
SUBSTITUTE SENATE BILL 6455

State of Washington

62nd Legislature

2012 Regular Session

By Senate Transportation (originally sponsored by Senators Haugen and Shin; by request of Governor Gregoire)

READ FIRST TIME 02/07/12.

1 AN ACT Relating to transportation revenue; amending RCW 46.17.100,
2 46.17.200, 46.52.130, 46.70.061, and 46.70.180; and providing an
3 effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 46.17.100 and 2010 c 161 s 508 are each amended to
6 read as follows:

7 Before accepting an application for a certificate of title as
8 required in this title, the department, county auditor or other agent,
9 or subagent appointed by the director shall require the applicant to
10 pay a ((five)) twelve dollar and fifty cent application fee in addition
11 to any other fees and taxes required by law. The certificate of title
12 application fee must be distributed under RCW 46.68.020.

13 **Sec. 2.** RCW 46.17.200 and 2011 c 171 s 56 are each amended to read
14 as follows:

15 (1) In addition to all other fees and taxes required by law, the
16 department, county auditor or other agent, or subagent appointed by the
17 director shall charge:

1 (a) The following license plate fees for each license plate, unless
2 the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
<u>Original issue</u>	<u>\$ 10.00</u>	<u>RCW 46.68.070</u>
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	\$ 10.00	RCW 46.68.070
<u>Original issue,</u>	<u>\$ 4.00</u>	<u>RCW 46.68.070</u>
<u>motorcycle</u>		
Replacement,	(\$ 2.00)	RCW 46.68.070
motorcycle	<u>\$ 4.00</u>	
Original issue, moped	\$ 1.50	RCW 46.68.070

12 (b) A license plate retention fee, as required under RCW
13 46.16A.200(10)(~~(a)(iii)~~) (c), of twenty dollars if the owner wishes
14 to retain the current license plate number upon license plate
15 replacement, unless the owner or type of vehicle is exempt from
16 payment. The twenty dollar fee must be deposited in the multimodal
17 transportation account created in RCW 47.66.070.

18 (c) A ten dollar license plate transfer fee, as required under RCW
19 46.16A.200(8)(a), when transferring standard issue license plates from
20 one vehicle to another, unless the owner or type of vehicle is exempt
21 from payment. The ten dollar license plate transfer fee must be
22 deposited in the motor vehicle fund created in RCW 46.68.070.

23 (d) Former prisoner of war license plates, as described in RCW
24 46.18.235, may be transferred to a replacement vehicle upon payment of
25 a five dollar license plate fee, in addition to any other fee required
26 by law.

27 (2) The department may, upon request, provide license plates that
28 have been used and returned to the department to individuals for
29 nonvehicular use. The department may charge a fee of up to five
30 dollars per license plate to cover costs or recovery for postage and
31 handling. The department may waive the fee for license plates used in
32 educational projects and may, by rule, provide standards for the fee
33 waiver and restrictions on the number of license plates provided to any
34 one person. The fee must be deposited in the motor vehicle fund
35 created in RCW 46.68.070.

1 **Sec. 3.** RCW 46.52.130 and 2010 c 253 s 1 are each amended to read
2 as follows:

3 Upon a proper request, the department may furnish an abstract of a
4 person's driving record as permitted under this section.

5 (1) **Contents of abstract of driving record.** An abstract of a
6 person's driving record, whenever possible, must include:

7 (a) An enumeration of motor vehicle accidents in which the person
8 was driving, including:

9 (i) The total number of vehicles involved;

10 (ii) Whether the vehicles were legally parked or moving;

11 (iii) Whether the vehicles were occupied at the time of the
12 accident; and

13 (iv) Whether the accident resulted in a fatality;

14 (b) Any reported convictions, forfeitures of bail, or findings that
15 an infraction was committed based upon a violation of any motor vehicle
16 law;

17 (c) The status of the person's driving privilege in this state; and

18 (d) Any reports of failure to appear in response to a traffic
19 citation or failure to respond to a notice of infraction served upon
20 the named individual by an arresting officer.

