

CHAPTER 166.

[H. B. 169.]

MOTOR VEHICLES—OWNERSHIP CERTIFICATES—
DEALERS' LICENSES.

AN ACT relating to motor vehicles; providing for the issuance of certificates of ownership and registration; regulating the licensing of motor vehicle dealers; amending section 4, chapter 188, Laws of 1937, as amended by section 2, chapter 164, Laws of 1947, and RCW 46.12.050; amending section 5, chapter 188, Laws of 1937, as last amended by section 3, chapter 164, Laws of 1947 and sections 2 and 3, chapter 269, Laws of 1951, and RCW 46.12.060, 46.12.070, 46.12.080, 46.12-.090; amending section 6, chapter 188, Laws of 1937, as last amended by section 4, chapter 164, Laws of 1947 and sections 1 and 2, chapter 252, Laws of 1953, and RCW 46.12.100, 46.12.110, 46.12.120, 46.12.130, 46.12.140, 46.12.150 and 46.12-.160; amending sections 2, 5, 6, 7 and 8, chapter 150, Laws of 1951 and RCW 46.70.010, 46.70.040, 46.70.050, 46.70.060 and 46.70.070; amending section 13, chapter 150, Laws of 1951, as amended by section 20, chapter 273, Laws of 1957, and RCW 46.70.100; and adding a new section to chapter 46.70 RCW.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. Section 4, chapter 188, Laws of 1937, as amended by section 2, chapter 164, Laws of 1947, and RCW 46.12.050 are each amended to read as follows:

RCW 46.12.050
amended.

The director, if satisfied from the statements upon the application that the applicant is the legal owner of the vehicle or otherwise entitled to have the certificate of ownership thereof in his name, shall thereupon issue an appropriate certificate of ownership, over his signature, authenticated by seal, and a new certificate of license registration if certificate of license registration is required.

Issuance of
certificate
—Contents.

Both the certificate of ownership and the certificate of license registration shall contain upon the face thereof, the date of issue, the registration number assigned to the registered owner and to the vehicle, the name and address of the registered owner

and legal owner, the motor number or proper identification number, if the certificate is for a motor vehicle, or the serial number, if the certificate is for a trailer, and such other description of the vehicle and facts as the director shall require, and in addition thereto, if the vehicle described in such certificates shall have ever been licensed and operated as an exempt vehicle or a taxicab, or if it is less than four years old and has been rebuilt after having been totaled out by an insurance carrier, such fact shall be clearly shown thereon.

The reverse side of the certificate of ownership only shall contain forms for assignment and notice to the director of a transfer of the ownership or interest of the registered owner and legal owner. A blank space shall be provided on the face of the certificate of license registration for the signature of the registered owner.

Upon issuance of the certificate of license registration and certificate of ownership and upon any reissue thereof, the director shall deliver the certificate of license registration to the registered owner and the certificate of ownership to the legal owner, or both to the person who is both the registered owner and legal owner.

SEC. 2. Section 5, chapter 188, Laws of 1937, as last amended by section 3, chapter 164, Laws of 1947 and sections 2 and 3, chapter 269, Laws of 1951 (heretofore divided and codified as RCW 46.12.060, 46.12.070, 46.12.080 and 46.12.090) is divided and amended to read as set forth in sections 3, 4, 5 and 6 of this act.

SEC. 3. (RCW 46.12.060) Before the director shall issue a certificate of ownership, or reissue such a certificate, covering any vehicle, the motor number of which, in case of a motor vehicle, or the serial number of which, in case of a trailer, has been altered, removed, obliterated, defaced, omitted, or is

RCW 46.12.060
enacted
without
amendment.

