

SSB 5668 - H AMD TO CL COMM AMD (H-5334.1/10) **1422**

By Representative Condotta

ADOPTED 3/03/2010

1 On page 1 of the striking amendment, strike all material after
2 line 2 and insert the following:

3
4 "NEW SECTION. **Sec. 1.** The legislature finds that adding
5 requirements to the use of consignment contracts and listing dealer
6 agreements for the sale of manufactured/mobile homes is necessary to
7 protect the interests of homeowners, especially those who are elderly.

8 The legislature intends this act to ensure a transparent
9 transaction between the parties involved in the sale of a used
10 manufactured/mobile home.

11
12 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.70 RCW
13 to read as follows:

14 (1) As used in this section:

15 (a) "Consignment" means an arrangement where a vehicle dealer
16 accepts delivery or entrustment of a used manufactured/mobile home and
17 agrees to sell the used manufactured/mobile home on behalf of another.

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

21 (2) The consignment contract used under this section must state
22 the minimum agreed upon amount which will be paid to the consignor and
23 the maximum percentage or dollar value of commission to be paid to the
24 listing dealer or other vehicle dealer for the sale of the used
25 manufactured/mobile home. The listing dealer or other vehicle dealer
26 shall remit to the consignor any monies received above and beyond the
27 agreed upon maximum percentage or dollar value of commission.

1 (3) The listing agreement used under this section must state the
2 maximum percentage or dollar value of commission to be paid to the
3 listing dealer or other vehicle dealer for the sale of the used
4 manufactured/mobile home.

5 (4) The listing dealer or other vehicle dealer shall negotiate the
6 purchase agreement between the seller and buyer of the used
7 manufactured/mobile home, which must include the following procedure:

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

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

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

17 (5) The listing dealer or other vehicle dealer must follow all
18 other requirements under this chapter.

19
20 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.70 RCW
21 to read as follows:

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

26
27 NOTICE

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29 The description and physical location of the used
30 manufactured/mobile home to be sold under this listing
31 agreement is
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33

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4 The commission to be paid to the listing dealer or other
5 vehicle dealer for the sale of the used manufactured/mobile
6 home is
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13 Any changes to the commission to be paid to the listing dealer
14 or other vehicle dealer for the sale of the used
15 manufactured/mobile home must be

16
17 **Sec. 4.** RCW 46.70.028 and 2000 c 131 s 2 are each amended to read
18 as follows:

19 Dealers who transact dealer business by consignment shall obtain a
20 consignment contract for sale and shall comply with applicable
21 provisions of this chapter (~~46.70-RCW~~). The dealer shall place all
22 funds received from the sale of the consigned vehicle in a trust
23 account until the sale is completed, except that the dealer shall pay
24 any outstanding liens against the vehicle from these funds. Where
25 title has been delivered to the purchaser, the dealer shall pay the
26 amount due a consignor within ten days after the sale. However, in
27 the case of a consignment from a licensed vehicle dealer from any
28 state, the wholesale auto auction shall pay the consignor within
29 twenty days. Dealers are also subject to the requirements of sections
30 2 and 3 of this act when engaged in the consignment of a used
31 manufactured/mobile home.

32
33 **Sec. 5.** RCW 46.70.029 and 2001 c 64 s 8 are each amended to read
34 as follows:

1 Listing dealers shall transact dealer business by obtaining a
2 listing agreement for sale, and the buyer's purchase of the mobile
3 home shall be handled as dealer inventory. All funds from the
4 purchaser shall be placed in a trust account until the sale is
5 completed, except that the dealer shall pay any outstanding liens
6 against the mobile home from these funds. Where title has been
7 delivered to the purchaser, the listing dealer shall pay the amount
8 due a seller within ten days after the sale of a listed mobile home.
9 A complete account of all funds received and disbursed shall be given
10 to the seller or consignor after the sale is completed. The sale of
11 listed mobile homes imposes the same duty under RCW 46.70.122 on the
12 listing dealer as any other sale. Listing dealers are also subject to
13 the requirements of sections 2 and 3 of this act."

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Correct the title.

EFFECT: Removes the prohibition on the use of consignment contracts in the sale of used manufactured/mobile homes. Limits the definition of consignment to manufactured/mobile homes. Requires consignment contracts to include the amount to be paid to the consignor and the maximum dollar amount or percentage of commission to be paid to the dealer. Requires a dealer to remit to the consignor any monies received above and beyond the agreed upon maximum dollar amount or percentage of commission. Requires that listing agreements state the maximum percentage or dollar amount of commission to be paid to the dealer. Makes necessary language changes based on the new language. Maintains the negotiation procedure and notice requirements for listing dealer agreements.

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