

SENATE BILL REPORT

SB 6827

As Reported by Senate Committee On:
Transportation, February 8, 2010

Title: An act relating to vehicle dealers in counties with a population of ten thousand or less.

Brief Description: Regulating vehicle dealers in counties with a population of ten thousand or less.

Sponsors: Senator Morton.

Brief History:

Committee Activity: Transportation: 2/04/10, 2/08/10 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6827 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Swecker, Ranking Minority Member; Becker, Benton, Berkey, Delvin, Hatfield, Jacobsen, King and Sheldon.

Minority Report: Do not pass.

Signed by Senators Marr, Vice Chair; Ranker.

Minority Report: That it be referred without recommendation.

Signed by Senators Kastama and Kilmer.

Staff: Janice Baumgardt (786-7319)

Background: Under current law, any person or firm engaged in buying and offering for sale, or buying and selling, five or more vehicles in a 12-month period without holding a vehicle dealer license is guilty of a gross misdemeanor, and upon conviction subject to a fine of up to \$5,000 for each violation and up to one year in jail.

Summary of Bill (Recommended Substitute): A resident of a county with a population of 10,000 or less is not subject to fines for not having a vehicle dealer license unless engaged in buying and offering for sale, or buying and selling, seven or more vehicles in a 12-month period. This exemption is valid only for residents (and not firms) of those counties when the transaction takes place within the same county. Such residents are still subject to the ethical

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

practices all licensed vehicle dealers must adhere to and are subject to the same penalties for violating them.

DOL must periodically check vehicle bill of sales filed with DOL to identify those selling five or more vehicles in a 12-month period and follow-up to ascertain whether curbstoning has taken place.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (Recommended Substitute): The original bill did not contain the following provisions:

Such residents are still subject to the ethical practices all licensed vehicle dealers must adhere to and are subject to the same penalties for violating them.

DOL must periodically check vehicle bill of sales filed with DOL to identify those selling five or more vehicles in a 12-month period and follow-up to ascertain whether curbstoning has taken place.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: CON: Consumers will lose because dealers offer protection to consumers.

Persons Testifying: CON: TK Bentler, Washington State Independent Auto Dealers Association.