
SUBSTITUTE SENATE BILL 5553

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Wood, Patterson, Horn, Heavey and Winsley)

Read first time 03/10/97.

1 AN ACT Relating to vehicle titling and licensing; and amending RCW
2 46.70.051, 46.70.180, 46.12.170, 46.12.370, 63.14.010, 63.14.130, and
3 82.44.060; and creating a new section.

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

5 **Sec. 1.** RCW 46.70.051 and 1996 c 282 s 2 are each amended to read
6 as follows:

7 (1) After the application has been filed, the fee paid, and bond
8 posted, if required, the department shall, if no denial order is in
9 effect and no proceeding is pending under RCW 46.70.101, issue the
10 appropriate license, which license, in the case of a vehicle dealer,
11 shall designate the classification of the dealer. Nothing prohibits a
12 vehicle dealer from obtaining licenses for more than one
13 classification, and nothing prevents any vehicle dealer from dealing in
14 other classes of vehicles on an isolated basis.

15 (2) An auction company licensed under chapter 18.11 RCW may sell at
16 auction all classifications of vehicles under a motor vehicle dealer's
17 license issued under this chapter including motor vehicles,
18 miscellaneous type vehicles, and mobile homes and travel trailers.

1 (3) At the time the department issues a vehicle dealer license, the
2 department shall provide to the dealer a current, up-to-date vehicle
3 dealer manual setting forth the various statutes and rules applicable
4 to vehicle dealers. In addition, at the time any such license is
5 renewed under RCW 46.70.083, the department shall provide the dealer
6 with any updates or current revisions to the vehicle dealer manual.

7 (4) The department may contract with responsible private parties to
8 provide them elements of the vehicle data base on a regular basis. The
9 private parties may only disseminate this information to licensed
10 vehicle dealers.

11 (a) Subject to the disclosure agreement provisions of RCW 46.12.380
12 and the requirements of Executive Order 97-01, the department may
13 provide to the contracted private parties the following information:

14 (i) All vehicle and title data necessary to accurately disclose
15 known title defects, brands, or flags and odometer discrepancies;

16 (ii) All registered and legal owner information necessary to
17 determine true ownership of the vehicle and the existence of any
18 recorded liens, including but not limited to liens of the department of
19 social and health services or its successor; and

20 (iii) Any data in the department's possession necessary to
21 calculate the motor vehicle excise tax, license, and registration fees
22 including information necessary to determine the applicability of
23 regional transit authority excise and use tax surcharges.

24 (b) The department may provide this information in any form the
25 contracted private party and the department agree upon, but if the data
26 is to be transmitted over the Internet or similar public network from
27 the department to the contracted private party, it must be encrypted.

28 (c) The department shall give these contracted private parties
29 advance written notice of any change in the information referred to in
30 (a)(i), (ii), or (iii) of this subsection, including information
31 pertaining to the calculation of motor vehicle excise taxes.

32 **Sec. 2.** RCW 46.70.180 and 1996 c 194 s 3 are each amended to read
33 as follows:

34 Each of the following acts or practices is unlawful:

35 (1) To cause or permit to be advertised, printed, displayed,
36 published, distributed, broadcasted, televised, or disseminated in any
37 manner whatsoever, any statement or representation with regard to the

1 sale or financing of a vehicle which is false, deceptive, or
2 misleading, including but not limited to the following:

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

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

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

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

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

19 (2) To incorporate within the terms of any purchase and sale
20 agreement any statement or representation with regard to the sale or
21 financing of a vehicle which is false, deceptive, or misleading,
22 including but not limited to terms that include as an added cost to the
23 selling price of a vehicle an amount for licensing or transfer of title
24 of that vehicle which is not actually due to the state, unless such
25 amount has in fact been paid by the dealer prior to such sale.
26 Notwithstanding the foregoing provision, a dealer may charge an amount
27 not to exceed twenty dollars per vehicle sale or lease to recover
28 administrative costs of obtaining data necessary to accurately compute
29 the amount of taxes and fees owed. If a dealer fails to subscribe to
30 a service authorized in RCW 46.70.051(4) within twelve months of such
31 service being made available, the dealer may no longer collect the fee
32 authorized in this section.