21 (2) **Release of abstract of driving record.** An abstract of a
22 person's driving record may be furnished to the following persons or
23 entities:

24 (a) **Named individuals.** (i) An abstract of the full driving record
25 maintained by the department may be furnished to the individual named
26 in the abstract.

27 (ii) Nothing in this section prevents a court from providing a copy
28 of the driver's abstract to the individual named in the abstract,
29 provided that the named individual has a pending or open infraction or
30 criminal case in that court. A pending case includes criminal cases
31 that have not reached a disposition by plea, stipulation, trial, or
32 amended charge. An open infraction or criminal case includes cases on
33 probation, payment agreement or subject to, or in collections. Courts
34 may charge a reasonable fee for the production and copying of the
35 abstract for the individual.

36 (b) **Employers or prospective employers.** (i) An abstract of the
37 full driving record maintained by the department may be furnished to an
38 employer or prospective employer or an agent acting on behalf of an

1 employer or prospective employer of the named individual for purposes
2 related to driving by the individual as a condition of employment or
3 otherwise at the direction of the employer.

4 (ii) Release of an abstract of the driving record of an employee or
5 prospective employee requires a statement signed by: (A) The employee
6 or prospective employee that authorizes the release of the record; and
7 (B) the employer attesting that the information is necessary for
8 employment purposes related to driving by the individual as a condition
9 of employment or otherwise at the direction of the employer. If the
10 employer or prospective employer authorizes an agent to obtain this
11 information on their behalf, this must be noted in the statement.

12 (iii) Upon request of the person named in the abstract provided
13 under this subsection, and upon that same person furnishing copies of
14 court records ruling that the person was not at fault in a motor
15 vehicle accident, the department must indicate on any abstract provided
16 under this subsection that the person was not at fault in the motor
17 vehicle accident.

18 (c) **Volunteer organizations.** (i) An abstract of the full driving
19 record maintained by the department may be furnished to a volunteer
20 organization or an agent for a volunteer organization for which the
21 named individual has submitted an application for a position that would
22 require driving by the individual at the direction of the volunteer
23 organization.

24 (ii) Release of an abstract of the driving record of a prospective
25 volunteer requires a statement signed by: (A) The prospective
26 volunteer that authorizes the release of the record; and (B) the
27 volunteer organization attesting that the information is necessary for
28 purposes related to driving by the individual at the direction of the
29 volunteer organization. If the volunteer organization authorizes an
30 agent to obtain this information on their behalf, this must be noted in
31 the statement.

32 (d) **Transit authorities.** An abstract of the full driving record
33 maintained by the department may be furnished to an employee or agent
34 of a transit authority checking prospective volunteer vanpool drivers
35 for insurance and risk management needs.

36 (e) **Insurance carriers.** (i) An abstract of the driving record
37 maintained by the department covering the period of not more than the
38 last three years may be furnished to an insurance company or its agent:

1 (A) That has motor vehicle or life insurance in effect covering the
2 named individual;

3 (B) To which the named individual has applied; or

4 (C) That has insurance in effect covering the employer or a
5 prospective employer of the named individual.

6 (ii) The abstract provided to the insurance company must:

7 (A) Not contain any information related to actions committed by law
8 enforcement officers or firefighters, as both terms are defined in RCW
9 41.26.030, or by Washington state patrol officers, while driving
10 official vehicles in the performance of their occupational duty. This
11 does not apply to any situation where the vehicle was used in the
12 commission of a misdemeanor or felony;

13 (B) Include convictions under RCW 46.61.5249 and 46.61.525, except
14 that the abstract must report the convictions only as negligent driving
15 without reference to whether they are for first or second degree
16 negligent driving; and

17 (C) Exclude any deferred prosecution under RCW 10.05.060, except
18 that if a person is removed from a deferred prosecution under RCW
19 10.05.090, the abstract must show the deferred prosecution as well as
20 the removal.

21 (iii) Any policy of insurance may not be canceled, nonrenewed,
22 denied, or have the rate increased on the basis of information
23 regarding an accident included in the abstract of a driving record,
24 unless the policyholder was determined to be at fault.

