registration as provided in this chapter;

24 (b) When the owner has delivered to the department either a  
25 properly filed report of sale that includes all of the information  
26 required in RCW 46.12.101(1) and is delivered to the department within  
27 five days of the sale of the vehicle excluding Saturdays, Sundays, and  
28 state and federal holidays, or appropriate documents for registration  
29 of the vehicle pursuant to the sale or transfer.

30 (2) An owner who has made a bona fide sale or transfer of a  
31 vehicle, has delivered possession of it to a purchaser, and has  
32 fulfilled the requirements of subsection (1)(a) and (b) of this section  
33 is relieved of liability and liability is transferred to the purchaser  
34 of the vehicle, for any traffic violation under this title, whether  
35 designated as a traffic infraction or classified as a criminal offense,  
36 that occurs after the date of the sale or transfer that is based on the

1 vehicle's identification, including, but not limited to, parking  
2 infractions, high-occupancy toll lane violations, and violations  
3 recorded by automated traffic safety cameras.

4 (3) When a registered tow truck operator submits an abandoned  
5 vehicle report to the department for a vehicle sold at an abandoned  
6 vehicle auction, any previous owner is relieved of civil or criminal  
7 liability for the operation of the vehicle from the date of sale  
8 thereafter, and liability is transferred to the purchaser of the  
9 vehicle as listed on the abandoned vehicle report.

10 (4) When a transferee had no knowledge of the filing of the vehicle  
11 report of sale, he or she is relieved of civil or criminal liability  
12 for the operation of the vehicle, and liability is transferred to the  
13 seller shown on the report of sale.

--- END ---