33 (3) To set up, promote, or aid in the promotion of a plan by which
34 vehicles are to be sold to a person for a consideration and upon
35 further consideration that the purchaser agrees to secure one or more
36 persons to participate in the plan by respectively making a similar
37 purchase and in turn agreeing to secure one or more persons likewise to
38 join in said plan, each purchaser being given the right to secure

1 money, credits, goods, or something of value, depending upon the number
2 of persons joining the plan.

3 (4) To commit, allow, or ratify any act of "bushing" which is
4 defined as follows: Taking from a prospective buyer of a vehicle a
5 written order or offer to purchase, or a contract document signed by
6 the buyer, which:

7 (a) Is subject to the dealer's, or his or her authorized
8 representative's future acceptance, and the dealer fails or refuses
9 within forty-eight hours, exclusive of Saturday, Sunday, or legal
10 holiday, and prior to any further negotiations with said buyer, to
11 deliver to the buyer either the dealer's signed acceptance or all
12 copies of the order, offer, or contract document together with any
13 initial payment or security made or given by the buyer, including but
14 not limited to money, check, promissory note, vehicle keys, a trade-in,
15 or certificate of title to a trade-in; or

16 (b) Permits the dealer to renegotiate a dollar amount specified as
17 trade-in allowance on a vehicle delivered or to be delivered by the
18 buyer as part of the purchase price, for any reason except:

19 (i) Failure to disclose that the vehicle's certificate of ownership
20 has been branded for any reason, including, but not limited to, status
21 as a rebuilt vehicle as provided in RCW 46.12.050 and 46.12.075; and

22 (ii) Substantial physical damage or latent mechanical defect
23 occurring before the dealer took possession of the vehicle and which
24 could not have been reasonably discoverable at the time of the taking
25 of the order, offer, or contract; or

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

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

33 (6) For any vehicle dealer or vehicle salesman to refuse to
34 furnish, upon request of a prospective purchaser, the name and address
35 of the previous registered owner of any used vehicle offered for sale.

36 (7) To commit any other offense under RCW 46.37.423, 46.37.424, or
37 46.37.425.

38 (8) To commit any offense relating to a dealer's temporary license
39 permit, including but not limited to failure to properly complete each

1 such permit, or the issuance of more than one such permit on any one
2 vehicle.

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

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

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

37 (12) For a buyer's agent, acting directly or through a subsidiary,
38 to pay to or to receive from any motor vehicle dealer any compensation,
39 fee, gratuity, or reward in connection with the purchase or sale of a

1 new motor vehicle. In addition, it is unlawful for any buyer's agent
2 to engage in any of the following acts on behalf of or in the name of
3 the consumer:

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

6 (b) Signing any vehicle purchase orders, sales contract, odometer
7 statements, or title documents, or having the name of the buyer's agent
8 appear on the vehicle purchase order, sales contract, or title; or

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

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

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

22 (13) For a buyer's agent to arrange for or to negotiate the
23 purchase, or both, of a new motor vehicle through an out-of-state
24 dealer without disclosing in writing to the customer that the new
25 vehicle would not be subject to chapter 19.118 RCW. In addition, it is
26 unlawful for any buyer's agent to fail to have a written agreement with
27 the customer that: (a) Sets forth the terms of the parties' agreement;
28 (b) discloses to the customer the total amount of any fees or other
29 compensation being paid by the customer to the buyer's agent for the
30 agent's services; and (c) further discloses whether the fee or any
31 portion of the fee is refundable. The department of licensing shall by
32 December 31, 1996, in rule, adopt standard disclosure language for
33 buyer's agent agreements under RCW 46.70.011, 46.70.070, and this
34 section.

