

1984, to the extent provided in any order issued by a court of competent jurisdiction that provides for maintenance or support.

NEW SECTION. Sec. 2. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate February 7, 1990.

Passed the House March 2, 1990.

Approved by the Governor March 28, 1990.

Filed in Office of Secretary of State March 28, 1990.

CHAPTER 238

[Substitute Senate Bill No. 6560]
ODOMETER DISCLOSURES

AN ACT Relating to odometers; amending RCW 46.12.030, 46.12.040, 46.12.050, 46.12.101, 46.12.120, and 46.70.120; adding a new section to chapter 46.12 RCW; repealing RCW 46.12.125; declaring an emergency; and providing an effective date.

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

Sec. 1. Section 46.12.030, chapter 12, Laws of 1961 as last amended by section 8, chapter 25, Laws of 1975 and RCW 46.12.030 are each amended to read as follows:

The application for certificate of ownership shall be upon a blank form to be furnished by the department and shall contain:

(1) A full description of the vehicle, which (~~said description~~) shall contain the proper vehicle identification number, the number of miles indicated on the odometer at the time of delivery of the vehicle, and any distinguishing marks of identification;

(2) The name and address of the person who is to be the registered owner of the vehicle and, if the vehicle is subject to a security interest, the name and address of the secured party;

(3) Such other information as the department may require (~~(-PROVIDED, That)~~). The department may in any instance, in addition to the information required on ((said)) the application, require additional information and a physical examination of the vehicle or of any class of vehicles, or either((-PROVIDED FURTHER, That)). A physical examination of the vehicle is mandatory if it previously was registered in any other state or country. The inspection must verify that the vehicle identification number is

genuine and agrees with the number shown on the foreign title and registration certificate. If the vehicle is from a jurisdiction that does not issue titles, the inspection must verify that the vehicle identification number is genuine and agrees with the number shown on the registration certificate. The inspection must also confirm that the license plates on the vehicle are those assigned to the vehicle by the jurisdiction in which the vehicle was previously licensed. The inspection must be made by a member of the Washington state patrol or other person authorized by the department to make such inspections.

~~((Such))~~ The application shall be subscribed by the registered owner and be sworn to by that ((person before a notary public or other officer authorized by law to take acknowledgments of deeds, or other person authorized by the director to certify to the signature of the applicant upon such application)) applicant in the manner described by RCW 9A.72.085. The department shall retain the application in either the original, computer, or photostatic form.

Sec. 2. Section 46.12.040, chapter 12, Laws of 1961 as last amended by section 1, chapter 110, Laws of 1989 and RCW 46.12.040 are each amended to read as follows:

The application accompanied by a draft, money order, ~~((or))~~ certified bank check, or cash for one dollar and twenty-five cents, together with the last preceding certificates or other satisfactory evidence of ownership, shall be forwarded to the director.

The fee shall be in addition to any other fee for the license registration of the vehicle. The certificate of ownership shall not be required to be renewed annually, or at any other time, except as by law provided.

In addition to the application fee and any other fee for the license registration of a vehicle, there shall be collected from the applicant an inspection fee whenever a physical examination of the vehicle is required as a part of the vehicle licensing or titling process.

For vehicles previously registered in any other state or country, the inspection fee shall be fifteen dollars and shall be deposited in the motor vehicle fund. For all other vehicles requiring a physical examination, the inspection fee shall be twenty dollars and shall be deposited in the motor vehicle fund.

Sec. 3. Section 46.12.050, chapter 12, Laws of 1961 as last amended by section 9, chapter 25, Laws of 1975 and RCW 46.12.050 are each amended to read as follows:

The department, 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 the applicant's name, shall thereupon issue an appropriate certificate of ownership, over the director's signature, authenticated by seal, and a new certificate of license registration if certificate of license registration is required.

