WASHINGTON STATE DEPARTMENT OF LICENSING

Vehicle Wreckers Manual



February 2013

We are committed to providing equal access to our services. If you need accommodation, please call (360) 664-6455 or TTY (360) 664-0116.

REFERENCES

Washington State Patrol Equipment / Standards Review Section PO Box 42605 Olympia WA 98504-2605 (360) 421-8932

Automotive Recyclers Association 3975 Fair Ridge Drive Suite 20 North Fairfax VA 22033 (888) 385-1005, Toll Free (703) 385-1001

Dealer Services Office

Headquarters is located in Olympia.

Olympia / Headquarters 405 Black Lake Blvd, Bldg #2 Olympia WA 98502 (360) 664-6466 (360) 586-0479, fax

Send mail to:
Department of Licensing
Dealer & Manufacturer Services
P.O. Box 9039
Olympia WA 98507-9039

Glossary of Terms

Acquired WAC 308-63-010 (5)

The physical custody of a vehicle, with proof of ownership, per WAC 308-63-080

Acquisition of Vehicles and Vehicle Parts RCW 46.80.090 and WAC 308-63-080

The vehicle wrecker may acquire vehicles and vehicle parts when the seller provides the properly completed ownership documents:

- 1. Certificate of title (properly released), including salvage certificates, properly endorsed in the case of vehicles from states issuing a title.
- 2. Bills of sale pursuant to <u>WAC 308-63-020</u> (1) for vehicles from nontitle jurisdictions, for vehicles that have had their title surrendered to a state after having been declared a total loss, and for vehicles of the type to which titles are not issued.
- 3. Affidavit of lost or stolen title (with a release of interest) if executed by the registered and legal owner of record.
- 4. Insurance company bills of sale pursuant to WAC 308-56A-460 (6).
- 5. Abandoned Vehicle Report / Affidavit of sale of an abandoned vehicle pursuant to <u>WAC</u> 308-61-026 (1).
- 6. Affidavit of junk vehicle pursuant to RCW 46.55.230.
- 7. A court order.
- 8. A bill of sale for parts pursuant to WAC 308-63-020 (2).
- 9. A bill of sale or invoice from another licensed vehicle wrecker.
- 10. Bill of sale from a salvage pool auction.

Additional Place of Business WAC 308-63-070 (2)

Each additional place of business must comply with all state rules and regulations. In order to use the same license, any additional place of business must be within the same law enforcement jurisdiction (county), and be registered with the department. Each wrecking or storage yard must comply with local zoning regulations. Duplicate wreckers' licenses will be issued for posting at each place of business.

Application RCW 46.80.030 WAC 308-63-040

- 1. Application for a motor vehicle wrecker's license or renewal must be made on a form furnished by the department. The person, firm, partnership, association, or corporation under which the business will be conducted must be identified on the application form.
- All individuals who have an interest in the business must also be identified with their name and address. If the owner is a corporation, list the names and addresses of the officers.
- 3. An on-site inspection of the established place of business is required by the appropriate governmental authority before the license can be approved. Certifications can be made by the Chief of Police of any city or town having a population over 5,000 people. In all other cases, certifications are made by a member of the Washington State Patrol. This

includes confirmation that the business vehicles are properly identified in accordance with WAC 308-63-070 (5).

Each application should list the number of vehicles owned, leased, rented, or otherwise operated for towing or transportation of vehicles or hulks. Vehicles should be identified by make, model, year, or other adequate description and vehicle identification number.

Bill of Sale for Acquiring Vehicles WAC 308-63-020 (1)

Bills of sale are only acceptable in lieu of title in the case of:

- a. vehicles from nontitle jurisdictions
- b. when an insurance company or private owner has surrendered the title to a vehicle previously destroyed as provided under <u>WAC 308-56A-460</u>, or
- c. for vehicles which titles are not issued.

A bill of sale must include:

- 1. the names and addresses of the seller and purchaser
- 2. a description of the vehicle being purchased, including the make, model and vehicle identification or serial number
- 3. the date of purchase, and
- 4. the purchase price of the vehicle.