35 (14) Being a manufacturer, other than a motorcycle manufacturer
36 governed by chapter 46.94 RCW, to:

37 (a) Coerce or attempt to coerce any vehicle dealer to order or
38 accept delivery of any vehicle or vehicles, parts or accessories, or
39 any other commodities which have not been voluntarily ordered by the

1 vehicle dealer: PROVIDED, That recommendation, endorsement,
2 exposition, persuasion, urging, or argument are not deemed to
3 constitute coercion;

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

21 (c) Encourage, aid, abet, or teach a vehicle dealer to sell
22 vehicles through any false, deceptive, or misleading sales or financing
23 practices including but not limited to those practices declared
24 unlawful in this section;

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

28 (e) Refuse to deliver any vehicle publicly advertised for immediate
29 delivery to any duly licensed vehicle dealer having a franchise or
30 contractual agreement for the retail sale of new and unused vehicles
31 sold or distributed by such manufacturer within sixty days after such
32 dealer's order has been received in writing unless caused by inability
33 to deliver because of shortage or curtailment of material, labor,
34 transportation, or utility services, or by any labor or production
35 difficulty, or by any cause beyond the reasonable control of the
36 manufacturer;

37 (f) To provide under the terms of any warranty that a purchaser of
38 any new or unused vehicle that has been sold, distributed for sale, or
39 transferred into this state for resale by the vehicle manufacturer may

1 only make any warranty claim on any item included as an integral part
2 of the vehicle against the manufacturer of that item.

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

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

16 **Sec. 3.** RCW 46.12.170 and 1994 c 262 s 6 are each amended to read
17 as follows:

18 If, after a certificate of ownership is issued, a security interest
19 is granted on the vehicle described therein, the registered owner or
20 secured party shall, within ten days thereafter, present an application
21 to the department, to which shall be attached the certificate of
22 ownership last issued covering the vehicle, or such other documentation
23 as may be required by the department, which application shall be upon
24 a form provided by the department and shall be accompanied by a fee of
25 one dollar and twenty-five cents in addition to all other fees. The
26 department, if satisfied that there should be a reissue of the
27 certificate, shall note such change upon the vehicle records and issue
28 to the secured party a new certificate of ownership.

29 Whenever there is no outstanding secured obligation and no
30 commitment to make advances and incur obligations or otherwise give
31 value, the secured party must assign the certificate of ownership to
32 the debtor or the debtor's assignee or transferee, and transmit the
33 certificate to the department with an accompanying fee of one dollar
34 and twenty-five cents in addition to all other fees. The department
35 shall then issue a new certificate of ownership and transmit it to the
36 owner. If the affected secured party fails to either assign the
37 certificate of ownership to the debtor or the debtor's assignee or
38 transferee or transmit the certificate of ownership to the department

1 within ten days after proper demand, that secured party shall be liable
2 to the debtor or the debtor's assignee or transferee for one hundred
3 dollars, and in addition for any loss caused to the debtor or the
4 debtor's assignee or transferee by such failure.

5 **Sec. 4.** RCW 46.12.370 and 1982 c 215 s 1 are each amended to read
6 as follows:

7 In addition to any other authority which it may have, the
8 department of licensing may furnish lists of registered and legal
9 owners of motor vehicles only for the purposes specified in this
10 section to:

11 (1) The manufacturers of motor vehicles, or their authorized
12 agents, to be used to enable those manufacturers to carry out the
13 provisions of the National Traffic and Motor Vehicle Safety Act of 1966
14 (15 U.S.C. sec. 1382-1418), including amendments or additions thereto,
15 respecting safety-related defects in motor vehicles;

16 (2) Any governmental agency of the United States or Canada, or
17 political subdivisions thereof, to be used by it or by its authorized
18 commercial agents or contractors only in connection with the
19 enforcement of motor vehicle or traffic laws by, or programs related to
20 traffic safety of, that government agency. Only such parts of the list
21 as are required for completion of the work required of the agent or
22 contractor shall be provided to such agent or contractor; ((or))