Both the certificate of ownership and the certificate of license registration shall contain upon the face thereof, the date of application, the registration number assigned to the registered owner and to the vehicle, the name and address of the registered owner and legal owner, the vehicle identification number, and such other description of the vehicle and facts as the department 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. All certificates of ownership of motor vehicles issued after April 30, 1990, shall reflect the odometer reading as provided by the odometer disclosure statement submitted with the title application involving a change of registration.

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 department 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. 4. Section 7, chapter 140, Laws of 1967 as last amended by section 1, chapter 127, Laws of 1987 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 or her interest in a vehicle, other than by the creation, deletion, or change of a security interest, the owner 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))~~ provide an odometer disclosure statement under section 6 of this act on the certificate of ownership or as the department otherwise prescribes, and cause the certificate and assignment to be transmitted to the transferee. 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) The requirements of subsection (1) of this section to provide an odometer disclosure statement apply to the transfer of vehicles held for lease when transferred to a lessee and then to the lessor at the end of the leasehold and to vehicles held in a fleet when transferred to a purchaser.

(3) Except as provided in RCW 46.12.120 the transferee shall within fifteen days after delivery to the transferee 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))~~ (4) 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.

~~((4))~~ (5) 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))~~ (6) If the purchaser or transferee fails or neglects to make application to transfer the certificate of ownership and license registration within fifteen days after the date of delivery of the vehicle, he or she shall on making application for transfer be assessed a twenty-five dollar penalty on the sixteenth day and two dollars additional for each day thereafter, but not to exceed one hundred dollars. The director may by rule establish conditions under which the penalty will not be assessed when an application for transfer is delayed for reasons beyond the control of the purchaser. Conditions for not assessing the penalty may be established for but not limited to delays caused by:

- (a) The department requesting additional supporting documents;
- (b) Extended hospitalization or illness of the purchaser;
- (c) Failure of a legal owner to release his or her interest;
- (d) Failure, negligence, or nonperformance of the department, auditor, or subagent.

Failure or neglect to make application to transfer the certificate of ownership and license registration within forty-five days after the date of delivery of the vehicle is a misdemeanor.

~~((6))~~ (7) Upon receipt of an application for reissue or replacement of a certificate of ownership and transfer of license registration, accompanied by the endorsed certificate of ownership or 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))~~ (8) 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.

Sec. 5. Section 46.12.120, chapter 12, Laws of 1961 as last amended by section 11, chapter 25, Laws of 1975 and RCW 46.12.120 are each amended to read as follows:

(1) 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(~~(, including recording on the application the odometer reading as recorded by the previous owner on the title at the time the dealer obtained the vehicle or, if the previous owner failed to record the mileage on the title, the dealer shall attach a signed statement attesting to the odometer reading as it appeared on the vehicle at the time the vehicle was obtained by the dealer. Such))~~).

(2) The assignment and warranty shall show any secured party holding a security interest created or reserved at the time of resale, to which shall be attached the assigned certificates of ownership and license registration received by the dealer(, and)). The dealer shall mail or deliver them to the department with the transferee's application for the issuance of new certificates of ownership and license registration(, PROVIDED, That)). The title certificate issued for a vehicle possessed by a dealer and subject to a security interest shall be delivered to the secured party who upon request of the dealer's transferee shall, unless the transfer was a breach of ((his)) the security agreement, either deliver the certificate to the transferee for transmission to the department, or upon receipt from the transferee of the owner's bill of sale or sale document, the transferee's application for a new certificate and the required fee, mail or deliver to the department(, AND PROVIDED FURTHER, That)). Failure of a dealer to deliver the title certificate to the secured party does not affect perfection of the security interest.