Bill of Sale for Parts Sold WAC 308-63-100

All motor vehicle parts sold by a wrecker must include a Bill of Sale. If the part being sold is identified as a major component part under RCW 46.80.010 (4) and / or WAC 308-63-070 (7), then the Bill of Sale must also identify the part fully, giving the make, model, year and vehicle identification number or yard number of the vehicle from which the part was taken. In addition, an invoice or a Bill of Sale listing each vehicle or hulk by yard number is required when a wrecker sells vehicles or hulks to a scrap processor or a hulk hauler. Keep copies of all invoices for inspection purposes.

Bill of Sale for Vehicle Parts Acquired WAC 308-63-020 (2)

A bill of sale from the seller is required for the vehicle part(s) obtained. Each bill of sale must describe the specific part and provide the seller's full name and address. Provide verification of the seller's identity and date of sale. If the part is a major component part, as defined in <u>RCW</u> 46.80.010 (4) and / or <u>WAC 308-63-070</u> (7), the identification number of the vehicle it came from must be on the bill of sale. A copy of each bill of sale must be kept for three years.

Bond RCW 46.80.070 and RCW 46.80.100

A surety bond of \$1,000 is required to be held by the state of Washington and executed by an authorized surety company. The form is included in the Wrecker Application provided by the Department. Any person who has suffered a loss or damage by reason of fraud, carelessness, neglect, violation of the terms of this chapter, or misrepresentation on the part of the wrecking company, or its representative(s), can initiate legal action against the wrecker in order to receive payment for the damage. The liability of the surety cannot exceed the amount of the bond.

If the bonding company cancels the wrecker's bond, the department will notify the Wrecker by first class mail. The wrecker must reinstate the bond due for cancellation or obtain a new bond prior to the bond being canceled.

Change of Address <u>WAC 308-63-070</u> (3)

The Department must be notified immediately when there is a business move or an addition of a new location.

Core RCW 46.80.010 (1)

A major component part is received by a vehicle wrecker in exchange for a like part sold by the vehicle wrecker. It is not resold as a major component part except for scrap metal value or for remanufacture. The vehicle wrecker maintains records for three years from the date of acquisition to identify the name of the person from whom the core was received.

Custody WAC 308-63-010 (6)

- 1. The possession of a vehicle in which there is equitable ownership but the ownership documents required in <u>WAC 308-63-080</u> have not been received.
- 2. A vehicle placed for safekeeping by a law enforcement officer.

Department WAC 308-63-010 (1)

The Washington State Department of Licensing.

Destroy WAC 308-63-010 (3)

- 1. The dismantling, disassembling, or wrecking of a vehicle with the intent of never again operating that vehicle.
- 2. The sustaining of damage to a vehicle to the extent that the cost of repairing it exceeds its fair market value immediately prior to the accident.
- 3. The cost of repairing the vehicle, plus its salvage value, exceeds or approximately equals the market value of the vehicle before it was wrecked.

Director <u>WAC 308-63-010</u> (2)

The Director of the Department of Licensing.

Display of License Certificate WAC 308-63-070 (4)

The Certificate of License must be in plain view, displayed openly and clearly, at each business address.

Expiration of Motor Vehicle Wrecker's License RCW 46.80.050 and WAC 308-63-050

The license for a vehicle wrecker expires twelve consecutive months from the date of issuance. License plates for vehicle wreckers expire on the same day as the license.

Fees RCW 46.80.040, RCW 46.80.050 and RCW 46.80.060

The initial application fee is \$25 and the renewal fee is \$10. Failure to renew the license prior to its expiration will require the payment of the original license fee of \$25. The fee for special vehicle wrecker plates is \$6 for the original plates, and \$3 for each additional set of plate bearing the same license number.

Identification of Licensee's Vehicles WAC 308-63-070 (5)

All vehicles used by the auto wrecker for lifting or transporting vehicles hulks, and / or vehicle parts, on state highways must be identified. Each side of the vehicle must have the following information:

- 1. The licensee's name
- 2. The city where the business is located, and
- 3. The current business telephone number.