25 (iv) Any insurance company or its agent, for underwriting purposes
26 relating to the operation of commercial motor vehicles, may not use any
27 information contained in the abstract relative to any person's
28 operation of motor vehicles while not engaged in such employment. Any
29 insurance company or its agent, for underwriting purposes relating to
30 the operation of noncommercial motor vehicles, may not use any
31 information contained in the abstract relative to any person's
32 operation of commercial motor vehicles.

33 (v) The director may enter into a contractual agreement with an
34 insurance company or its agent for the limited purpose of reviewing the
35 driving records of existing policyholders for changes to the record
36 during specified periods of time. The department shall establish a fee
37 for this service, which must be deposited in the highway safety fund.
38 The fee for this service must be set at a level that will not result in

1 a net revenue loss to the state. Any information provided under this
2 subsection must be treated in the same manner and is subject to the
3 same restrictions as driving record abstracts.

4 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of
5 the driving record maintained by the department covering the period of
6 not more than the last five years may be furnished to an alcohol/drug
7 assessment or treatment agency approved by the department of social and
8 health services to which the named individual has applied or been
9 assigned for evaluation or treatment, for purposes of assisting
10 employees in making a determination as to what level of treatment, if
11 any, is appropriate, except that the abstract must:

12 (i) Also include records of alcohol-related offenses, as defined in
13 RCW 46.01.260(2), covering a period of not more than the last ten
14 years; and

15 (ii) Indicate whether an alcohol-related offense was originally
16 charged as a violation of either RCW 46.61.502 or 46.61.504.

17 (g) **City attorneys and county prosecuting attorneys.** An abstract
18 of the full driving record maintained by the department, including
19 whether a recorded violation is an alcohol-related offense, as defined
20 in RCW 46.01.260(2), that was originally charged as a violation of
21 either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys
22 or county prosecuting attorneys. City attorneys and county prosecuting
23 attorneys may provide the driving record to alcohol/drug assessment or
24 treatment agencies approved by the department of social and health
25 services to which the named individual has applied or been assigned for
26 evaluation or treatment.

27 (h) **State colleges, universities, or agencies, or units of local**
28 **government.** An abstract of the full driving record maintained by the
29 department may be furnished to (i) state colleges, universities, or
30 agencies for employment and risk management purposes or (ii) units of
31 local government authorized to self-insure under RCW 48.62.031 for
32 employment and risk management purposes.

33 (i) **Superintendent of public instruction.** An abstract of the full
34 driving record maintained by the department may be furnished to the
35 superintendent of public instruction for review of public school bus
36 driver records. The superintendent or superintendent's designee may
37 discuss information on the driving record with an authorized

1 representative of the employing school district for employment and risk
2 management purposes.

3 (3) **Release to third parties prohibited.** Any person or entity
4 receiving an abstract of a person's driving record under subsection
5 (2)(b) through (i) of this section shall use the abstract exclusively
6 for his, her, or its own purposes or as otherwise expressly permitted
7 under this section, and shall not divulge any information contained in
8 the abstract to a third party.

9 (4) **Fee.** The director shall collect a (~~ten~~) fifteen dollar fee
10 for each abstract of a person's driving record furnished by the
11 department. Fifty percent of the fee must be deposited in the highway
12 safety fund, and fifty percent of the fee must be deposited according
13 to RCW 46.68.038.

14 (5) **Violation.** (a) Any negligent violation of this section is a
15 gross misdemeanor.

16 (b) Any intentional violation of this section is a class C felony.

17 **Sec. 4.** RCW 46.70.061 and 2002 c 352 s 23 are each amended to read
18 as follows:

19 (1) The annual fees for original licenses issued for twelve
20 consecutive months from the date of issuance under this chapter shall
21 be:

22 (a) Vehicle dealers, principal place of business for each and every
23 license classification: (~~Seven~~) Nine hundred (~~fifty~~) seventy-five
24 dollars;

25 (b) Vehicle dealers, each subagency, and temporary subagency: One
26 hundred dollars;

27 (c) Vehicle manufacturers: Five hundred dollars.

28 (2) The annual fee for renewal of any license issued pursuant to
29 this chapter shall be:

30 (a) Vehicle dealers, principal place of business for each and every
31 license classification: (~~Two~~) Three hundred (~~fifty~~) twenty-five
32 dollars;

33 (b) Vehicle dealer, each and every subagency: Twenty-five dollars;

34 (c) Vehicle manufacturers: Two hundred fifty dollars.

