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HOUSE BILL 2344

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State of Washington                      63rd Legislature                      2014 Regular Session

By Representatives Magendanz, Morrell, Klippert, and Hayes

Read first time 01/15/14. Referred to Committee on Public Safety.

1            AN ACT Relating to vehicle sales; amending RCW 46.12.650 and  
2 46.20.750; adding a new section to chapter 46.20 RCW; and prescribing  
3 penalties.

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

5            **Sec. 1.** RCW 46.12.650 and 2010 c 161 s 309 are each amended to  
6 read as follows:

7            (1) **Releasing interest.** An owner releasing interest in a vehicle  
8 shall:

9            (a) Sign the release of interest section provided on the  
10 certificate of title or on a release of interest document or form  
11 approved by the department;

12            (b) Give the certificate of title or most recent evidence of  
13 ownership to the person gaining the interest in the vehicle;

14            (c) Give the person gaining interest in the vehicle an odometer  
15 disclosure statement if one is required; and

16            (d) Report the vehicle sold as provided in subsection (2) of this  
17 section.

18            (2) **Report of sale.** An owner shall notify the department, county

1 auditor or other agent, or subagent appointed by the director in  
2 writing within five business days after a vehicle is or has been:

- 3 (a) Sold;
- 4 (b) Given as a gift to another person;
- 5 (c) Traded, either privately or to a dealership;
- 6 (d) Donated to charity;
- 7 (e) Turned over to an insurance company or wrecking yard; or
- 8 (f) Disposed of.

9 (3) **Report of sale properly filed.** A report of sale is properly  
10 filed if it is received by the department, county auditor or other  
11 agent, or subagent appointed by the director within five business days  
12 after the date of sale or transfer and it includes:

- 13 (a) The date of sale or transfer;
- 14 (b) The owner's name and address;
- 15 (c) The name and address of the person acquiring the vehicle;
- 16 (d) The vehicle identification number and license plate number;
- 17 (e) A date or stamp by the department showing it was received on or  
18 before the fifth business day after the date of sale or transfer; and
- 19 (f) Payment of the fees required under RCW 46.17.050 if the report  
20 of sale is processed by a county auditor or other agent or subagent  
21 appointed by the director.

22 (4) **Report of sale - administration.** The department shall:

- 23 (a) Provide or approve reports of sale forms;
- 24 (b) Provide a system enabling an owner to submit reports of sale  
25 electronically;
- 26 (c) Immediately update the department's vehicle record when a  
27 report of sale has been filed;
- 28 (d) Provide instructions on release of interest forms that allow  
29 the seller of a vehicle to release their interest in a vehicle at the  
30 same time a financial institution, as defined in RCW 30.22.040,  
31 releases its lien on the vehicle; (~~and~~)

32 (e) Send a report to the department of revenue that lists vehicles  
33 for which a report of sale has been received but no transfer of  
34 ownership has taken place. The department shall send the report once  
35 each quarter; and

36 (f) Pursuant to section 2 of this act, determine whether the owner  
37 of the vehicle is subject to ignition interlock requirements under RCW  
38 46.20.720, 46.61.5055, or 10.05.140.

1           (5)(a) **Transferring ownership.** A person who has recently acquired  
2 a vehicle by purchase, exchange, gift, lease, inheritance, or legal  
3 action shall apply to the department, county auditor or other agent, or  
4 subagent appointed by the director for a new certificate of title  
5 within fifteen days of delivery of the vehicle. A secured party who  
6 has possession of the certificate of title shall either:

7           (i) Apply for a new certificate of title on behalf of the owner and  
8 pay the fee required under RCW 46.17.100; or

9           (ii) Provide all required documents to the owner, as long as the  
10 transfer was not a breach of its security agreement, to allow the owner  
11 to apply for a new certificate of title.

12           (b) Compliance with this subsection does not affect the rights of  
13 the secured party.