Each letter and numeral will be painted or permanently affixed on both sides of the vehicle, and be at least a half-inch wide and three inches high.

Identification of Vehicles in Yard RCW 46.80.080 (2)(h) and WAC 308-63-090 (3)

A clearly visible and legible yard number must mark all vehicles in the wrecking yard. This number must match the number assigned to it in the monthly report. If the marked vehicle part is sold, the number must be placed on another location on the vehicle. All vehicles and major component parts must be clearly marked with a yard number.

Inspection of Premises and Records RCW 46.80.150

Periodic inspection of motor vehicle wreckers' records and licensed premises, takes place during the wrecker's normal business hours. It shall be the duty of the Chiefs of Police or the Washington State Patrol in cities having a population of over 5,000 persons and in all other cases the Washington State Patrol.

Major Component Parts RCW 46.80.010 (4) and / or WAC 308-63-070 (7)

Major component part includes at least each of the following vehicle parts (also see definition of "core"):

- a. Engines and short blocks
- b. Frame
- c. Transmission and / or transfer case
- d. Cab
- e. Door
- f. Front or rear differential
- g. Front or rear clip
- h. Quarter panel
- i. Truck bed or box
- i. Bucket seat
- k. Hood
- 1. Bumper
- m. Fender, and
- n. Airbag
- o. Catalytic converter

The term engines, short blocks, transmissions and drive axles (front or rear differentials) will not include core or parts when they're limited to the value as scrap metal or more remanufacturing only.

Obscure WAC 308-63-010 (7)

To screen the wrecker activity from public view.

Place of Business Requirements RCW 46.80.130, WAC 308-63-030 and WAC 308-63-070

1. All activities of a motor vehicle wrecker must take place entirely within the established place of business. To obscure public view of the premises, it must be enclosed by a wall or fence at least eight feet high. It should be painted or stained in natural colors to blend with the surroundings; any fence should be made of chain link with slats or other construction that will obscure the nature of the business.

Fenced Variance WAC 308-63-070 (1)(e)

A variance (exception) to the sight-obscuring wall or fencing requirements of a wrecking yard must be granted in writing on a form provided by the department.

- 2. A living hedge may be substituted for the wall or fence. It must be high enough and thick enough to conform to the law and screen public view of the premises.
- 3. The enclosures and barriers established must be kept in good repair. If any portion of a living hedge is dying, it must be replaced.
- 4. Enforcement personnel will consider the lay of the land (topography) when inspecting the premises for proper enclosure.
- 5. There must be a building on the premises where the owner works at regular intervals and where the books and records are kept available for inspection during normal business hours.
- 6. All wreckers must conform to local zoning regulations.

Records to be Kept RCW 46.80.080 and WAC 308-63-090

Books and records must contain the following:

- 1. A record of each vehicle, identifying the make, model, and year. Major component parts are identified by the vehicle identification numbers and "yard number".
- 2. The date the vehicle part was purchased and from whom.
- 3. The certificate of ownership number if registered in a title state, or registration number if a non-titling state; or description of the document used in lieu of title, such as an affidavit of sale, a bill of sale for a vehicle or vehicle part.
- 4. For each vehicle, there must be a record to include the license number of the last state in which it was registered.
- 5. A statement indicating whether or not the vehicle meets the current market value threshold.
- 6. A record must be kept of the disposition of the major component parts specifically, the name of the person purchasing the parts. If vehicles are sold to a scrap processor, there must be an invoice or a Bill of Sale listing each vehicle by its yard number. A copy of the Bill of Sale or invoice must be kept by the wrecker for inspection for three years.
- 7. All vehicle information must be entered into the wreckers' monthly report within two business days of acquiring the vehicle. These records will be subject to inspection by a representative of the department or law enforcement officials during regular business hours.

Removal and Destruction of License Plates WAC 308-63-070 (6)

License plates from vehicles entered into the wrecking yard must be removed within twenty-four hours, except for plates on vehicles in the segregated storage area. Those plates can be left on the vehicle until the vehicle is entered into the wrecking yard. The plates for vehicles in the wrecking yard must be destroyed prior to submitting the monthly report.