35 If any licensee fails or neglects to apply for such renewal within
36 thirty days after the expiration of the license, or assigned renewal
37 date under a staggered licensing system, the license shall be declared

1 canceled by the director, in which case the licensee will be required
2 to apply for an original license and pay the fee required for the
3 original license.

4 (3) The fee for the transfer to another location of any license
5 classification issued pursuant to this chapter shall be twenty-five
6 dollars.

7 (4) The fee for vehicle dealer license plates and manufacturer
8 license plates shall be the amount required by law for vehicle license
9 plates exclusive of excise tax and gross weight and tonnage fees.

10 (5) All fees collected under this chapter shall be deposited in the
11 state treasury and credited to the motor vehicle fund.

12 (6) The fees prescribed in this section are in addition to any
13 excise taxes imposed by chapter 82.44 RCW.

14 **Sec. 5.** RCW 46.70.180 and 2010 c 161 s 1136 are each amended to
15 read as follows:

16 Each of the following acts or practices is unlawful:

17 (1) To cause or permit to be advertised, printed, displayed,
18 published, distributed, broadcasted, televised, or disseminated in any
19 manner whatsoever, any statement or representation with regard to the
20 sale, lease, or financing of a vehicle which is false, deceptive, or
21 misleading, including but not limited to the following:

22 (a) That no down payment is required in connection with the sale of
23 a vehicle when a down payment is in fact required, or that a vehicle
24 may be purchased for a smaller down payment than is actually required;

25 (b) That a certain percentage of the sale price of a vehicle may be
26 financed when such financing is not offered in a single document
27 evidencing the entire security transaction;

28 (c) That a certain percentage is the amount of the service charge
29 to be charged for financing, without stating whether this percentage
30 charge is a monthly amount or an amount to be charged per year;

31 (d) That a new vehicle will be sold for a certain amount above or
32 below cost without computing cost as the exact amount of the factory
33 invoice on the specific vehicle to be sold;

34 (e) That a vehicle will be sold upon a monthly payment of a certain
35 amount, without including in the statement the number of payments of
36 that same amount which are required to liquidate the unpaid purchase
37 price.

1 (2)(a)(i) To incorporate within the terms of any purchase and sale
2 or lease agreement any statement or representation with regard to the
3 sale, lease, or financing of a vehicle which is false, deceptive, or
4 misleading, including but not limited to terms that include as an added
5 cost to the selling price or capitalized cost of a vehicle an amount
6 for licensing or transfer of title of that vehicle which is not
7 actually due to the state, unless such amount has in fact been paid by
8 the dealer prior to such sale.

9 (ii) However, an amount not to exceed (~~the applicable amount~~
10 ~~provided in (iii)(A) and (B) of this subsection (2)(a))~~ one hundred
11 fifty dollars per vehicle sale or lease may be charged by a dealer to
12 recover administrative costs for collecting motor vehicle excise taxes,
13 licensing and registration fees and other agency fees, verifying and
14 clearing titles, transferring titles, perfecting, releasing, or
15 satisfying liens or other security interests, and other administrative
16 and documentary services rendered by a dealer in connection with the
17 sale or lease of a vehicle and in carrying out the requirements of this
18 chapter or any other provisions of state law.

19 (~~(iii) A dealer may charge under (a)(ii) of this subsection:~~

20 ~~(A) As of July 26, 2009, through June 30, 2014, an amount not to~~
21 ~~exceed one hundred fifty dollars; and~~

22 ~~(B) As of July 1, 2014, an amount not to exceed fifty dollars.)~~

23 (b) A dealer may charge the documentary service fee in (a) of this
24 subsection under the following conditions:

25 (i) The documentary service fee is disclosed in writing to a
26 prospective purchaser or lessee before the execution of a purchase and
27 sale or lease agreement;