23 (3) An authorized agent or contractor of the department, to be used
24 only in connection with providing motor vehicle excise tax, licensing,
25 title, and registration information to motor vehicle dealers; or

26 (4) Any business regularly making loans to other persons to finance
27 the purchase of motor vehicles, to be used to assist the person
28 requesting the list to determine ownership of specific vehicles for the
29 purpose of determining whether or not to provide such financing. In
30 the event a list of registered and legal owners of motor vehicles is
31 used for any purpose other than that authorized in ((subsections (1),
32 (2) and (3) of)) this section, the manufacturer, governmental agency,
33 authorized agent, contractor, financial institution, or their
34 authorized agents or contractors responsible for the unauthorized
35 disclosure or use will be denied further access to such information by
36 the department of licensing.

1 **Sec. 5.** RCW 63.14.010 and 1993 sp.s. c 5 s 1 are each amended to
2 read as follows:

3 In this chapter, unless the context otherwise requires:

4 (1) "Goods" means all chattels personal when purchased primarily
5 for personal, family, or household use and not for commercial or
6 business use, but not including money or, except as provided in the
7 next sentence, things in action. The term includes but is not limited
8 to merchandise certificates or coupons, issued by a retail seller, to
9 be used in their face amount in lieu of cash in exchange for goods or
10 services sold by such a seller and goods which, at the time of sale or
11 subsequently, are to be so affixed to real property as to become a part
12 thereof, whether or not severable therefrom;

13 (2) "Lender credit card" means a card or device under a lender
14 credit card agreement pursuant to which the issuer gives to a
15 cardholder residing in this state the privilege of obtaining credit
16 from the issuer or other persons in purchasing or leasing property or
17 services, obtaining loans, or otherwise, and the issuer of which is
18 not: (a) Principally engaged in the business of selling goods; or (b)
19 a financial institution;

20 (3) "Lender credit card agreement" means an agreement entered into
21 or performed in this state prescribing the terms of retail installment
22 transactions pursuant to which the issuer may, with the buyer's
23 consent, purchase or acquire one or more retail sellers' indebtedness
24 of the buyer under a sales slip or memorandum evidencing the purchase,
25 lease, loan, or otherwise to be paid in accordance with the agreement.
26 The issuer of a lender credit card agreement shall not be principally
27 engaged in the business of selling goods or be a financial institution;

28 (4) "Financial institution" means any bank or trust company, mutual
29 savings bank, credit union, or savings and loan association organized
30 pursuant to the laws of any one of the United States of America or the
31 United States of America, or the laws of a foreign country if also
32 qualified to conduct business in any one of the United States of
33 America or pursuant to the laws of the United States of America;

34 (5) "Services" means work, labor, or services of any kind when
35 purchased primarily for personal, family, or household use and not for
36 commercial or business use whether or not furnished in connection with
37 the delivery, installation, servicing, repair, or improvement of goods
38 and includes repairs, alterations, or improvements upon or in
39 connection with real property, but does not include services for which

1 the price charged is required by law to be determined or approved by or
2 to be filed, subject to approval or disapproval, with the United States
3 or any state, or any department, division, agency, officer, or official
4 of either as in the case of transportation services;

5 (6) "Retail buyer" or "buyer" means a person who buys or agrees to
6 buy goods or obtain services or agrees to have services rendered or
7 furnished, from a retail seller;

8 (7) "Retail seller" or "seller" means a person engaged in the
9 business of selling goods or services to retail buyers;

10 (8) "Retail installment transaction" means any transaction in which
11 a retail buyer purchases goods or services from a retail seller
12 pursuant to a retail installment contract, a retail charge agreement,
13 or a lender credit card agreement, as defined in this section, which
14 provides for a service charge, as defined in this section, and under
15 which the buyer agrees to pay the unpaid balance in one or more
16 installments or which provides for no service charge and under which
17 the buyer agrees to pay the unpaid balance in more than four
18 installments;