NEW SECTION. Sec. 6. A new section is added to chapter 46.12 RCW to read as follows:

(1) The department shall require an odometer disclosure statement to accompany every application for a certificate of ownership, unless specifically exempted. If the certificate of ownership was issued after April 30, 1990, a secure odometer statement is required, unless specifically exempted. The statements shall include, at a minimum, the following:

(a) The miles shown on the odometer at the time of transfer of ownership;

(b) The date of transfer of ownership;

(c) One of the following statements:

(i) The mileage reflected is actual to the best of transferor's knowledge;

(ii) The odometer reading exceeds the mechanical limits of the odometer to the best of the transferor's knowledge; or

(iii) The odometer reading is not the actual mileage;

If the odometer reading is under one hundred thousand miles, the only options that can be certified are "actual to the best of the transferor's

knowledge" or "not the actual mileage." If the odometer reading is one hundred thousand miles or more, the options "actual to the best of the transferor's knowledge" or "not the actual mileage" cannot be used unless the odometer has six digit capability;

(d) A complete description of the vehicle, including the:

(i) Model year;

(ii) Make;

(iii) Series and body type (model);

(iv) Vehicle identification number;

(v) License plate number and state (optional);

(e) The name, address, and signature of the transferor, in accordance with the following conditions:

(i) Only one registered owner is required to complete the odometer disclosure statement;

(ii) When the registered owner is a business, both the business name and a company representative's name must be shown on the odometer disclosure statement;

(f) The name and address of the transferee and the transferee's signature to acknowledge the transferor's information. If the transferee represents a company, both the company name and the agent's name must be shown on the odometer disclosure statement;

(g) A statement that the notice is required by the federal Truth in Mileage Act of 1986; and

(h) A statement that failure to complete the odometer disclosure statement or providing false information may result in fines or imprisonment or both.

(2) The transferee shall return a signed copy of the odometer disclosure statement to the transferor at the time of transfer of ownership.

(3) The following vehicles are not subject to the odometer disclosure requirement at the time of ownership transfer:

(a) A vehicle having a declared gross vehicle weight of more than sixteen thousand pounds;

(b) A vehicle that is not self-propelled;

(c) A vehicle that is ten years old or older;

(d) A vehicle sold directly by a manufacturer to a federal agency in conformity with contract specifications; or

(e) A new vehicle before its first retail sale.

Sec. 7. Section 46.70.120, chapter 12, Laws of 1961 as last amended by section 16, chapter 241, Laws of 1986 and RCW 46.70.120 are each amended to read as follows:

A dealer shall complete and maintain for a period of at least five years a record of the purchase and sale of all vehicles purchased or sold by him. The records shall consist of:

- (1) The license and title numbers of the state in which the last license was issued;
- (2) A description of the vehicle;
- (3) The name and address of person from whom purchased;
- (4) The name of legal owner, if any;
- (5) The name and address of purchaser;
- (6) If purchased from a dealer, the name, business address, dealer license number, and resale tax number of the dealer;
- (7) The price paid for the vehicle and the method of payment;
- (8) The vehicle odometer disclosure statement given by the seller to the dealer, and the vehicle odometer disclosure statement given by the dealer to the purchaser;
- (9) The written agreement to allow a dealer to sell between the dealer and the consignor, or the listing dealer and the seller;
- (10) Trust account records of receipts, deposits, and withdrawals;
- (11) All sale documents, which shall show the full name of dealer employees involved in the sale;
- (12) Any additional information the department may require.

Such record shall be maintained separate and apart from all other business records of the dealer and shall at all times be available for inspection by the director or his duly authorized agent.

NEW SECTION. Sec. 8. Section 4, chapter 99, Laws of 1972 ex. sess. and RCW 46.12.125 are each repealed.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect May 1, 1990. The director of licensing shall immediately take such steps as are necessary to ensure that this act is implemented on its effective date.

Passed the Senate March 6, 1990.

Passed the House March 2, 1990.

Approved by the Governor March 28, 1990.

Filed in Office of Secretary of State March 28, 1990.

CHAPTER 239

[Substitute House Bill No. 2430]

MOTOR VEHICLE WARRANTIES AND SERVICE CONTRACTS

AN ACT Relating to motor vehicle warranties; amending RCW 19.118.021, 48.96.030, 48.96.040, 48.96.050, and 48.96.060; adding new sections to chapter 48.96 RCW; and providing an effective date.

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