otherwise absent, the registered owner of the vehicle shall file an application with the director, accompanied by a fee of one dollar, upon a form provided, and containing such facts and information as shall be required by the director for the assignment of a special number for such vehicle. Upon receipt of such application, the director, if he is satisfied the applicant is entitled to the assignment of a motor number, identification number, or serial number, shall designate a special motor number, identification number, or serial number, as the case may be, together with a symbol indicative of this state, for such vehicle, which symbol followed by such number shall be noted upon the application therefor, and likewise upon a suitable record of the authorization of the use thereof, to be kept by and in the office of the director. The applicant for such assignment of number shall be, in case of a motor vehicle, promptly notified of the number assigned and the symbol to be prefixed thereto, and such applicant shall thereupon cause such symbol and motor number to be pressed or cut in a conspicuous position upon the motor, if the assigned number is a motor number, or frame or other permanent part of the motor vehicle, if the number assigned is an identification number. The applicant for such assignment of number shall be, in case of a trailer, assigned a proper identification number which shall be placed or stamped in a conspicuous position upon the outside of the trailer in such manner and form as may be prescribed by the director. Upon receipt by the director of a certificate by an officer of the Washington state patrol, or other person authorized by the director, that he has inspected such vehicle and that the motor number, or identification number, together with the symbol so assigned, or the special serial number plate, have been legally pressed or cut in a conspicuous position upon the motor or upon

the most permanent part of the motor vehicle most readily accessible for inspection, or stamped or securely attached in a conspicuous position upon the outside of the trailer, accompanied by an application for a certificate of ownership or application for reissue of such certificate and the required fee therefor, the director shall use such number and such symbol as the numerical identification marks for the vehicle in any certificate of license registration or certificate of ownership he may thereafter issue therefor.

RCW 46.12.070 amended. Surrender on destruction of vehicle.

SEC. 4. (RCW 46.12.070) Upon the destruction of any vehicle covered by certificates of license registration and ownership, the registered owner and the legal owner shall forthwith and within five days thereafter forward and surrender such certificate, together with the vehicle license plates therefor if available, to the director, together with a statement of the reason for such surrender and the time and place of destruction. Failure to notify the director or the possession by any person of any such certificate for a vehicle so destroyed, after five days following its destruction, shall be prima facie evidence of violation of the provisions of this chapter and shall constitute a gross misdemeanor.

Failure, gross misdemeanor.

Any insurance company settling any insurance claim on any such vehicle as a total loss, less salvage, shall notify the director thereof within five days after the settlement of any such claim under any policy of insurance carried by it on a vehicle covered by certificates of license registration and ownership issued by this state.

RCW 46.12.080 amended. Procedure on installing new motor.

SEC. 5. (RCW 46.12.080) Any person holding the certificate of license registration for a vehicle in which there has been installed a new or different motor than that with which it was issued certificates of ownership and license registration shall forthwith and within five days after such installation forward

and surrender such certificates to the director, together with an application for issue of corrected certificates of ownership and license registration and a fee of one dollar, and a statement of the disposition which was made of the former motor. The possession by any person of any such certificates for a vehicle in which a new or different motor has been installed, after five days following such installation, shall be prima facie evidence of a violation of the provisions of this chapter and shall constitute a misdemeanor.

Possession
of certificate,
misdemeanor.

SEC. 6. (RCW 46.12.090) Whenever the motor or motor block carrying the identification number is removed from any motor vehicle and the vehicle has not been destroyed or dismantled in such a manner as to come under the provisions of RCW 46.12-.070, and there has been issued and is outstanding a certificate of ownership for such vehicle, the registered owner or vehicle dealer having possession of the vehicle shall, within a period of five days after the removal thereof, notify the director in writing on forms to be prescribed by the director and furnished for that purpose, giving the description of the vehicle from which such motor or motor block has been removed, the date of the removal thereof, and the name and address of the purchaser or holder thereof, or in the event the motor or motor block is not in a condition to be used in a motor vehicle, the disposition made thereof. It shall be unlawful for any dealer or registered owner to fail, neglect, or refuse to comply with the provisions of this section.

RCW 46.12.090
enacted
without
amendment.

