

# HOUSE BILL ANALYSIS

## SSB 6548

**Brief Description:** Selling a vehicle by consignment at wholesale motor vehicle auctions.

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**Sponsors:** Senator McCaslin

**Hearing:** February 24, 2000

### Brief Summary of Bill

- Increases the period of time from 10 days to 20 days within which a wholesale auto auction dealer must pay the amount due to the consignor in a consignment sale.

### BACKGROUND:

Dealers who transact business by consignment must obtain a consignment contract to sell the vehicle. Once the vehicle's title has been delivered to the purchaser of the vehicle, the dealer must pay the amount due to the consignor within 10 days after the sale. This provision covers consignment sales involving an individual who sells a vehicle through a vehicle dealer as well as consignment sales involving dealers who sell and purchase through a wholesale auto auction operated by a wholesale vehicle dealer.

### SUMMARY OF BILL:

In the case of a consignment sale involving vehicle dealers, the wholesale auto auction must pay the dealer who is selling vehicles through the auction within 20 days, rather than 10 days.

**RULES AUTHORITY:** The bill does not contain provisions addressing the rule making powers of an agency.

**FISCAL NOTE:** Not requested.

**EFFECTIVE DATE:** Ninety days after adjournment of a session in which bill is passed.