Therefore, I have vetoed section 3(3). The remainder of Substitute Senate Bill No. 4561 is approved.

## CHAPTER 39

## [Senate Bill No. 4475] MOTOR VEHICLE TITLE AND REGISTRATION TRANSFERS

AN ACT Relating to motor vehicle title and registration transfers; amending section 7, chapter 140, Laws of 1967 as last amended by section 1, chapter 99, Laws of 1972 ex. sess. and RCW 46.12.101; adding a new section to chapter 46.12 RCW; and prescribing penalties.

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

Sec. 1. Section 7, chapter 140, Laws of 1967 as last amended by section 1, chapter 99, Laws of 1972 ex. sess. and RCW 46.12.101 are each amended to read as follows:

A transfer of ownership in a motor vehicle is perfected by compliance with the requirements of this section.

(1) If an owner transfers his interest in a vehicle, other than by the creation of a security interest, he shall, at the time of the delivery of the vehicle, execute an assignment to the transferee and inscribe in ink the number of miles indicated on the odometer in the respective spaces provided therefor on the certificate or as the department prescribes, and cause the certificate and assignment to be transmitted to the transferee ((or to)). Within five days the owner shall notify the department of the sale or transfer giving the date thereof, the name and address of the owner and of the transferee, and such description of the vehicle as may be required in the appropriate form provided for that purpose by the department.

(2) Except as provided in RCW 46.12.120 the transferee shall within fifteen days after delivery to him of the vehicle, execute the application for a new certificate of ownership in the same space provided therefor on the certificate or as the department prescribes, and cause the certificates and application to be transmitted to the department.

(3) Upon request of the owner or transferee, a secured party in possession of the certificate of ownership shall, unless the transfer was a breach of its security agreement, either deliver the certificate to the transferee for transmission to the department or, when the secured party receives the owner's assignment from the transferee, it shall transmit the transferee's application for a new certificate, the existing certificate, and the required fee to the department. Compliance with this section does not affect the rights of the secured party under his security agreement.

(4) If a security interest is reserved or created at the time of the transfer, the certificate of ownership shall be retained by or delivered to the person who becomes the secured party, and the parties shall comply with the provisions of RCW 46.12.170.

(5) 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 on making application for transfer be assessed a <u>twenty-five-dollar</u> penalty on the sixteenth day and ((one)) <u>two</u> dollars additional for each day thereafter, but not to exceed ((fifteen)) <u>one</u> <u>hundred</u> dollars: PROVIDED, That ((such)) failure or neglect to transfer within forty-five days after date of delivery of ((said)) <u>the</u> vehicle ((shall be)) is a misdemeanor.

(6) Upon receipt of an application for the reissue of a certificate of ownership and transfer of license registration, accompanied by the endorsed certificate of ownership and such other documentary evidence as is deemed necessary, the department shall, if the application is in order and if all provisions relating to the certificate of ownership and license registration have been complied with, issue new certificates of title and 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.

(7) Once each quarter the department shall report to the department of revenue a list of those vehicles for which a seller's report has been received but no transfer of title has taken place.

<u>NEW SECTION.</u> Sec. 2. There is added to chapter 46.12 RCW a new section to read as follows:

An owner who has made a bona fide sale or transfer of a vehicle and has delivered possession of it to a purchaser shall not by reason of any of the provisions of this title be deemed the owner of the vehicle so as to be subject to civil liability or criminal liability for the operation of the vehicle thereafter by another person when the owner has also fulfilled both of the following requirements:

(1) When he has made proper endorsement and delivery of the certificate of ownership and has delivered the certificate of registration as provided in this chapter;

(2) When he has delivered to the department either the notice as provided in RCW 46.12.101(1) or appropriate documents for registration of the vehicle pursuant to the sale or transfer.

Passed the Senate February 3, 1984. Passed the House February 16, 1984. Approved by the Governor February 23, 1984. Filed in Office of Secretary of State February 23, 1984.