SEC. 7. Section 6, chapter 188, Laws of 1937, as last amended by section 4, chapter 164, Laws of 1947 and sections 1 and 2, chapter 252, Laws of 1953 (heretofore divided and codified as RCW 46.12.100, 46.12.110, 46.12.120, 46.12.130, 46.12.140, 46.12.150

and 46.12.160) is divided and amended as set forth in sections 8, 9, 10, 11, 12, 13 and 14 below.

RCW 46.12.100
enacted
without
amendment.

SEC. 8. (RCW 46.12.100) In the event of the sale or other transfer to a new registered owner of any vehicle for which a certificate of ownership and a certificate of license registration have been issued, the registered and legal owners shall endorse upon the back of the certificate of ownership an assignment thereof in form printed thereon, and shall record thereon name of purchaser and date of transaction and shall deliver the same to the purchaser or transferee at the time of the delivery to him of the vehicle. Delivery of a certificate of title to a purchaser or his agent without at the same time recording the name of the purchaser and the date of the transaction on the assignment form shall constitute a misdemeanor.

RCW 46.12.110
enacted
without
amendment.

SEC. 9. (RCW 46.12.110) The purchaser or transferee, unless such person is a dealer, shall within fifteen days thereafter apply to the director or his duly authorized agent for the reissue of such certificate of ownership and transfer of license registration. Such application shall be made on forms prescribed by the director and accompanied by a fee of one dollar. Upon receipt of such application, accompanied by the endorsed certificate of ownership and such other documentary evidence as is deemed necessary, the director shall, if the application is in order and if all provisions relating to certificates of ownership and license registration have been complied with, issue a new certificate of ownership and new certificate of license registration as in the case of an original issue and shall transmit the fees together with an itemized detailed report to the state treasurer, to be deposited in the motor vehicle fund. If the purchaser or transferee fails or neglects to transfer such certificate of ownership and license registration within fifteen days after date of delivery

of the vehicle to him he shall be guilty of a misdemeanor and in addition thereto he shall on making application for transfer be assessed a five dollar penalty on the sixteenth day and one dollar additional for each day thereafter, but not to exceed fifteen dollars: *Provided*, That the penalty shall not apply to a registered dealer who has purchased the vehicle for the purpose of resale.

SEC. 10. (RCW 46.12.120) If the purchaser or transferee is a dealer he shall, on selling or otherwise disposing of the vehicle, promptly execute the assignment and warranty of title, in such form as the director shall prescribe, and showing any lienholder holding a security interest created or reserved at the time of resale and the date of his security agreement, to which shall be attached the assigned certificates of ownership and license registration received by the dealer, and mail or deliver them to the department with the transferee's application for the issuance of new certificates of ownership and license registration.

RCW 46.12.120
amended.
Duty when
transferee
is dealer.

SEC. 11. (RCW 46.12.130) Certificates of ownership when assigned and returned to the director, together with subsequently assigned reissues thereof, shall be retained by the director and appropriately filed and indexed so that at all times it will be possible to trace ownership to the vehicle designated therein.

RCW 46.12.130
enacted
without
amendment.

When the ownership of a vehicle passes by operation of law, the person thus acquiring ownership shall upon furnishing satisfactory proof to the director of his ownership, procure the issuance of a certificate of ownership to the vehicle, regardless of whether a certificate of ownership has ever been issued: *Provided*, That in all cases of application for the reissue of certificates of ownership or certificates of license registration, or either, by reason of transfer of legal ownership or registered ownership by

operation of law, the director shall give written notice thereof to both the legal owner and registered owner, by mail, postage prepaid, at his or their last given address, which notice shall require the surrender of certificates of ownership or license registration, or both, within ten days from the date of posting the letter. In the event that the certificates, or either of them, have not been surrendered to the director within ten days from and after the date of posting the letter, the certificates or either of them shall become void and the director shall pass upon the application without regard for the outstanding certificates or either of them, unless restrained from so doing.

RCW 46.12.140
enacted
without
amendment.

