

SSB 5668 - H COMM AMD
By Committee on Commerce & Labor

ADOPTED AS AMENDED 03/03/2010

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that restricting the
4 use of consignment contract sales of manufactured/mobile homes in favor
5 of listing agreement sales by listing dealers or other vehicle dealers
6 is necessary to protect the interests of homeowners, especially those
7 who are elderly. Although a manufactured/mobile home is considered a
8 vehicle, it is also a home, and those manufactured/mobile homes that
9 are used as homes should not be sold strictly as a vehicle in the care
10 of a dealer. The department of licensing by rule recognizes that a
11 manufactured/mobile home is not simply a vehicle but a home.

12 The legislature also finds that a consignment contract is not
13 transparent to the parties involved. The agent or dealer can easily
14 hide or disguise terms of sale that can be detrimental to both the
15 buyer and the seller and beneficial to the agent or dealer.

16 Therefore, the legislature intends this act to require the use of
17 a listing agreement for the sale of a used manufactured/mobile home to
18 ensure a transparent transaction between the parties.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.70 RCW
20 to read as follows:

21 (1) As used in this section:

22 (a) "Consignment" means an arrangement where a vehicle dealer
23 accepts delivery or entrustment of a vehicle and agrees to sell the
24 vehicle on behalf of another.

25 (b) "Listing agreement" means a contract between a seller of a used
26 manufactured/mobile home and a listing dealer to locate a willing buyer
27 for the used manufactured/mobile home.

28 (2)(a) If a listing dealer or other vehicle dealer of
29 manufactured/mobile homes acts on behalf of a seller for the sale and

1 transfer of a used manufactured/mobile home, the listing dealer or
2 other vehicle dealer shall use a listing agreement only and is
3 prohibited from entering into a consignment contract if the used
4 manufactured/mobile home:

5 (i) Exists as a finished home certified for occupancy and located
6 in a manufactured/mobile home community or on private land; and

7 (ii) Is intended to remain at its location as a home, or will be
8 moved to another manufactured/mobile home community or private land as
9 a home, upon the sale and transfer of ownership.

10 (b) The listing agreement used under this subsection must state the
11 amount of compensation to be paid to the listing dealer or other
12 vehicle dealer for the sale of the used manufactured/mobile home, which
13 may be expressed as a fixed dollar amount, a percentage of the sales
14 price, or another means of compensation.

15 (3) The listing dealer or other vehicle dealer shall negotiate the
16 purchase agreement between the seller and buyer of the used
17 manufactured/mobile home, which must include the following procedure:

18 (a) All written purchase offers bearing the buyer's signature must
19 immediately be delivered to the seller for acceptance or refusal.

20 (b) The seller accepts the purchase agreement by signing the offer.
21 A copy of the purchase agreement must be delivered to the buyer
22 immediately following the seller signing and accepting the offer as
23 proof that the buyer's purchase offer was accepted.

24 (c) Any counteroffers or amendments to the purchase agreement must
25 also bear the signatures of both the buyer and seller, and copies of
26 the counteroffers or amendments must be delivered to each party.

27 (4) The listing dealer or other vehicle dealer must follow all
28 other requirements under this chapter.

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.70 RCW
30 to read as follows:

31 A listing dealer or other vehicle dealer of manufactured/mobile
32 homes acting on behalf of a seller for the sale and transfer of a used
33 manufactured/mobile home shall complete and attach to any listing
34 agreement the following notice:

35 NOTICE
36 The description and physical location of the used

1 manufactured/mobile home to be sold under this listing
2 agreement is
3
4

5 The compensation to be paid to the listing dealer or other
6 vehicle dealer for the sale of the used manufactured/mobile
7 home is
8
9

10 Any changes to the compensation to be paid to the listing
11 dealer or other vehicle dealer for the sale of the used
12 manufactured/mobile home must be

13 **Sec. 4.** RCW 46.70.028 and 2000 c 131 s 2 are each amended to read
14 as follows:

15 Dealers who transact dealer business by consignment shall obtain a
16 consignment contract for sale and shall comply with applicable
17 provisions of this chapter ((~~46.70-RCW~~)). The dealer shall place all
18 funds received from the sale of the consigned vehicle in a trust
19 account until the sale is completed, except that the dealer shall pay
20 any outstanding liens against the vehicle from these funds. Where
21 title has been delivered to the purchaser, the dealer shall pay the
22 amount due a consignor within ten days after the sale. However, in the
23 case of a consignment from a licensed vehicle dealer from any state,
24 the wholesale auto auction shall pay the consignor within twenty days.
25 Dealers are also subject to the requirements of sections 2 and 3 of
26 this act.

27 **Sec. 5.** RCW 46.70.029 and 2001 c 64 s 8 are each amended to read
28 as follows:

29 Listing dealers shall transact dealer business by obtaining a
30 listing agreement for sale, and the buyer's purchase of the mobile home
31 shall be handled as dealer inventory. All funds from the purchaser
32 shall be placed in a trust account until the sale is completed, except
33 that the dealer shall pay any outstanding liens against the mobile home
34 from these funds. Where title has been delivered to the purchaser, the
35 listing dealer shall pay the amount due a seller within ten days after

1 the sale of a listed mobile home. A complete account of all funds
2 received and disbursed shall be given to the seller or consignor after
3 the sale is completed. The sale of listed mobile homes imposes the
4 same duty under RCW 46.70.122 on the listing dealer as any other sale.
5 Listing dealers are also subject to the requirements of sections 2 and
6 3 of this act."

7 Correct the title.

EFFECT: Makes technical changes, including modifying terms to be consistent with current law and cross-referencing relevant sections of current law.

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