Reports to the Department RCW 46.80.090 and WAC 308-63-090 (2)

By the tenth of the month following the month of acquisition of vehicles entered into the wrecking yard inventory, each wrecker must submit a report on the form prescribed by the department documenting that the vehicles were acquired and entered into the wrecking yard inventory during the previous month. Vehicles being held in the segregated storage area awaiting ownership documents, under WAC 308-63-070 (8) are not reported. The report must be made in duplicate. The original must be sent to the department and the duplicate retained for the wrecker's files. If no vehicles were acquired during that month, the monthly report must be sent in stating "none".

The report must be accompanies by properly endorsed certificates of ownership or other adequate evidence of ownership and registration certificates. Records on acquisitions and sales of vehicle parts need not be included in reports submitted to the department but records must be kept for three years from the date of purchase and made available for inspection.

Rebuilt Salvage Vehicle Branding WAC 308-63-090

A statement indicating whether any used car or truck at least six years but not more than twenty years old met the market value threshold amount prior to the vehicle being wrecked, destroyed or damaged, as required by RCW 46.12.070 and WAC 308-56A-460. If this statement is not provided, when required, the department will treat the vehicle as if the wrecker indicated that the market value threshold was met prior to the vehicle being wrecked.

If the vehicle met that threshold and was rebuilt, its title will be branded as "WA REBUILT". If there is no threshold value reported, the title will be branded. **Note:** The "market value threshold" is based on the federal Consumer Price Index (CPI) for all urban consumers, compiled by the Bureau of Labor Statistics. It will be reviewed and adjusted annually. The index will be posted on the Department of Licensing's Internet website www.dol.wa.gov.

Segregated Storage Area WAC 308-63-010 (7) and WAC 308-63-070 (8)

Vehicles in custody and waiting approved ownership documentation, as provided in <u>WAC 308-63-080</u>, must be placed in a segregated storage area within the wrecking yard. Vehicles placed in this area cannot be dismantled nor have any parts removed. The physical barrier may be portable, made of substantial posts and connected by a rope, chain, cable, or other equally strong connection. This area can be used for storage of dealer cars or equipment if the vehicle wrecker is both a vehicle wrecker and a dealer however, there will be no storage of vehicle parts.

Selling Used Vehicles by a Wrecker also licensed as a Vehicle Dealer WAC 308-63-110 All vehicles acquired for sale under a Vehicle Dealer's License that are inoperable at the time of acquisition must be kept segregated from the wrecking yard and other wrecking yard activity. All vehicle dealers must comply with RCW 46.70.101 (1)(b)(viii), which requires that dealer vehicles meet state and federal standards for construction and safety.

"Inoperable" means a vehicle that does not comply with requirements for vehicles used on public streets, with regard to brakes, lights, tires, safety glass, and other safety equipment. Inoperable does not include a requirement to be currently licensed.

Special Plates RCW_46.80.060 and WAC 308-63-060

All wreckers who tow or transport vehicles or hulks on Washington state highways are required to have regular license plates and special wrecker plates on their vehicles. Wreckers plates can be purchased for as many vehicles as reported on the application for license. The wrecker must inform the department when additional business vehicles are obtained, in order to receive additional plates for the vehicles.

Each vehicle must display both wrecker plates. If the vehicle being towed does not have valid license plates, the wrecker can split the plates, with one being displayed on the front of the towing vehicle and the other on the rear of the vehicle being towed.

License Penalties, Civil Fines, Criminal Penalties RCW 46.80.110

A wrecker's license may be denied, suspended or revoked, or assessed a civil fine of up to five hundred dollars for each violation, if the director finds that the applicant or licensee has:

- 1. Acquired a vehicle or major component part other than by first obtaining title or other documentation.
- 2. Willfully misrepresented the physical condition of any motor or integral part of a vehicle.
- 3. Sold, had in the wrecker's possession or disposed of a vehicle or any part thereof when he or she knows that the vehicle or part has been stolen, or appropriated without the consent of the owner.
- 4. Sold, bought, received, concealed, had in the wrecker's possession, or disposed of a vehicle or part thereof having a missing, defaced, altered, or covered manufacturer's identification number, unless approved by a law enforcement officer.
- 5. Committed forgery or misstated a material fact on any title, registration, or other document covering a vehicle that has been reassembled from parts obtained from the disassembling of other vehicles.
- 6. Committed any dishonest act or omission that the director has reason to believe has caused loss or serious inconvenience as a result of a sale of a vehicle or part thereof.
- 7. Failed to comply with any of the provisions of this chapter or with any of the rules adopted under it, or with any of the provisions of Title 46 RCW relating to registration and certificates of title of vehicles.
- 8. Procured a license fraudulently or dishonestly.
- 9. Been convicted of a crime that directly related to the business of a vehicle wrecker and the time elapsed since conviction is less than ten years, or suffered any judgment within the preceding five years in any civil action involving fraud, misrepresentation, or conversion. Conviction means in addition to a final conviction in either a federal, state, or municipal court, an unvacated forfeiture of bail or collateral deposited to secure a defendant's appearance in court, the payment of a fine, a plea of guilty, or a finding of guilty regardless of whether the sentence is deferred or the penalty is suspended.

Forms

Form Name

Vehicle Transport / Disposal Addendum

Vehicle Transport / Disposal Branch Site Addendum

Vehicles Used to Conduct Business

Vehicle, Vessel, Vehicle Manufacturer, Registered Tow Truck Operator, or Wrecker Bond

Wrecker / Hulk Hauler / Scrap Processor Name or Address Change

Wrecker Monthly Report

Washington Laws and Rules

RCW 46.12	CERTIFICATES OF TITLE Certificates of Title
RCW 46.55.230	TOWING AND IMPOUNDMENT Junk Vehicles – Removal, disposal, sale – Penalties – Cleanup Restitution Payment
VEHICLE WRECKERS	
RCW 46.80.010	Definitions
RCW 46.80.020	License Required - Penalty
RCW 46.80.030	Application for License – Contents
RCW 46.80.040	Issuance of License – Fee
RCW 46.80.050	Expiration, Renewal – Fee
RCW 46.80.060	License Plates – Fee – Display
RCW 46.80.070	Bond
RCW 46.80.080	Records – Penalty
RCW 46.80.090	Reports to Department – Evidence of Ownership
RCW 46.80.100	Cancellation of Bond
RCW 46.80.110	License, Penalties, Civil Fines, Criminal Penalties
RCW 46.80.121	False or Unqualified Applications
RCW 46.80.130	All Storage at Place of Business – Screening Required – Penalty
RCW 46.80.140	Rules
RCW 46.80.150	Inspection of Licensed Premises and Records
RCW 46.80.160	Municipal Compliance
RCW 46.80.170	Violations – Penalties
RCW 46.80.180	Cease and Desist Orders – Fines
RCW 46.80.190	Subpoenas
RCW 46.80.200	Wholesale Motor Vehicle Auction Dealers
RCW 46.80.900	Liberal Construction
CERTIFICATES OF TITLE – MOTOR VEHICLES, ETC.	
WAC 308-56A-460	Destroyed or Wrecked Vehicle – Reporting – Rebuilt
WRECKERS	
WAC 308-63-010	Definitions – General
WAC 308-63-020	Definitions
WAC 308-63-030	Established Place of Business
WAC 308-63-040	Wreckers – Application for License
WAC 308-63-050	Expiration of Motor Vehicle Wreckers License
WAC 308-63-060	Vehicle Wrecker – Special Plates
WAC 308-63-070	Wreckers – General Procedures and Requirements

Vehicle Wrecker – Procedures for Acquiring Vehicles and Vehicle Parts
Vehicle Wrecker – Records and procedures
Vehicle Wrecker – Must Furnish Bill of Sale for Parts
Vehicle Wrecker – Selling Used Vehicles
Statement of Change in Business Structure, Ownership Interest or Control
Termination of Business
Sale, Transfer or Other Disposition of Non-Corporate Licensee
Incorporation of Licensee While Licensed