28 (ii) The dealer discloses to the purchaser or lessee in writing
29 that the documentary service fee is a negotiable fee. The disclosure
30 must be written in a typeface that is at least as large as the typeface
31 used in the standard text of the document that contains the disclosure
32 and that is bold faced, capitalized, underlined, or otherwise set out
33 from the surrounding material so as to be conspicuous. The dealer
34 shall not represent to the purchaser or lessee that the fee or charge
35 is required by the state to be paid by either the dealer or prospective
36 purchaser or lessee;

37 (iii) The documentary service fee is separately designated from the

1 selling price or capitalized cost of the vehicle and from any other
2 taxes, fees, or charges; and

3 (iv) Dealers disclose in any advertisement that a documentary
4 service fee in an amount (~~provided in (iv)(A) and (B) of this~~
5 ~~subsection (2)(b))~~) up to one hundred fifty dollars may be added to the
6 sale price or the capitalized cost((÷

7 ~~(A) As of July 26, 2009, through June 30, 2014, an amount up to one~~
8 ~~hundred fifty dollars; and~~

9 ~~(B) As of July 1, 2014, an amount up to fifty dollars)).~~

10 For the purposes of this subsection (2), the term "documentary
11 service fee" means the optional amount charged by a dealer to provide
12 the services specified in (a) of this subsection.

13 (3) To set up, promote, or aid in the promotion of a plan by which
14 vehicles are to be sold or leased to a person for a consideration and
15 upon further consideration that the purchaser or lessee agrees to
16 secure one or more persons to participate in the plan by respectively
17 making a similar purchase and in turn agreeing to secure one or more
18 persons likewise to join in said plan, each purchaser or lessee being
19 given the right to secure money, credits, goods, or something of value,
20 depending upon the number of persons joining the plan.

21 (4) To commit, allow, or ratify any act of "bushing" which is
22 defined as follows: Entering into a written contract, written purchase
23 order or agreement, retail installment sales agreement, note and
24 security agreement, or written lease agreement, hereinafter
25 collectively referred to as contract or lease, signed by the
26 prospective buyer or lessee of a vehicle, which:

27 (a) Is subject to any conditions or the dealer's or his or her
28 authorized representative's future acceptance, and the dealer fails or
29 refuses within four calendar days, exclusive of Saturday, Sunday, or
30 legal holiday, and prior to any further negotiations with said buyer or
31 lessee to inform the buyer or lessee either: (i) That the dealer
32 unconditionally accepts the contract or lease, having satisfied,
33 removed, or waived all conditions to acceptance or performance,
34 including, but not limited to, financing, assignment, or lease
35 approval; or (ii) that the dealer rejects the contract or lease,
36 thereby automatically voiding the contract or lease, as long as such
37 voiding does not negate commercially reasonable contract or lease
38 provisions pertaining to the return of the subject vehicle and any

1 physical damage, excessive mileage after the demand for return of the
2 vehicle, and attorneys' fees authorized by law, and tenders the refund
3 of any initial payment or security made or given by the buyer or
4 lessee, including, but not limited to, any down payment, and tenders
5 return of the trade-in vehicle, key, other trade-in, or certificate of
6 title to a trade-in. Tender may be conditioned on return of the
7 subject vehicle if previously delivered to the buyer or lessee.

8 The provisions of this subsection (4)(a) do not impair, prejudice,
9 or abrogate the rights of a dealer to assert a claim against the buyer
10 or lessee for misrepresentation or breach of contract and to exercise
11 all remedies available at law or in equity, including those under
12 chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing
13 company discovers that approval of the contract or financing or
14 approval of the lease was based upon material misrepresentations made
15 by the buyer or lessee, including, but not limited to,
16 misrepresentations regarding income, employment, or debt of the buyer
17 or lessee, as long as the dealer, or his or her staff, has not, with
18 knowledge of the material misrepresentation, aided, assisted,
19 encouraged, or participated, directly or indirectly, in the
20 misrepresentation. A dealer shall not be in violation of this
21 subsection (4)(a) if the buyer or lessee made a material
22 misrepresentation to the dealer, as long as the dealer, or his or her
23 staff, has not, with knowledge of the material misrepresentation,
24 aided, assisted, encouraged, or participated, directly or indirectly,
25 in the misrepresentation.

