

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1476

66th Legislature
2019 Regular Session

Passed by the House April 23, 2019
Yeas 56 Nays 40

Speaker of the House of Representatives

Passed by the Senate April 12, 2019
Yeas 38 Nays 7

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1476** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1476

AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By House Consumer Protection & Business (originally sponsored by Representatives Stanford, Appleton, and Fitzgibbon)

READ FIRST TIME 02/22/19.

1 AN ACT Relating to contracts for dogs and cats; amending RCW
2 62A.9A-109; adding a new section to chapter 63.10 RCW; adding a new
3 section to chapter 63.14 RCW; adding a new section to chapter 31.04
4 RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 63.10
7 RCW to read as follows:

8 A contract entered into on or after the effective date of this
9 section to transfer ownership of a live dog or cat in which ownership
10 is contingent upon the making of payments over a period of time
11 subsequent to the transfer of possession of the live dog or cat, or
12 provides for or offers the option of transferring ownership of the
13 dog or cat at the end of a lease term, is void and unenforceable.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 63.14
15 RCW to read as follows:

16 A retail installment contract entered into on or after the
17 effective date of this section that includes a live dog or cat as a
18 security interest for the contract is void and unenforceable.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 31.04
2 RCW to read as follows:

3 A contract entered into on or after the effective date of this
4 section for the payment to repay a loan for the purchase of a live
5 dog or cat, where a security interest is granted in the dog or cat,
6 is void and unenforceable.

7 **Sec. 4.** RCW 62A.9A-109 and 2000 c 250 s 9A-109 are each amended
8 to read as follows:

9 (a) **General scope of Article.** Except as otherwise provided in
10 subsections (c) and (d) of this section, this Article applies to:

11 (1) A transaction, regardless of its form, that creates a
12 security interest in personal property or fixtures by contract;

13 (2) An agricultural lien;

14 (3) A sale of accounts, chattel paper, payment intangibles, or
15 promissory notes;

16 (4) A consignment;

17 (5) A security interest arising under RCW 62A.2-401, 62A.2-505,
18 62A.2-711(3), or 62A.2A-508(5), as provided in RCW 62A.9A-110; and

19 (6) A security interest arising under RCW 62A.4-210 or 62A.5-118.

20 (b) **Security interest in secured obligation.** The application of
21 this Article to a security interest in a secured obligation is not
22 affected by the fact that the obligation is itself secured by a
23 transaction or interest to which this Article does not apply.

24 (c) **Extent to which Article does not apply.** This Article does not
25 apply to the extent that:

26 (1) A statute, regulation, or treaty of the United States
27 preempts this Article;

28 (2) Another statute of this state expressly governs the creation,
29 perfection, priority, or enforcement of a security interest created
30 by this state or a governmental unit of this state;

31 (3) A statute of another state, a foreign country, or a
32 governmental unit of another state or a foreign country, other than a
33 statute generally applicable to security interests, expressly governs
34 creation, perfection, priority, or enforcement of a security interest
35 created by the state, country, or governmental unit; or

36 (4) The rights of a transferee beneficiary or nominated person
37 under a letter of credit are independent and superior under RCW
38 62A.5-114.

39 (d) **Inapplicability of Article.** This Article does not apply to:

- 1 (1) A landlord's lien, other than an agricultural lien;
- 2 (2) A lien, other than an agricultural lien, given by statute or
3 other rule of law for services or materials, but RCW 62A.9A-333
4 applies with respect to priority of the lien;
- 5 (3) An assignment of a claim for wages, salary, or other
6 compensation of an employee;
- 7 (4) A sale of accounts, chattel paper, payment intangibles, or
8 promissory notes as part of a sale of the business out of which they
9 arose;
- 10 (5) An assignment of accounts, chattel paper, payment
11 intangibles, or promissory notes which is for the purpose of
12 collection only;
- 13 (6) An assignment of a right to payment under a contract to an
14 assignee that is also obligated to perform under the contract;
- 15 (7) An assignment of a single account, payment intangible, or
16 promissory note to an assignee in full or partial satisfaction of a
17 preexisting indebtedness;
- 18 (8) A transfer of an interest in or an assignment of a claim
19 under a policy of insurance, other than an assignment by or to a
20 health-care provider of a health-care-insurance receivable and any
21 subsequent assignment of the right to payment, but RCW 62A.9A-315 and
22 62A.9A-322 apply with respect to proceeds and priorities in proceeds;
- 23 (9) An assignment of a right represented by a judgment, other
24 than a judgment taken on a right to payment that was collateral;
- 25 (10) A right of recoupment or set-off, but:
 - 26 (A) RCW 62A.9A-340 applies with respect to the effectiveness of
27 rights of recoupment or set-off against deposit accounts; and
 - 28 (B) RCW 62A.9A-404 applies with respect to defenses or claims of
29 an account debtor;
- 30 (11) The creation or transfer of an interest in or lien on real
31 property, including a lease or rents thereunder, except to the extent
32 that provision is made for:
 - 33 (A) Liens on real property in RCW 62A.9A-203 and 62A.9A-308;
 - 34 (B) Fixtures in RCW 62A.9A-334;
 - 35 (C) Fixture filings in RCW 62A.9A-501, 62A.9A-502, 62A.9A-512,
36 62A.9A-516, and 62A.9A-519; and
 - 37 (D) Security agreements covering personal and real property in
38 RCW 62A.9A-604;

1 (12) An assignment of a claim arising in tort, other than a
2 commercial tort claim, but RCW 62A.9A-315 and 62A.9A-322 apply with
3 respect to proceeds and priorities in proceeds;

4 (13) An assignment in a consumer transaction of a deposit account
5 on which checks can be drawn, but RCW 62A.9A-315 and 62A.9A-322 apply
6 with respect to proceeds and priorities in proceeds; ((~~or~~))

7 (14) A transfer by this state or a governmental unit of this
8 state; or

9 (15) The creation or transfer of an interest in or lien on a live
10 dog or cat.

11 NEW SECTION. **Sec. 5.** In addition to any other remedies provided
12 by law, the consumer taking possession of a live dog or cat that is
13 transferred under a contract declared to be void and unenforceable
14 under section 1, 2, or 3 of this act is deemed the owner of the dog
15 or cat and is also entitled to the return of all amounts the consumer
16 paid under the contract.

17 NEW SECTION. **Sec. 6.** Nothing in this act may be construed to
18 apply to contracts for payments to repay an unsecured loan for the
19 purchase of a live dog or cat.

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