SEC. 12. (RCW 46.12.140) In the case of dealers in vehicles, including manufacturers who sell to persons other than dealers, a separate certificate of ownership, either of the dealer's immediate vendor properly assigned or of the dealer himself, shall be required covering each used vehicle kept in his possession.

RCW 46.12.150
enacted
without
amendment.

SEC. 13. (RCW 46.12.150) Whenever application is made to the director by a new legal or registered owner of a vehicle and the applicant is unable to present the certificate of ownership or license registration previously issued for the vehicle by reason of its being unlawfully withheld by one in possession or otherwise not available, the director may receive such application and examine into the circumstances of the case and may require the filing of affidavits or other information, and when the director is satisfied that the applicant is entitled thereto he may transfer the vehicle or reregister it and issue new certificates for the vehicle to the person found to be entitled thereto, if the required fee has been previously paid to the director.

SEC. 14. (RCW 46.12.160) If the director determines at any time that an applicant for certificate of ownership or for a certificate of license registration for a vehicle is not entitled thereto, he may refuse to issue such certificate or to license the vehicle and he may, for like reason, after notice, and in the exercise of discretion, cancel license registration already acquired or any outstanding certificate of ownership. The notice shall be served personally or by registered mail. It shall then be unlawful for any person to remove, drive, or operate the vehicle until a proper certificate of ownership or license registration has been issued and any person removing, driving, or operating such vehicle after the refusal of the director to issue certificates or the revocation thereof shall be guilty of a gross misdemeanor.

RCW 46.12.160
enacted
without
amendment.

SEC. 15. Section 2, chapter 150, Laws of 1951 and RCW 46.70.010 are each amended to read as follows:

RCW 46.70.010
amended.

“Dealer” as defined in this title shall mean any person in the business of buying, selling, exchanging or acting as a broker of new or used motor vehicles, trailers, or motorcycles, with an established place of business actually occupied for the purpose of conducting business, at which is kept and maintained the books, records and files of the business.

“Dealer”
defined.

The place of business shall have an office and display area and shall be identified by a sign. The place of business shall be open to inspection of pertinent records and vehicles by any representative of the department during business hours by consent of dealer.

SEC. 16. Section 5, chapter 150, Laws of 1951 and RCW 46.70.040 are each amended to read as follows:

RCW 46.70.040
amended.
Application
—Contents.

Applications for a dealer’s license shall be made upon the form prescribed by the department and shall contain:

(1) The name under which the business is to be conducted and the address of its established place of business;

(2) The name and address of owner, or if partnership, name and address of each partner. If owner is a corporation, the names of principal officers and their addresses, and if the corporation is not incorporated under the laws of this state, the name of the state in which it is incorporated, and the name of its resident officers;

(3) The make of vehicles for which enfranchised, if any;

(4) Whether or not used vehicles will be sold;

(5) A certificate to the effect that the applicant is a bona fide dealer as defined in this chapter having an established place of business at the address shown on the application and that the books, records, and files of the business are kept thereat, which certificate shall be signed by the chief of police or his deputy in cities having a population of five thousand persons or more, otherwise by a member of the Washington state patrol;

(6) A recommendation endorsed on the application by two freeholders of the county in which the applicant desires to carry on his principal place of business, certifying that they are acquainted with the applicant, and that they believe the applicant to be honest, truthful, and of good moral character;

(7) Whether or not a previous dealer's license has been denied, suspended, or revoked; and

(8) Such other information as may be required by the department.

Every such application shall be accompanied by the fee required by law.

SEC. 17. Section 6, chapter 150, Laws of 1951 and RCW 46.70.050 are each amended to read as follows:

Upon receiving an application for dealer's license, the director may make an independent investigation

RCW 46.70.050
amended.

License—
issuance,
expiration,
renewal.

relative to the statements contained in the application and shall, if such application is in proper form and accompanied by a proper fee, retain the application and transmit the fee to the state treasurer with a proper identifying report, such fee to be deposited in the motor vehicle fund. If the director is satisfied that the applicant has complied with the provisions of this chapter and is entitled to a dealer's license, he shall issue an official certificate authorizing the dealer named thereon to carry on and conduct the business of an automobile dealer in motor vehicles, or a miscellaneous dealer in trailers and motorcycles. Every license so issued shall expire on December 31st, and may be renewed by filing a proper application and paying the fees therefor.