26 When a dealer informs a buyer or lessee under this subsection
27 (4)(a) regarding the unconditional acceptance or rejection of the
28 contract, lease, or financing by an electronic mail message, the dealer
29 must also transmit the communication by any additional means;

30 (b) Permits the dealer to renegotiate a dollar amount specified as
31 trade-in allowance on a vehicle delivered or to be delivered by the
32 buyer or lessee as part of the purchase price or lease, for any reason
33 except:

34 (i) Failure to disclose that the vehicle's certificate of title has
35 been branded for any reason, including, but not limited to, status as
36 a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

37 (ii) Substantial physical damage or latent mechanical defect

1 occurring before the dealer took possession of the vehicle and which
2 could not have been reasonably discoverable at the time of the taking
3 of the order, offer, or contract; or

4 (iii) Excessive additional miles or a discrepancy in the mileage.
5 "Excessive additional miles" means the addition of five hundred miles
6 or more, as reflected on the vehicle's odometer, between the time the
7 vehicle was first valued by the dealer for purposes of determining its
8 trade-in value and the time of actual delivery of the vehicle to the
9 dealer. "A discrepancy in the mileage" means (A) a discrepancy between
10 the mileage reflected on the vehicle's odometer and the stated mileage
11 on the signed odometer statement; or (B) a discrepancy between the
12 mileage stated on the signed odometer statement and the actual mileage
13 on the vehicle; or

14 (c) Fails to comply with the obligation of any written warranty or
15 guarantee given by the dealer requiring the furnishing of services or
16 repairs within a reasonable time.

17 (5) To commit any offense relating to odometers, as such offenses
18 are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A
19 violation of this subsection is a class C felony punishable under
20 chapter 9A.20 RCW.

21 (6) For any vehicle dealer or vehicle salesperson to refuse to
22 furnish, upon request of a prospective purchaser or lessee, for
23 vehicles previously registered to a business or governmental entity,
24 the name and address of the business or governmental entity.

25 (7) To commit any other offense under RCW 46.37.423, 46.37.424, or
26 46.37.425.

27 (8) To commit any offense relating to a dealer's temporary license
28 permit, including but not limited to failure to properly complete each
29 such permit, or the issuance of more than one such permit on any one
30 vehicle. However, a dealer may issue a second temporary permit on a
31 vehicle if the following conditions are met:

32 (a) The lienholder fails to deliver the vehicle title to the dealer
33 within the required time period;

34 (b) The dealer has satisfied the lien; and

35 (c) The dealer has proof that payment of the lien was made within
36 two calendar days, exclusive of Saturday, Sunday, or a legal holiday,
37 after the sales contract has been executed by all parties and all

1 conditions and contingencies in the sales contract have been met or
2 otherwise satisfied.

3 (9) For a dealer, salesperson, or mobile home manufacturer, having
4 taken an instrument or cash "on deposit" from a purchaser or lessee
5 prior to the delivery of the bargained-for vehicle, to commingle the
6 "on deposit" funds with assets of the dealer, salesperson, or mobile
7 home manufacturer instead of holding the "on deposit" funds as trustee
8 in a separate trust account until the purchaser or lessee has taken
9 delivery of the bargained-for vehicle. Delivery of a manufactured home
10 shall be deemed to occur in accordance with RCW 46.70.135(5). Failure,
11 immediately upon receipt, to endorse "on deposit" instruments to such
12 a trust account, or to set aside "on deposit" cash for deposit in such
13 trust account, and failure to deposit such instruments or cash in such
14 trust account by the close of banking hours on the day following
15 receipt thereof, shall be evidence of intent to commit this unlawful
16 practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a
17 separate trust account which equals his or her customary total customer
18 deposits for vehicles for future delivery. For purposes of this
19 section, "on deposit" funds received from a purchaser of a manufactured
20 home means those funds that a seller requires a purchaser to advance
21 before ordering the manufactured home, but does not include any loan
22 proceeds or moneys that might have been paid on an installment
23 contract.

24 (10) For a dealer or manufacturer to fail to comply with the
25 obligations of any written warranty or guarantee given by the dealer or
26 manufacturer requiring the furnishing of goods and services or repairs
27 within a reasonable period of time, or to fail to furnish to a
28 purchaser or lessee, all parts which attach to the manufactured unit
29 including but not limited to the undercarriage, and all items specified
30 in the terms of a sales or lease agreement signed by the seller and
31 buyer or lessee.

