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**SUBSTITUTE SENATE BILL 6301**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Senate Financial Institutions & Insurance (originally sponsored by Senators Benton and Mullet)

AN ACT Relating to employer agreements to reimburse certain employee costs for the use of personal vehicles for business purposes; and reenacting and amending RCW 48.110.015.

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

**Sec.**  RCW 48.110.015 and 2006 c 274 s 2 and 2006 c 36 s 16 are each reenacted and amended to read as follows:

(1) The following are exempt from this title:

(a) Warranties;

(b) Maintenance agreements;

(c) Service contracts:

(i) Paid for with separate and additional consideration;

(ii) Issued at the point of sale, or within sixty days of the original purchase date of the property; and

(iii) On tangible property when the tangible property for which the service contract is sold has a purchase price of fifty dollars or less, exclusive of sales tax; and

(d) Agreements whereby a third party contracted by an employer provides mileage reimbursement and incidental maintenance and repairs to the employer's employees for personal vehicles used for business purposes, provided that such agreement does not provide indemnification or repairs for a loss caused by theft, collision, fire, or other peril typically covered in the comprehensive section of an automobile insurance policy.

(2) This chapter does not apply to:

(a) Vehicle mechanical breakdown insurance;

(b) Service contracts on tangible personal property purchased by persons who are not consumers; and

(c) Home heating fuel service contracts offered by home heating energy providers.

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