
HOUSE BILL 2429

State of Washington

61st Legislature

2010 Regular Session

By Representatives Wood, Condotta, Williams, Takko, Eddy, Morrell, O'Brien, Conway, and Ormsby; by request of Attorney General

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1 AN ACT Relating to the resale of motor vehicles previously
2 determined as having nonconformities; and amending RCW 19.118.061.

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

4 **Sec. 1.** RCW 19.118.061 and 2009 c 351 s 4 are each amended to read
5 as follows:

6 (1) A manufacturer shall be prohibited from reselling any motor
7 vehicle determined or adjudicated as having a serious safety defect
8 unless the serious safety defect has been corrected and the
9 manufacturer warrants upon the first subsequent resale that the defect
10 has been corrected.

11 (2) Before any sale or transfer of a motor vehicle that has been
12 replaced or repurchased by the manufacturer after a determination,
13 adjudication, or settlement of a claim under this chapter, the
14 manufacturer shall:

15 (a) Notify the attorney general upon receipt of the motor vehicle;
16 ((and))

17 (b) Submit a title application to the department of licensing in
18 this state for title to the motor vehicle in the name of the
19 manufacturer within sixty days;

1 ~~((b) Attach a resale disclosure notice to the vehicle in a manner~~
2 ~~and form to be specified by the attorney general. Only the retail~~
3 ~~purchaser may remove the resale disclosure notice after execution of~~
4 ~~the disclosure form required under subsection (3) of this section;~~)
5 and

6 (c) Notify the attorney general and the department of licensing if
7 the nonconformity in the motor vehicle is corrected.

8 (3) ~~((Upon))~~ Before the first subsequent resale, either at
9 wholesale or retail, or transfer of title of a motor vehicle ~~((and~~
10 ~~which was))~~ previously returned after a final determination,
11 adjudication, or settlement under this chapter or under a similar
12 statute of any other state, the manufacturer, its agent, or ~~((the new))~~
13 a motor vehicle dealer, as defined in RCW 46.70.011(4), who has actual
14 knowledge of said final determination, adjudication, or settlement~~((r))~~
15 shall:

16 (a) Obtain from the attorney general and attach to the motor
17 vehicle a resale window display disclosure notice. Only the retail
18 purchaser may remove the resale window display disclosure notice after
19 execution of the resale disclosure form required under this subsection;
20 and

21 (b) Obtain from the attorney general, execute, and deliver to the
22 buyer before sale ((an instrument in writing)) or other transfer of
23 title a resale disclosure form setting forth information identifying
24 the nonconformity ((in a manner to be specified by the attorney
25 general, and the department of licensing shall place on the certificate
26 of title information indicating the vehicle was returned under this
27 chapter)) and (i) significant information, including a title brand,
28 under this chapter if the motor vehicle was reacquired by a
29 manufacturer in this state or (ii) significant information, including
30 a title brand and whether the nonconformity has been repaired, if the
31 motor vehicle was reacquired by a manufacturer under a similar law of
32 another state.

33 (4)(a) Upon receipt of the manufacturer's notification under
34 subsection (2) of this section that the nonconformity has been
35 corrected and the manufacturer's application for title in the name of
36 the manufacturer under this section, the department of licensing shall
37 issue a new title with a title brand indicating the motor vehicle was
38 returned under this chapter and information that the nonconformity has

1 been corrected in a manner to be determined by the department of
2 licensing. Upon the first subsequent resale, either at wholesale or
3 retail, or transfer of title of a motor vehicle, as provided under this
4 section, the manufacturer shall warrant upon the resale that the
5 nonconformity has been corrected(~~(, and the manufacturer, its agent, or~~
6 ~~the new motor vehicle dealer who has actual knowledge of the corrected~~
7 ~~nonconformity, shall execute and deliver to the buyer before sale an~~
8 ~~instrument in writing setting forth information identifying the~~
9 ~~nonconformity and indicating that it has been corrected in a manner to~~
10 ~~be specified by the attorney general)).~~

11 (b) When a manufacturer does not provide notice of repair of a
12 nonconformity, the department of licensing shall issue a new title with
13 a title brand indicating the motor vehicle was returned under this
14 chapter and information that the nonconformity has not been corrected
15 in a manner to be determined by the department of licensing.

16 (c) When the department of licensing receives a title application
17 that complies with the department's requirements and procedures for a
18 motor vehicle previously titled in another state and that has a title
19 brand or other documentation indicating the motor vehicle was
20 reacquired by a manufacturer under a similar law, the department of
21 licensing shall issue a new title with a title brand indicating the
22 motor vehicle was returned under a similar law of another state in a
23 manner to be determined by the department of licensing.

24 (5) After ~~((repurchase or replacement and following))~~ a
25 manufacturer's receipt of a motor vehicle under this section and prior
26 to a motor vehicle's first subsequent retail transfer by resale or
27 lease, any intervening transferor of a motor vehicle subject to the
28 requirements of this section who has received the resale disclosure(~~(, and~~
29 ~~correction and warranty documents, as specified by the attorney general~~
30 ~~and required under this chapter, shall deliver the documents)) form and
31 resale window display disclosure notice provided by the attorney
32 general under this section shall, in any transaction occurring in
33 Washington state or subject to Washington state law, deliver the resale
34 disclosure form and resale window display disclosure notice with the
35 motor vehicle to the next transferor, purchaser, or lessee to ensure
36 proper and timely notice and disclosure. Any intervening transferor
37 who fails to comply with this subsection shall, at the option of the
38 subsequent transferor or first subsequent retail purchaser or lessee:~~

1 (a) Indemnify any subsequent transferor or first subsequent retail
2 purchaser for all damages caused by such violation; or (b) repurchase
3 the motor vehicle at the full purchase price including all fees, taxes,
4 and costs incurred for goods and services which were included in the
5 subsequent transaction.

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