32 (11) For a vehicle dealer to pay to or receive from any person,
33 firm, partnership, association, or corporation acting, either directly
34 or through a subsidiary, as a buyer's agent for consumers, any
35 compensation, fee, purchase moneys or funds that have been deposited
36 into or withdrawn out of any account controlled or used by any buyer's
37 agent, gratuity, or reward in connection with the purchase, sale, or
38 lease of a new motor vehicle.

1 (12) For a buyer's agent, acting directly or through a subsidiary,
2 to pay to or to receive from any motor vehicle dealer any compensation,
3 fee, gratuity, or reward in connection with the purchase, sale, or
4 lease of a new motor vehicle. In addition, it is unlawful for any
5 buyer's agent to engage in any of the following acts on behalf of or in
6 the name of the consumer:

7 (a) Receiving or paying any purchase moneys or funds into or out of
8 any account controlled or used by any buyer's agent;

9 (b) Signing any vehicle purchase orders, sales contracts, leases,
10 odometer statements, or title documents, or having the name of the
11 buyer's agent appear on the vehicle purchase order, sales contract,
12 lease, or title; or

13 (c) Signing any other documentation relating to the purchase, sale,
14 lease, or transfer of any new motor vehicle.

15 It is unlawful for a buyer's agent to use a power of attorney
16 obtained from the consumer to accomplish or effect the purchase, sale,
17 lease, or transfer of ownership documents of any new motor vehicle by
18 any means which would otherwise be prohibited under (a) through (c) of
19 this subsection. However, the buyer's agent may use a power of
20 attorney for physical delivery of motor vehicle license plates to the
21 consumer.

22 Further, it is unlawful for a buyer's agent to engage in any false,
23 deceptive, or misleading advertising, disseminated in any manner
24 whatsoever, including but not limited to making any claim or statement
25 that the buyer's agent offers, obtains, or guarantees the lowest price
26 on any motor vehicle or words to similar effect.

27 (13) For a buyer's agent to arrange for or to negotiate the
28 purchase, or both, of a new motor vehicle through an out-of-state
29 dealer without disclosing in writing to the customer that the new
30 vehicle would not be subject to chapter 19.118 RCW. This subsection
31 also applies to leased vehicles. In addition, it is unlawful for any
32 buyer's agent to fail to have a written agreement with the customer
33 that: (a) Sets forth the terms of the parties' agreement; (b)
34 discloses to the customer the total amount of any fees or other
35 compensation being paid by the customer to the buyer's agent for the
36 agent's services; and (c) further discloses whether the fee or any
37 portion of the fee is refundable.

1 (14) Being a manufacturer, other than a motorcycle manufacturer
2 governed by chapter 46.93 RCW, to:

3 (a) Coerce or attempt to coerce any vehicle dealer to order or
4 accept delivery of any vehicle or vehicles, parts or accessories, or
5 any other commodities which have not been voluntarily ordered by the
6 vehicle dealer: PROVIDED, That recommendation, endorsement,
7 exposition, persuasion, urging, or argument are not deemed to
8 constitute coercion;

9 (b) Cancel or fail to renew the franchise or selling agreement of
10 any vehicle dealer doing business in this state without fairly
11 compensating the dealer at a fair going business value for his or her
12 capital investment which shall include but not be limited to tools,
13 equipment, and parts inventory possessed by the dealer on the day he or
14 she is notified of such cancellation or termination and which are still
15 within the dealer's possession on the day the cancellation or
16 termination is effective, if: (i) The capital investment has been
17 entered into with reasonable and prudent business judgment for the
18 purpose of fulfilling the franchise; and (ii) the cancellation or
19 nonrenewal was not done in good faith. Good faith is defined as the
20 duty of each party to any franchise to act in a fair and equitable
21 manner towards each other, so as to guarantee one party freedom from
22 coercion, intimidation, or threats of coercion or intimidation from the
23 other party: PROVIDED, That recommendation, endorsement, exposition,
24 persuasion, urging, or argument are not deemed to constitute a lack of
25 good faith;

