
Commerce & Labor Committee

HB 1765

Brief Description: Allowing auctioneers to auction vessels without registering as a vessel dealer.

Sponsors: Representatives Chase, Newhouse, Eickmeyer, Buri, Appleton, B. Sullivan and Dunn.

Brief Summary of Bill

- Allowing auctioneers to auction vessels without registering as a vessel dealer.

Hearing Date: 2/21/05

Staff: Rebekah Ward (786-7106).

Background:

Auctioneers

An "auction" is defined, in part, as a transaction conducted by exchanges between an auctioneer and members of his or her audience. Auctioneer registration with the Department of Licensing is required under the Washington Auctioneer Registration Act (Act). The Act requires any person or company acting as a licensed auctioneer to have a certificate of registration. This provision does not apply to certain auctions, including auctions conducted by public authorities and auctions governed by the self service storage facilities law. Additionally, certain bidding methods are prohibited, and there are a variety of additional contract and record keeping requirements that apply to conducting auctions and to auctioneers prior to, and for a period after conducting an auction.

Vessel Dealers

A "vessel dealer" means a person, partnership, association, or corporation engaged in the business of selling vessels at wholesale or retail in this state. A "vessel" includes every watercraft used or capable of being used as a means of transportation on the water, other than a seaplane. Vessel dealers are required to register with the Department, file a surety bond, and maintain an office in which to conduct business at the business address of the dealer. These provisions do not apply to certain dealers who sell watercrafts which are under a specific length, and which meet certain manufacture design specifications.

A vessel dealer must complete and maintain for a period of at least three years a record of the purchase and sale of all vessels purchased or consigned and sold by the vessel dealer. Records must be available for inspection by the Department during normal business hours, and vessel

dealers must also utilize trust accounts in certain circumstances where cash or negotiable instrument deposits exceed a specified dollar amount or will be held for a certain number of days.

Motor Vehicle Dealers

A motor vehicle dealer is a vehicle dealer that deals in new or used motor vehicles or both. A motor vehicle means every vehicle which is self propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, and which is required to be registered and titled as a motor vehicle. Motor vehicle dealers are required to file a surety bond with the Department prior to obtaining a dealer's license, and to advise the Department of the names, locations and any subsequent changes in their business after obtaining a dealer's license. Additionally, dealers must meet certain contract requirements and complete and maintain records for vehicles purchased, sold, or leased by him or her for a period of five years.

Summary of Bill:

An auction company, which is licensed as an auction company under Washington law, and also licensed as a motor vehicle dealer under Washington law may sell at auction all vessels that a vessel dealer is authorized to sell.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.