19 (9) "Retail installment contract" or "contract" means a contract,
20 other than a retail charge agreement, a lender credit card agreement,
21 or an instrument reflecting a sale made pursuant thereto, entered into
22 or performed in this state for a retail installment transaction. The
23 term "retail installment contract" may include a chattel mortgage, a
24 conditional sale contract, and a contract in the form of a bailment or
25 a lease if the bailee or lessee contracts to pay as compensation for
26 their use a sum substantially equivalent to or in excess of the value
27 of the goods sold and if it is agreed that the bailee or lessee is
28 bound to become, or for no other or a merely nominal consideration, has
29 the option of becoming the owner of the goods upon full compliance with
30 the provisions of the bailment or lease. The term "retail installment
31 contract" does not include: (a) A "consumer lease," heretofore or
32 hereafter entered into, as defined in RCW 63.10.020; (b) a lease which
33 would constitute such "consumer lease" but for the fact that: (i) It
34 was entered into before April 29, 1983; (ii) the lessee was not a
35 natural person; (iii) the lease was not primarily for personal, family,
36 or household purposes; or (iv) the total contractual obligations
37 exceeded twenty-five thousand dollars; or (c) a lease-purchase
38 agreement under chapter 63.19 RCW;

1 (10) "Retail charge agreement," "revolving charge agreement," or
2 "charge agreement" means an agreement between a retail buyer and a
3 retail seller that is entered into or performed in this state and that
4 prescribes the terms of retail installment transactions with one or
5 more sellers which may be made thereunder from time to time and under
6 the terms of which a service charge, as defined in this section, is to
7 be computed in relation to the buyer's unpaid balance from time to
8 time;

9 (11) "Service charge" however denominated or expressed, means the
10 amount which is paid or payable for the privilege of purchasing goods
11 or services to be paid for by the buyer in installments over a period
12 of time. It does not include the amount, if any, charged for insurance
13 premiums, delinquency charges, attorneys' fees, court costs, vehicle
14 dealer administrative costs as provided under RCW 46.70.180(2), or
15 official fees;

16 (12) "Sale price" means the price for which the seller would have
17 sold or furnished to the buyer, and the buyer would have bought or
18 obtained from the seller, the goods or services which are the subject
19 matter of a retail installment transaction. The sale price may include
20 any taxes, registration, and license fees, vehicle dealer
21 administrative costs under RCW 46.70.180(2), and charges for
22 transferring vehicle titles, delivery, installation, servicing,
23 repairs, alterations, or improvements;

24 (13) "Official fees" means the amount of the fees prescribed by law
25 and payable to the state, county, or other governmental agency for
26 filing, recording, or otherwise perfecting, and releasing or
27 satisfying, a retained title, lien, or other security interest created
28 by a retail installment transaction;

29 (14) "Time balance" means the principal balance plus the service
30 charge;

31 (15) "Principal balance" means the sale price of the goods or
32 services which are the subject matter of a retail installment contract
33 less the amount of the buyer's down payment in money or goods or both,
34 plus the amounts, if any, included therein, if a separate identified
35 charge is made therefor and stated in the contract, for insurance,
36 vehicle dealer administrative costs under RCW 46.70.180(2), and
37 official fees;

38 (16) "Person" means an individual, partnership, joint venture,
39 corporation, association, or any other group, however organized;

1 (17) "Rate" means the percentage which, when multiplied times the
2 outstanding balance for each month or other installment period, yields
3 the amount of the service charge for such month or period.

4 **Sec. 6.** RCW 63.14.130 and 1992 c 193 s 1 are each amended to read
5 as follows:

6 The service charge shall be inclusive of all charges incident to
7 investigating and making the retail installment contract or charge
8 agreement and for the privilege of making the installment payments
9 thereunder and no other fee, expense, or charge whatsoever shall be
10 taken, received, reserved, or contracted therefor from the buyer. The
11 service charge does not include the amount of vehicle dealer
12 administrative costs under RCW 46.70.180(2).

13 (1) The service charge, in a retail installment contract, shall not
14 exceed the dollar amount or rate agreed to by contract and disclosed
15 under RCW 63.14.040(1)(7)(g).