26 (c) Encourage, aid, abet, or teach a vehicle dealer to sell or
27 lease vehicles through any false, deceptive, or misleading sales or
28 financing practices including but not limited to those practices
29 declared unlawful in this section;

30 (d) Coerce or attempt to coerce a vehicle dealer to engage in any
31 practice forbidden in this section by either threats of actual
32 cancellation or failure to renew the dealer's franchise agreement;

33 (e) Refuse to deliver any vehicle publicly advertised for immediate
34 delivery to any duly licensed vehicle dealer having a franchise or
35 contractual agreement for the retail sale or lease of new and unused
36 vehicles sold or distributed by such manufacturer within sixty days
37 after such dealer's order has been received in writing unless caused by
38 inability to deliver because of shortage or curtailment of material,

1 labor, transportation, or utility services, or by any labor or
2 production difficulty, or by any cause beyond the reasonable control of
3 the manufacturer;

4 (f) To provide under the terms of any warranty that a purchaser or
5 lessee of any new or unused vehicle that has been sold or leased,
6 distributed for sale or lease, or transferred into this state for
7 resale or lease by the vehicle manufacturer may only make any warranty
8 claim on any item included as an integral part of the vehicle against
9 the manufacturer of that item.

10 Nothing in this section may be construed to impair the obligations
11 of a contract or to prevent a manufacturer, distributor,
12 representative, or any other person, whether or not licensed under this
13 chapter, from requiring performance of a written contract entered into
14 with any licensee hereunder, nor does the requirement of such
15 performance constitute a violation of any of the provisions of this
16 section if any such contract or the terms thereof requiring
17 performance, have been freely entered into and executed between the
18 contracting parties. This paragraph and subsection (14)(b) of this
19 section do not apply to new motor vehicle manufacturers governed by
20 chapter 46.96 RCW.

21 (15) Unlawful transfer of an ownership interest in a motor vehicle
22 as defined in RCW 19.116.050.

23 (16) To knowingly and intentionally engage in collusion with a
24 registered owner of a vehicle to repossess and return or resell the
25 vehicle to the registered owner in an attempt to avoid a suspended
26 license impound under chapter 46.55 RCW. However, compliance with
27 chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise
28 disposing of the vehicle, including providing redemption rights to the
29 debtor, is not a violation of this section.

30 (17)(a) For a dealer to enter into a new motor vehicle sales
31 contract without disclosing in writing to a buyer of the new motor
32 vehicle, or to a dealer in the case of an unregistered motor vehicle,
33 any known damage and repair to the new motor vehicle if the damage
34 exceeds five percent of the manufacturer's suggested retail price as
35 calculated at the dealer's authorized warranty rate for labor and
36 parts, or one thousand dollars, whichever amount is greater. A
37 manufacturer or new motor vehicle dealer is not required to disclose to
38 a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a

1 new motor vehicle were damaged at any time if the damaged item has been
2 replaced with original or comparable equipment. A replaced part is not
3 part of the cumulative damage required to be disclosed under this
4 subsection.

5 (b) A manufacturer is required to provide the same disclosure to a
6 dealer of any known damage or repair as required in (a) of this
7 subsection.

8 (c) If disclosure of any known damage or repair is not required
9 under this section, a buyer may not revoke or rescind a sales contract
10 due to the fact that the new motor vehicle was damaged and repaired
11 before completion of the sale.

12 (d) As used in this section:

13 (i) "Cosmetic parts" means parts that are attached by and can be
14 replaced in total through the use of screws, bolts, or other fasteners
15 without the use of welding or thermal cutting, and includes
16 windshields, bumpers, hoods, or trim panels.

17 (ii) "Manufacturer's suggested retail price" means the retail price
18 of the new motor vehicle suggested by the manufacturer, and includes
19 the retail delivered price suggested by the manufacturer for each
20 accessory or item of optional equipment physically attached to the new
21 motor vehicle at the time of delivery to the new motor vehicle dealer
22 that is not included within the retail price suggested by the
23 manufacturer for the new motor vehicle.

24 NEW SECTION. **Sec. 6.** This act takes effect October 1, 2012.

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