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SUBSTITUTE SENATE BILL 5778

State of Washington 67th Legislature 2022 Regular Session

By Senate Transportation (originally sponsored by Senators Braun, Honeyford, Lovick, Padden, Short, and J. Wilson)

READ FIRST TIME 03/07/22.

- AN ACT Relating to addressing the current backlog of vehicle inspections; amending RCW 46.12.560 and 46.68.410; adding a new section to chapter 46.09 RCW; creating a new section; providing an effective date; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 46.12.560 and 2011 c 114 s 7 are each amended to read as follows:
 - (1) (a) ((Before)) Except as provided in subsection (4) of this section, before accepting an application for a certificate of title, the department, county auditor or other agent, or subagent appointed by the director shall require an applicant to provide a certificate of vehicle inspection completed by the Washington state patrol or other authorized inspector if the vehicle:
- 14 (i) Was declared a total loss or salvage vehicle under the laws 15 of this state;
- (ii) Has been rebuilt after the certificate of title was returned to the department under RCW 46.12.600 and the vehicle was not kept by the registered owner at the time of the vehicle's destruction or declaration as a total loss; or
- (iii) Is presented with documents from another state showing that the vehicle was a total loss or salvage vehicle and has not been

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reissued a valid registration certificate from that state after the declaration of total loss or salvage.

- (b) A vehicle presented for inspection must have all damaged major component parts replaced or repaired to meet all requirements in law and rule before the Washington state patrol will inspect the vehicle. The inspection must verify that the vehicle identification number is genuine and agrees with the number shown on the certificate of title and registration certificate.
- (c) A Washington state patrol vehicle identification number specialist must ensure that all major component parts used for the reconstruction of a salvage or rebuilt vehicle were obtained legally, and must securely attach a marking at the driver's door latch pillar indicating the vehicle was previously destroyed or declared a total loss. It is a class C felony for a person to remove the marking indicating that the vehicle was previously destroyed or declared a total loss.
- (2) A person presenting a vehicle for inspection under subsection (1) of this section must provide original invoices for new and used parts from:
 - (a) A vendor that is registered with the department of revenue or a comparable agency in the jurisdiction where the major component parts were purchased for the collection of retail sales or use taxes. The invoices must include:
 - (i) The name and address of the business;
 - (ii) A description of the part or parts sold;
 - (iii) The date of sale; and

- (iv) The amount of sale to include all taxes paid unless exempted by the department of revenue or a comparable agency in the jurisdiction where the major component parts were purchased;
- (b) A vehicle wrecker licensed under chapter 46.80 RCW or a comparable business in the jurisdiction outside Washington state where the major component part was purchased; and
- (c) Private individuals. The private individual must have the certificate of title to the vehicle where the parts were taken from unless the parts were obtained from a parts car owned by a collector. Bills of sale for parts must be notarized and include:
 - (i) The names and addresses of the sellers and purchasers;
- 38 (ii) A description of the vehicle and the part or parts being 39 sold, including the make, model, year, and identification or serial 40 number;

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1 (iii) The date of sale; and

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- 2 (iv) The purchase price of the vehicle part or parts.
 - (3) A person presenting a vehicle for inspection under this section who is unable to provide an acceptable release of interest or proof of ownership for a vehicle or major component part as described in this section shall apply for an ownership in doubt application described in RCW 46.12.680.
- 8 (4) All-terrain vehicles, wheeled all-terrain vehicles, and
 9 utility-type vehicles are exempt from the vehicle identification
 10 number inspection required in subsections (1) through (3) of this
 11 section.
 - (5) (a) Before accepting an application for a certificate of title, the department, county auditor or other agent, or subagent appointed by the director shall require an applicant to provide a certificate of vehicle inspection completed by the Washington state patrol or other authorized inspector when the application is for a vehicle being titled for the first time as:
- 18 (i) Assembled;
- 19 (ii) Glider kit;
- 20 (iii) Homemade;
- 21 (iv) Kit vehicle;
- 22 (v) Street rod vehicle;
- 23 (vi) Custom vehicle; or
- (vii) Subject to ownership in doubt under RCW 46.12.680.
 - (b) The inspection must verify that the vehicle identification number is genuine and agrees with the number shown on the certificate of title and registration certificate.
 - ((+5)) (6) (a) Before accepting an application for a certificate of title, the department, county auditor or other agent, or subagent appointed by the director shall require an applicant to provide a certificate of vehicle inspection completed by the Washington state patrol when the application is for a vehicle with a vehicle identification number that has been:
- 34 (i) Altered;
- 35 (ii) Defaced;
- 36 (iii) Obliterated;
- 37 (iv) Omitted;
- 38 (v) Removed; or
- 39 (vi) Otherwise absent.

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- 1 (b) The application must include payment of the fee required in 2 RCW 46.17.135.
- 3 (c) The Washington state patrol shall assign a new vehicle 4 identification number to the vehicle and place or stamp the new 5 number in a conspicuous position on the vehicle.
- 6 (d) The department shall use the new vehicle identification 7 number assigned by the Washington state patrol as the official 8 vehicle identification number assigned to the vehicle.
- 9 $((\frac{(+6)}{(+6)}))$ The department may adopt rules as necessary to 10 implement this section.
- NEW SECTION. Sec. 2. A new section is added to chapter 46.09
 RCW to read as follows:
- Vehicles titled under this chapter are exempt from the vehicle identification number inspection required in RCW 46.12.560.
- NEW SECTION. Sec. 3. (1) The Washington state patrol and the department of licensing, in collaboration with an outside consultant, must examine the vehicle identification number inspection program and make recommendations for improvements to the program, including the timeliness of completed inspections. The study must:
- 20 (a) Review current underlying statutes and compare with best 21 practices of other states;

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- (b) Examine the types of statutorily and administratively required inspections, and prioritize to ones that have a direct impact on public safety and actually reduce the number of stolen vehicles and parts in the state;
- 26 (c) Recommend changes to the existing program to increase 27 financial sustainability, customer satisfaction, and the overall 28 efficiency of the program; and
- 29 (d) Identify staffing and technology needs to optimize service 30 delivery, including improved inspection scheduling and completions.
- 31 (2)(a) The Washington state patrol and the department of 32 licensing must jointly provide a preliminary report of their findings 33 and recommendations to the joint transportation committee by November 34 1, 2022.
- 35 (b) The Washington state patrol and the department of licensing 36 must jointly submit a final report of their findings and 37 recommendations to the governor and the transportation committees of 38 the legislature by January 1, 2023.

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- 1 (3) This section expires January 2, 2023.
- 2 **Sec. 4.** RCW 46.68.410 and 2010 c 161 s 812 are each amended to read as follows:
- The vehicle identification number inspection fee collected under RCW 46.17.130 must be distributed ((as follows:
- 6 (1) Fifteen dollars)) to the state patrol highway account created 7 in RCW 46.68.030((; and
- 8 (2) Fifty dollars to the motor vehicle fund created in RCW 9 46.68.070)).
- NEW SECTION. Sec. 5. Section 4 of this act takes effect July 1, 2022.

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