16 (2) The service charge in a retail charge agreement, revolving
17 charge agreement, lender credit card agreement, or charge agreement,
18 shall not exceed the schedule or rate agreed to by contract and
19 disclosed under RCW 63.14.120(1). If the service charge so computed is
20 less than one dollar for any month, then one dollar may be charged.

21 **Sec. 7.** RCW 82.44.060 and 1990 c 42 s 304 are each amended to read
22 as follows:

23 (1) The excise tax hereby imposed shall be due and payable to the
24 department or its agents at the time of registration of a motor
25 vehicle. Whenever an application is made to the department or its
26 agents for a license for a motor vehicle there shall be collected, in
27 addition to the amount of the license fee or renewal license fee, the
28 amount of the excise tax imposed by this chapter, and no dealer's
29 license or license plates, and no license or license plates for a motor
30 vehicle shall be issued unless such tax is paid in full. The excise
31 tax hereby imposed shall be collected for each registration year. The
32 excise tax upon a motor vehicle licensed for the first time in this
33 state shall be levied for one full registration year commencing on the
34 date of the calendar year designated by the department and ending on
35 the same date of the next succeeding calendar year. For vehicles
36 registered under chapter 46.87 RCW, proportional registration, and for
37 vehicle dealer plates issued under chapter 46.70 RCW, the registration

1 year is the period provided in those chapters: PROVIDED, That the tax
2 shall in no case be less than two dollars except for proportionally
3 registered vehicles.

4 (2) A motor vehicle shall be deemed licensed for the first time in
5 this state when such vehicle was not previously licensed by this state
6 for the registration year immediately preceding the registration year
7 in which the application for license is made or when the vehicle has
8 been registered in another jurisdiction subsequent to any prior
9 registration in this state.

10 (3) No additional tax shall be imposed under this chapter upon any
11 vehicle upon the transfer of ownership thereof if the tax imposed with
12 respect to such vehicle has already been paid for the registration year
13 or fraction of a registration year in which transfer of ownership
14 occurs.

15 (4) The regional transit authority (RTA) must provide at no cost to
16 the private parties referred to in RCW 46.70.051(4) accurate, up-to-
17 date, and easily decipherable excise tax information in a machine
18 readable ASCII text file. This file will allow the contracted private
19 parties to accurately determine which individuals are subject to any
20 such special excise or use taxes and the amount of any such special
21 excise or use taxes. The file must contain the following items: (a)
22 A list of five digit zip codes completely contained within the RTA
23 taxation area; (b) a list of five digit zip codes for those areas on
24 the border of the RTA taxation, with the border area defined as those
25 zip codes where some residences may be subject to the RTA use or motor
26 vehicle excise tax surcharge and some residences are not; and (c) for
27 those residences described in (b) of this subsection, a complete list
28 of only those street addresses subject to RTA taxation.

29 (5) No person may be denied issuance of a registration or license
30 plates due to the nonpayment of any such special excise tax if the
31 information referred to in subsection (4) of this section is not
32 provided by the RTA to the contracted private parties.

33 (6) No motor vehicle dealer may be held liable for the remittance
34 of any such special excise tax if the information referred to in
35 subsection (4) of this section is not provided by the RTA to the
36 contracted private parties.

37 NEW SECTION. Sec. 8. On or before December 1, 1997, the
38 legislative transportation committee shall study and report to the

1 legislature its findings regarding the process and procedures for
2 calculation and determination of the amounts of motor vehicle excise
3 tax to be collected on the sale or lease of motor vehicles in this
4 state. The report must include findings as to multiple or layered
5 local motor vehicle excise taxes, the potential for future multiple
6 motor vehicle excise taxes, and the adequacy and efficiency of current
7 systems to provide adequate, accurate, and timely information to those
8 responsible for determining and collecting the total motor vehicle
9 excise tax due. The report must also include a status report as to the
10 progress and feasibility of using third-party information providers or
11 contractors as described in RCW 46.70.051.

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