
SUBSTITUTE SENATE BILL 6527

State of Washington

60th Legislature

2008 Regular Session

By Senate Judiciary (originally sponsored by Senators Kastama and Kline)

READ FIRST TIME 02/04/08.

1 AN ACT Relating to the transfer of motor vehicle certificate of
2 ownership and license registration; amending RCW 46.12.101; and
3 prescribing penalties.

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

5 **Sec. 1.** RCW 46.12.101 and 2007 c 96 s 1 are each amended to read
6 as follows:

7 A transfer of ownership in a motor vehicle is perfected by
8 compliance with the requirements of this section.

9 (1)(a) If an owner transfers his or her interest in a vehicle,
10 other than by the creation, deletion, or change of a security interest,
11 the owner shall, at the time of the delivery of the vehicle, execute an
12 assignment to the transferee and provide an odometer disclosure
13 statement under RCW 46.12.124 on the certificate of ownership or as the
14 department otherwise prescribes, and cause the certificate and
15 assignment to be transmitted to the transferee. The owner shall notify
16 the department or its agents or subagents, in writing, on the
17 appropriate form, of the date of the sale or transfer, the name and
18 address of the owner and of the transferee, the transferee's driver's
19 license number if available, and such description of the vehicle,

1 including the vehicle identification number, as may be required in the
2 appropriate form provided or approved for that purpose by the
3 department. The report of sale will be deemed properly filed if all
4 information required in this section is provided on the form and
5 includes a department-authorized notation that the document was
6 received by the department, its agents, or subagents on or before the
7 fifth day after the sale of the vehicle, excluding Saturdays, Sundays,
8 and state and federal holidays. Agents and subagents shall immediately
9 electronically transmit the seller's report of sale to the department.
10 Reports of sale processed and recorded by the department's agents or
11 subagents may be subject to fees as specified in RCW 46.01.140 (4)(a)
12 or (5)(b). By January 1, 2003, the department shall create a system
13 enabling the seller of a vehicle to transmit the report of sale
14 electronically. The system created by the department must immediately
15 indicate on the department's vehicle record that a seller's report of
16 sale has been filed.

17 (b) By January 1, 2008, the department shall provide instructions
18 on release of interest forms that allow the seller of a vehicle to
19 release his or her interest in a vehicle at the same time a financial
20 institution, as defined in RCW 30.22.040, releases (~~their~~) its lien
21 on the vehicle.

22 (2) The requirements of subsection (1) of this section to provide
23 an odometer disclosure statement apply to the transfer of vehicles held
24 for lease when transferred to a lessee and then to the lessor at the
25 end of the leasehold and to vehicles held in a fleet when transferred
26 to a purchaser.

27 (3) Except as provided in RCW 46.70.122 the transferee shall within
28 fifteen days after delivery to the transferee of the vehicle, execute
29 the application for a new certificate of ownership in the same space
30 provided therefor on the certificate or as the department prescribes,
31 and cause the certificates and application to be transmitted to the
32 department accompanied by a fee of five dollars in addition to any
33 other fees required.

34 (4) Upon request of the owner or transferee, a secured party in
35 possession of the certificate of ownership shall, unless the transfer
36 was a breach of its security agreement, either deliver the certificate
37 to the transferee for transmission to the department or, when the
38 secured party receives the owner's assignment from the transferee, it

1 shall transmit the transferee's application for a new certificate, the
2 existing certificate, and the required fee to the department.
3 Compliance with this section does not affect the rights of the secured
4 party.

5 (5) If a security interest is reserved or created at the time of
6 the transfer, the certificate of ownership shall be retained by or
7 delivered to the person who becomes the secured party, and the parties
8 shall comply with the provisions of RCW 46.12.170.

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

- 20 (a) The department requesting additional supporting documents;
- 21 (b) Extended hospitalization or illness of the purchaser;
- 22 (c) Failure of a legal owner to release his or her interest;
- 23 (d) Failure, negligence, or nonperformance of the department,
24 auditor, or subagent;
- 25 (e) The transferee had no knowledge of the filing of the vehicle
26 report of sale and signs an affidavit to the fact.

27 (~~Failure or neglect~~) Knowingly failing or neglecting to make
28 application to transfer the certificate of ownership and license
29 registration within forty-five days after the date of delivery of the
30 vehicle is a misdemeanor and a continuing offense for each day during
31 which the purchaser or transferee does not make application to transfer
32 the certificate of ownership and license registration. Despite the
33 continuing nature of this offense, it shall be considered a single
34 offense, regardless of the number of days that have elapsed following
35 the forty-five day time period.

36 (7) Upon receipt of an application for reissue or replacement of a
37 certificate of ownership and transfer of license registration,
38 accompanied by the endorsed certificate of ownership or other

1 documentary evidence as is deemed necessary, the department shall, if
2 the application is in order and if all provisions relating to the
3 certificate of ownership and license registration have been complied
4 with, issue new certificates of title and license registration as in
5 the case of an original issue and shall transmit the fees together with
6 an itemized detailed report to the state treasurer.

7 (8) Once each quarter the department shall report to the department
8 of revenue a list of those vehicles for which a seller's report has
9 been received but no transfer of title has taken place.

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