



STATE OF WASHINGTON  
DEPARTMENT OF LICENSING  
PO Box 9020, Olympia, Washington 9850-9020

**Washington Administrative Code  
Notice of Permanent Rules for  
WAC 308-66-110 Definitions for Motor Vehicle Dealers and  
Manufacturers.**

**Adoption of:** WAC 308-66-110 Definitions.

**Effective date:** These rule changes will become effective 31 days after filing or on January 20, 2025.

**What are the agency's reasons for adopting this rule?**

This rule seeks to improve regulatory compliance for vehicle dealers and manufacturers by clarifying definitions related to certain vehicle dealer and manufacturer activities under Chapter 46.70 RCW Dealers and Manufacturers. The proposed amendment further defines the "soliciting" of a sale and creates a new definition for "public education". Additionally, the proposed amendment adds examples of what constitutes "public education".

**Summary of all public comments received on this rule proposal and the agency's response to those comments:**

| <b>Feedback Type:</b> | <b>In Favor:</b> | <b>Oppose:</b> |
|-----------------------|------------------|----------------|
| Public testimony      | 4                | 7              |
| Written               | 227              | 6              |
| <b>Total:</b>         | <b>231</b>       | <b>13*</b>     |

\* Three individuals who testified against the rulemaking at the public hearing were representatives of an organization that had previously submitted written feedback to the Department opposing the proposal.

| <b>Comments</b>  |  |
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| <b>Paraphrased Comment</b>   | <b>Department Response</b>   |
| The Department exceeds its legislative authority by creating a new term not previously found in the statute. This rulemaking requires legislation. | RCW <a href="#">46.70.160</a> grants the Department authority to make reasonable rules related to the enforcement and proper operation of Chapter <a href="#">46.70</a> RCW. Currently, there is ambiguity around what constitutes the "soliciting" of a sale and "public education". The Department is seeking to |

The Administrative Procedure Act (RCW 34.05.325(6)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. This statement must be provided to anyone who gave comment about the proposed rulemaking.

The Department of Licensing appreciates your involvement in this rulemaking process. If you have any questions, please contact Ellis Starrett, Agency Rules Coordinator, at (360) 902-3846 or email [rulescoordinator@dol.wa.gov](mailto:rulescoordinator@dol.wa.gov).

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|   | clarify non-sales related activities that are not considered “solicitation” under RCW 46.70.011(17)..   |
| The 'safeguards' included in the rulemaking will be completely ineffective in practice.   | This rulemaking does not change the Department's interpretation of laws that regulate dealer and manufacturer activities in Washington State, rather, it clarifies the Department's interpretation by codifying it in the rule.   |
| The rulemaking would greenlight violations of state franchise law, which strictly prohibits manufacturer competition with dealers, and manufacturer participation in the retail sale of motor vehicles to consumers.  | This rulemaking does not change the Department's interpretation of laws that regulate dealer and manufacturer activities, nor does it authorize violations of state franchise law. Under Washington State statute, manufacturers are not authorized to conduct direct sales to consumers.   |
| The current licensing and regulatory regime play a vital role in consumer protection.   | This rulemaking does not change the Department's interpretation of laws that regulate dealer and manufacturer activities in Washington State, rather, it clarifies the Department's interpretation by codifying it in the rule.   |
| The proposed rulemaking would codify a greatly expanded definition of “Soliciting” that could prevent manufacturers from developing fully transactional online sales experiences in partnership with franchised dealers by prohibiting manufacturer websites from displaying vehicle lineups and prices, identifying available financing options, and estimating conditional values for used vehicle trade-ins. | Soliciting the sale of a vehicle in Washington State remains a licensed dealer activity. This is clearly established in law. The expanded definition is just clarifying the agency's current practice. This rulemaking does not change the conduct that is reserved for dealers in Washington or change the relationship between franchised dealers and manufacturers.  |
| The term “public education” is found nowhere else in the law other than the proposed rule language. The definition does not appear to explicitly grant new freedoms to anyone, so its purpose and effect is confusing and ambiguous.  | RCW <a href="#">46.70.160</a> grants the Department authority to make reasonable rules related to the enforcement and proper operation of Chapter <a href="#">46.70</a> RCW. Currently, there is ambiguity around what constitutes the “soliciting” of a sale and “public education”. The Department seeks to clarify its interpretation with respect to enforcement and administration of Chapter 46.70 RCW. |
| Dealerships provide a valuable service to our communities. This rulemaking would lead to the erosion of local businesses and the good-paying jobs they provide our communities.   | This rulemaking does not change the Department's interpretation of laws that regulate dealer and manufacturer activities, nor does it authorize violations of state franchise law. Under Washington State statute, manufacturers are not authorized to conduct direct sales to  |

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|  | consumers, as recently recognized by the Washington State Court of Appeals. |
| Test driving a vehicle is a critical part of the vehicle purchasing process. This rulemaking would allow consumers to make informed purchases by testing the full features, specifications, and capabilities of a vehicle they might want to purchase.   | The Department is not authorizing test drives in this rulemaking.           |
| Most consumers do not purchase a vehicle without test driving it. When people are not able to test drive electric vehicles (EV), they may not purchase them. A consumer should not have to leave the state of Washington to be able to test drive an EV. The proposed rulemaking would help provide consumers with greater freedom of choice through public education and test drives. | The Department is not authorizing test drives in this rulemaking.           |

Written comments were submitted regarding this rule change and there was oral testimony. Each of the questions or comments received by the department are included in the summary above.

**Changes made to the proposed WAC as a result of public comment: N/A**

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