
Business & Financial Services Committee

HB 2512

Brief Description: Concerning the retention and maintenance of auto dealer and repair facility records.

Sponsors: Representatives Clibborn and Orcutt.

Brief Summary of Bill

- Authorizes vehicle dealers to maintain certain required records in electronic form after 1 year of maintaining the records in paper form if the records can be accessed by computer at the dealer's place of business during the remainder of the record-retention period.
- Authorizes automotive repair facilities to maintain the true copies of written price estimates and invoices in electronic records, and not as hard copies, as long as the repair facility is capable of printing the records in hard copy upon request of the customer or the customer's authorized representative.

Hearing Date: 1/20/16

Staff: Peter Clodfelter (786-7127).

Background:

Retention and Maintenance of Records by Vehicle Dealers.

A vehicle dealer must complete and maintain, for a period of 5 years, a record of the purchase and sale or lease of all vehicles purchased, sold, or leased by the dealer. Dealers may maintain their recordkeeping and filing systems in accordance with their own particular business needs and practices, but dealers must maintain records that consist of the following:

- the license and title numbers of the state in which the last license was issued;
- a vehicle description;
- the name and address of the person from whom the vehicle was purchased;
- the name of the legal owner, if any;
- the name and address of the purchaser or lessee;

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- if purchased from a dealer, the name, business address, dealer license number, and resale tax number of the dealer;
- the price paid for the vehicle and the method of payment;
- the vehicle odometer disclosure statement given by the seller to the dealer, and the vehicle odometer disclosure statement given by the dealer to the purchaser or lessee;
- the written agreement to allow a dealer to sell between the dealer and the consignor, or the listing dealer and the seller;
- trust account records of receipts, deposits, and withdrawals;
- all sale documents, which must show the full name of dealer employees involved in the sale or lease; and
- any additional information the Department of Licensing (DOL) may require. However, the DOL may not require a dealer to collect or retain the hardback copy of a temporary license permit after the permanent license plates for a vehicle have been provided to the purchaser or lessee, if the dealer maintains some other copy of the temporary license permit together with a log of the permits issued.

The above records that a vehicle dealer must complete and maintain for 5 years must be maintained separate from all other business records of the dealer. Records older than 2 years may be kept at a location other than the dealer's place of business if those records are made available in hard copy for inspection within 3 calendar days, exclusive of Saturday, Sunday, or a legal holiday, after a request by the Director of the DOL or the Director's authorized agent. Records kept at the vehicle dealer's place of business must be available for inspection by the Director or the Director's authorized agent during normal business hours.

Retention and Maintenance of Records by Automotive Repair Facilities.

Every automotive repair facility must retain and make available for inspection, upon request by the customer or the customer's authorized representative, true copies of written price estimates and invoices for at least 1 year after the date on which the repairs were performed.

Summary of Bill:

Retention and Maintenance of Records by Vehicle Dealers.

Records must be kept in paper form for at least 1 year. After a year, records may be kept solely as electronic records and not as hard copies as long as the electronic records can be accessed by computer at the dealer's place of business during normal business hours for the remainder of the five-year retention period. Records that originate as electronic records may be retained as electronic records with no paper form and must be accessible by computer at the dealer's place of business for at least 5 years.

Paper records more than 2 years old may be kept at a location other than the dealer's place of business if those records are made available in hard copy for inspection within 3 calendar days, exclusive of Saturday, Sunday, or a legal holiday, after a request by the Director or the Director's authorized agent.

The Director may adopt rules necessary to implement electronic records retention.

Retention and Maintenance of Records by Automotive Repair Facilities.

The true copies of the written price estimates and invoices required to be retained by automotive repair facilities under current law may be maintained as electronic records and not as hard copies as long as the repair facility is capable of printing the records in hard copy upon request of the customer or the customer's authorized representative.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.