
SENATE BILL 6827

State of Washington

61st Legislature

2010 Regular Session

By Senator Morton

Read first time 02/02/10. Referred to Committee on Transportation.

1 AN ACT Relating to vehicle dealers in counties with a population of
2 ten thousand or less; amending RCW 46.70.021 and 46.70.115; and
3 prescribing penalties.

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

5 **Sec. 1.** RCW 46.70.021 and 2003 c 53 s 249 are each amended to read
6 as follows:

7 (1) It is unlawful for any person, firm, or association to act as
8 a vehicle dealer or vehicle manufacturer, to engage in business as
9 such, serve in the capacity of such, advertise himself, herself, or
10 themselves as such, solicit sales as such, or distribute or transfer
11 vehicles for resale in this state, without first obtaining and holding
12 a current license as provided in this chapter, unless the title of the
13 vehicle is in the name of the seller.

14 (2) It is unlawful for any person other than a licensed vehicle
15 dealer to display a vehicle for sale unless the registered owner or
16 legal owner is the displayer or holds a notarized power of attorney.

17 (3)(a) Except as provided in (b) of this subsection, a person or
18 firm engaged in buying and offering for sale, or buying and selling,
19 five or more vehicles in a twelve-month period, or in any other way

1 engaged in dealer activity without holding a vehicle dealer license, is
2 guilty of a gross misdemeanor, and upon conviction subject to a fine of
3 up to five thousand dollars for each violation and up to one year in
4 jail.

5 (b) A second offense is a class C felony punishable under chapter
6 9A.20 RCW.

7 (c) Any resident of a county with a population of ten thousand or
8 less as determined by the office of financial management is not subject
9 to the penalties provided in (a) and (b) of this subsection unless the
10 resident is engaged, in that county, in buying and offering for sale,
11 or buying and selling, seven or more vehicles in a twelve-month period,
12 or in any other way engaged in dealer activity without holding a
13 vehicle dealer license.

14 (4) A violation of this section is also a per se violation of
15 chapter 19.86 RCW and is considered a deceptive practice.

16 (5) The department of licensing, the Washington state patrol, the
17 attorney general's office, and the department of revenue shall
18 cooperate in the enforcement of this section.

19 (6) A distributor, factory branch, or factory representative shall
20 not be required to have a vehicle manufacturer license so long as the
21 vehicle manufacturer so represented is properly licensed pursuant to
22 this chapter.

23 (7) Nothing in this chapter prohibits financial institutions from
24 cooperating with vehicle dealers licensed under this chapter in dealer
25 sales or leases. However, financial institutions shall not broker
26 vehicles and cooperation is limited to organizing, promoting, and
27 financing of such dealer sales or leases.

28 **Sec. 2.** RCW 46.70.115 and 2000 c 131 s 1 are each amended to read
29 as follows:

30 (1) If it appears to the director that a person has engaged or is
31 about to engage in an act or practice constituting a violation of this
32 chapter, or a rule adopted or an order issued under this chapter, the
33 director may issue an order directing the person to cease and desist
34 from continuing the act or practice. Reasonable notice of and
35 opportunity for a hearing shall be given. The director may issue a
36 temporary order pending a hearing. The temporary order shall remain in

1 effect until ten days after the hearing is held and shall become final
2 if the person to whom the notice is addressed does not request a
3 hearing within fifteen days after receipt of the notice.

4 (2) The director may levy and collect a civil penalty, in an amount
5 not to exceed one thousand dollars for each violation, against a person
6 found by the director to be curbstoning, as that term is defined in
7 subsection (3) of this section. A person against whom a civil penalty
8 has been imposed must receive reasonable notice and an opportunity for
9 a hearing on the issue. The civil penalty is due ten days after
10 issuance of a final order.

11 (3) For the purposes of subsection (2) of this section, (a)
12 "curbstoning" means a person or firm engaged in buying and offering for
13 sale, or buying and selling, five or more vehicles that are each less
14 than thirty years old in a twelve-month period without holding a
15 vehicle dealer license, and (b) for residents of a county with a
16 population of ten thousand or less as determined by the office of
17 financial management, "curbstoning" means a person or firm engaged, in
18 that county, in buying and offering for sale, or buying and selling,
19 seven or more vehicles that are each less than thirty years old in a
20 twelve-month period without holding a vehicle dealer license. For the
21 purpose of subsections (1) and (2) of this section, "curbstoning" does
22 not include the sale of equipment or vehicles used in farming as
23 defined in RCW 46.04.183 and sold by a farmer as defined in RCW
24 46.04.182.

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