

# FINAL BILL REPORT

## EHB 2808

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C 273 L 18  
Synopsis as Enacted

**Brief Description:** Concerning vehicle dealer licensing.

**Sponsors:** Representatives Kirby and Walsh.

**House Committee on Business & Financial Services**  
**Senate Committee on Transportation**

**Background:**

Legislation was enacted in 2017 to phase out the wholesale vehicle dealer license over a two-year period. Effective July 1, 2017, the Department of Licensing (DOL) stopped issuing new wholesale vehicle dealer licenses. Effective July 1, 2018, the DOL may not renew any wholesale vehicle dealer licenses. On July 1, 2019, the wholesale vehicle dealer license category and all references to wholesale vehicle dealers are removed from law.

Until July 1, 2019, certain requirements that apply to other types of vehicle dealers do not apply to wholesale vehicle dealers and additional specific requirements apply to wholesale vehicle dealers. Wholesale vehicle dealers are not required to maintain normal business hours or display facilities, or to have a building that is kept open to the public at all reasonable times, or have a telephone book listing, as is required for other vehicle dealers. But all storage facilities for a wholesale vehicle dealer's inventory must be listed with the DOL and comply with local land-use ordinances.

Also, a wholesale vehicle dealer must maintain a telecommunications system, and an exterior sign, visible from the nearest street, must identify the wholesale vehicle dealer's business name and the nature of the business. If a wholesale vehicle dealer and another vehicle dealer or dealer's businesses share a location, all records, office facilities, and inventory, if any, must be physically segregated and clearly identified. Wholesale vehicle dealers are also required to buy from or sell vehicles to other Washington licensed vehicle dealers. And a wholesale vehicle dealer's required office facilities must be in a commercial building in which there are not more than two other wholesale or retail vehicle dealers in the same building.

**Summary:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The 2017 law phasing out and repealing the wholesale vehicle dealer license over a two-year period (July 2017 to July 2019) is amended to require the Department of Licensing (DOL) to renew a wholesale vehicle dealer license of a wholesale vehicle dealer who has held the license continuously for at least the previous six years from the effective date of the act and who otherwise meets the requirements applicable to wholesale vehicle dealers. Otherwise, the phase out of the wholesale vehicle dealer license is retained insofar as the DOL is prohibited from issuing new or renewal wholesale vehicle dealer licenses.

**Votes on Final Passage:**

House	96	2
Senate	49	0

**Effective:** July 1, 2018