SEC. 18. Section 7, chapter 150, Laws of 1951 and RCW 46.70.060 are each amended to read as follows:

RCW 46.70.060 amended.

The fee for original dealer license for each calendar year or fraction thereof shall be as follows: Automobile dealers, fifty dollars; miscellaneous dealers, twenty-five dollars, which shall include one set of dealer license plates, and which may be renewed annually for a fee of twenty dollars for automobile dealers and for a fee of ten dollars for miscellaneous dealers: *Provided*, That any dealer who is otherwise eligible and during the year 1958 has obtained a dealer's license shall be permitted to obtain a renewal of license and pay therefor the renewal fee as herein provided. Additional sets of the dealer license plates, bearing the same license number, may be obtained for three dollars per set. If any dealer shall fail or neglect to apply for such renewal prior to February 1st in each year, his license shall be declared canceled by the director of licenses, in which case the dealer will be required to apply for an original license and pay the fee required for such original license. The fees pre-

License fee
—Dealer's
plates.

Penalty upon
failure to
renew.

scribed herein shall be in addition to any excise taxes imposed by chapter 82.44 RCW.

RCW 46.70.070 amended.

SEC. 19. Section 8, chapter 150, Laws of 1951 and RCW 46.70.070 are each amended to read as follows:

Bond required.

Before issuing a dealer license, the director shall require the applicant to file with said director a surety bond in the amount of ten thousand dollars for automobile dealers and two thousand dollars for miscellaneous dealers running to the state, and executed by a surety company authorized to do business in the state. Such bond shall be approved by the attorney general as to form and conditioned that the dealer shall conduct his business in conformity with the provisions of this chapter. Any person who shall have suffered any loss or damage by reason of breach of warranty or by any act by a dealer which constitutes a violation of this chapter shall have the right to institute an action for recovery against such dealer and the surety upon such bond. Successive recoveries against said bond shall be permitted but the aggregate liability of the surety to all persons shall in no event exceed the amount of the bond. Upon exhaustion of the penalty of said bond or cancellation of the bond by the surety the director shall revoke the license of the dealer.

RCW 46.70.100 amended.

SEC. 20. Section 13, chapter 150, Laws of 1951, as amended by section 20, chapter 273, Laws of 1957, and RCW 46.70.100 are each amended to read as follows:

Refusal, suspension, revocation of license—
Grounds.

The director may refuse to issue a dealer license, or may suspend or revoke a dealer license whenever he has reason to believe that such dealer has:

- (1) Forged the signature of the registered or legal owner on a certificate of title;
- (2) Sold or disposed of a vehicle which he knows or has reason to know has been stolen or appropriated without the consent of the owner;

(3) Wilfully misrepresented any material facts in the applications for a vehicle dealer's license, certificate of registration or certificate of title;

(4) Wilfully failed to deliver to a purchaser a certificate of title to the car sold; and/or

(5) Suffered or permitted the cancellation of the bond or the exhaustion of the penalty thereof;

(6) Been convicted of, or has suffered a judgment to be taken against him, in any action in which fraud or misrepresentation is an element;

(7) Failed to comply with the requirements of chapter 46.70 RCW with reference to notices, or reports of transfers of vehicles, or the maintenance of records, or has caused or suffered or is permitting the unlawful use of the certificate or registration plates.

SEC. 21. There is added to chapter 46.70 RCW a New section. new section to read as follows:

The director may make any reasonable rules and regulations not inconsistent with the provisions of Rules and regulations. chapter 46.70 RCW relating to the enforcement and proper operation thereof.

Passed the House February 27, 1959.

Passed the Senate March 9, 1959.

Approved by the Governor March 17, 1959.