14           (6) **Certificate of title delivered to secured party.** The  
15 certificate of title must be kept by or delivered to the person who  
16 becomes the secured party when a security interest is reserved or  
17 created at the time of the transfer of ownership. The parties must  
18 comply with RCW 46.12.675.

19           (7) **Penalty for late transfer.** A person who has recently acquired  
20 a motor vehicle by purchase, exchange, gift, lease, inheritance, or  
21 legal action who does not apply for a new certificate of title within  
22 fifteen calendar days of delivery of the vehicle is charged a penalty,  
23 as described in RCW 46.17.140, when applying for a new certificate of  
24 title. It is a misdemeanor to fail or neglect to apply for a transfer  
25 of ownership within forty-five days after delivery of the vehicle. The  
26 misdemeanor is a single continuing offense for each day that passes  
27 regardless of the number of days that have elapsed following the forty-  
28 five day time period.

29           (8) **Penalty for late transfer - exceptions.** The penalty is not  
30 charged if the delay in application is due to at least one of the  
31 following:

32           (a) The department requests additional supporting documents;

33           (b) The department, county auditor or other agent, or subagent  
34 fails to perform or is neglectful;

35           (c) The owner is prevented from applying due to an illness or  
36 extended hospitalization;

37           (d) The legal owner fails or neglects to release interest;

1 (e) The owner did not know of the filing of a report of sale by the  
2 previous owner and signs an affidavit to the fact; or

3 (f) The department finds other conditions exist that adequately  
4 explain the delay.

5 (9) **Review and issue.** The department shall review applications for  
6 certificates of title and issue certificates of title when it has  
7 determined that all applicable provisions of law have been complied  
8 with.

9 (10) **Rules.** The department may adopt rules as necessary to  
10 implement this section.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.20 RCW  
12 to read as follows:

13 Within forty-eight hours or two business days, upon receiving a  
14 request for a new certificate of title transferring ownership under RCW  
15 46.12.650 or upon receiving a report of sale notice that a vehicle has  
16 been transferred or sold under RCW 46.12.650, the department shall  
17 determine whether the person who becomes the owner or secured party of  
18 the vehicle is subject to ignition interlock requirements under RCW  
19 46.20.720, 46.61.5055, or 10.05.140. If a person's driving record, as  
20 maintained by the department, requires the person to drive only a motor  
21 vehicle equipped with a functioning ignition interlock device, the  
22 department shall notify the person of the ignition interlock  
23 requirement in writing by certified mail at his or her address of  
24 record as maintained by the department. A notice for an ignition  
25 interlock requirement shall remind by informing the recipient thereof  
26 that he or she may drive only a motor vehicle equipped with a  
27 functioning ignition interlock device and failing to comply with the  
28 requirements is punishable pursuant to RCW 46.20.740.

29 **Sec. 3.** RCW 46.20.750 and 2005 c 200 s 2 are each amended to read  
30 as follows:

31 (1) A person who is restricted to the use of a vehicle equipped  
32 with an ignition interlock device and who tampers with the device or  
33 directs, authorizes, or requests another to tamper with the device, in  
34 order to circumvent the device by modifying, detaching, disconnecting,  
35 or otherwise disabling it, is guilty of a gross misdemeanor.

1           (2) A person who knowingly assists another person who is restricted  
2 to the use of a vehicle equipped with an ignition interlock device to  
3 circumvent the device or to start and operate that vehicle in violation  
4 of a court order is guilty of a gross misdemeanor. The provisions of  
5 this subsection do not apply if the starting of a motor vehicle, or the  
6 request to start a motor vehicle, equipped with an ignition interlock  
7 device is done for the purpose of safety or mechanical repair of the  
8 device or the vehicle and the person subject to the court order does  
9 not operate the vehicle.

10           (3) A person who is restricted to the use of a vehicle equipped  
11 with an ignition interlock device and who attempts to circumvent the  
12 installation and use of a device by purchasing or acquiring another or  
13 multiple vehicles is guilty of a gross misdemeanor.

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