

Any investments made by the state finance committee shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Passed the House June 4, 1977.

Passed the Senate June 2, 1977.

Approved by the Governor June 15, 1977.

Filed in Office of Secretary of State June 15, 1977.

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CHAPTER 252

[House Bill No. 653]

LAND DEVELOPMENT ACT—IMPROVEMENTS—PAYMENTS IN ADDITION TO PURCHASE PRICE

AN ACT Relating to the Land Development Act; and adding a new section to chapter 12, Laws of 1973 1st ex. sess. and to chapter 58.19 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. There is added to chapter 12, Laws of 1973 1st ex. sess. and to chapter 58.19 RCW a new section to read as follows:

It shall be unlawful for the developer to sell a lot or parcel within a development if the terms of the sale require that the purchaser pay any sum in addition to the purchase price for constructing, completing, or maintaining improvements to the development unless the sums are to be paid directly to:

- (1) A governmental agency;
- (2) A person who is not affiliated with the developer, in trust, and on terms acceptable to the director; or
- (3) An association comprised solely of persons who have purchased lots in the development, or their assignees.

The terms which require the payment of any additional sum shall be set forth in the public offering statement.

Passed the House April 23, 1977.

Passed the Senate June 6, 1977.

Approved by the Governor June 15, 1977.

Filed in Office of Secretary of State June 15, 1977.

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CHAPTER 253

[House Bill No. 703]

MOTOR VEHICLE WRECKERS

AN ACT Relating to motor vehicle wreckers; amending section 46.80.010, chapter 12, Laws of 1961 and RCW 46.80.010; amending section 46.80.020, chapter 12, Laws of 1961 as last amended by section 1, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.020; amending section 46.80.030, chapter 12, Laws of 1961 as last amended by section 2, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.030; amending section 46.80.070, chapter 12, Laws of 1961 as last amended by section 5, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.070; amending section 46.80.080, chapter 12, Laws of 1961 as last amended by section 6, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.080; amending section 46.80.090, chapter 12, Laws of 1961 as last amended by section 7, chapter 7,

Laws of 1971 ex. sess. and RCW 46.80.090; amending section 46.80.100, chapter 12, Laws of 1961 as amended by section 101, chapter 32, Laws of 1967 and RCW 46.80.100; amending section 46.80.110, chapter 12, Laws of 1961 as last amended by section 8, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.110; amending section 46.80.150, chapter 12, Laws of 1961 as last amended by section 10, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.150; adding new sections to chapter 46.80 RCW; repealing section 46.80.120, chapter 12, Laws of 1961 and RCW 46.80.120; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. There is added to chapter 46.80 RCW a new section to read as follows:

The legislature finds and declares that the distribution and sale of vehicle parts in the state of Washington vitally affects the general economy of the state and the public interest and the public welfare, and that in order to promote the public interest and the public welfare and in the exercise of its police power, it is necessary to regulate and license motor vehicle wreckers and dismantlers, the buyers-for-resale, and the sellers of second-hand vehicle components doing business in Washington, in order to prevent the sale of stolen vehicle parts, to prevent frauds, impositions, and other abuses, and to preserve the investments and properties of the citizens of this state.

Sec. 2. Section 46.80.010, chapter 12, Laws of 1961 and RCW 46.80.010 are each amended to read as follows:

~~((The words))~~ (1) "Motor vehicle wrecker," whenever used in this chapter, shall mean every person, firm, partnership, association, or corporation engaged in the business of buying, selling, or dealing in vehicles of a type required to be licensed under the laws of this state, for the purpose of wrecking, dismantling, disassembling, or substantially changing the form of any motor vehicle, or who buys or sells integral second-hand parts of component material thereof, in whole or in part, ~~((and))~~ or who deals in second-hand motor vehicle parts. ~~((The words))~~

(2) "Established place of business," whenever used in this chapter, shall mean a building or enclosure which the ~~((owner))~~ motor vehicle wrecker occupies either continuously or at regular periods and where his books and records are kept and business is transacted and which must conform with ~~((the))~~ zoning regulations ~~((of municipalities))~~.

(3) "Major component part", whenever used in this chapter, shall include at least each of the following vehicle parts: (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; (j) seat; (k) hood; and (l) bumper. The director may supplement this list by rule.

(4) "Wrecked vehicle", whenever used in this chapter, shall mean a vehicle which is disassembled or dismantled or a vehicle which is acquired with the intent to dismantle or disassemble and never again to operate as a vehicle, or a vehicle which has sustained such damage that its cost to repair exceeds the fair market value of a like vehicle which has not sustained such damage, or a damaged vehicle whose salvage value plus cost to repair equals or exceeds its fair market value, if repaired, or a vehicle which has sustained such damage or deterioration that it may not lawfully operate upon the highways of this state for which the salvage value plus cost to repair exceeds its fair market value, if repaired; further, it is presumed

that a vehicle is a wreck if it has sustained such damage or deterioration that it may not lawfully operate upon the highways of this state.

Sec. 3. Section 46.80.020, chapter 12, Laws of 1961 as last amended by section 1, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.020 are each amended to read as follows:

It shall be unlawful for any motor vehicle wrecker, as defined herein, ((who shall)) to engage in the business of wrecking motor vehicles or trailers without having first applied for and received a license from the department of motor vehicles authorizing him so to do ((shall be guilty of a gross misdemeanor, and upon conviction shall be punished by imprisonment for not less than thirty days or more than one year in jail or by a fine of one thousand dollars)).

Sec. 4. Section 46.80.030, chapter 12, Laws of 1961 as last amended by section 2, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.030 are each amended to read as follows:

Application for a motor vehicle wrecker's license or renewal of a vehicle wrecker's license shall be made on a form for this purpose, furnished by the department of motor vehicles, and shall be signed by the motor vehicle wrecker or his authorized agent and shall include the following information:

(1) Name and address of the person, firm, partnership, association or corporation under which name the business is to be conducted;

(2) Names and residence address of all persons having an interest in the business or, if the owner is a corporation, the names and addresses of the officers thereof;

(3) Certificate of approval of the chief of police of any city or town having a population of over five thousand persons and in all other instances a member of the Washington state patrol certifying that:

(a) The applicant has an established place of business at the address shown on the application, and;

(b) In the case of a renewal of a vehicle wrecker's license, the applicant has been complying with the provisions of this chapter, as now or hereafter amended, and the provisions of Title 46 RCW, relating to registration and certificates of title: PROVIDED, That the above certifications in any instance can be made by an authorized representative of the department of motor vehicles;

(4) Any other information that the department may require.

Sec. 5. Section 46.80.070, chapter 12, Laws of 1961 as last amended by section 5, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.070 are each amended to read as follows:

Before issuing a motor vehicle wrecker's license, the department shall require the applicant to file with said department a surety bond in the amount of one thousand dollars, running to the state of Washington and executed by a surety company authorized to do business in the state of Washington. Such bond shall be approved as to form by the attorney general and conditioned that such wrecker shall conduct his business in conformity with the provisions of this chapter. Any person who shall have suffered any 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, shall have the right to institute an action for recovery

against such motor vehicle wrecker and surety upon such bond: PROVIDED, That the aggregate liability of the surety to all persons shall in no event exceed the amount of the bond.

Sec. 6. Section 46.80.080, chapter 12, Laws of 1961 as last amended by section 6, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.080 are each amended to read as follows:

(1) Every motor vehicle wrecker shall maintain books or files in which he shall keep a record and a description of:

(a) Every vehicle wrecked, dismantled, disassembled, or substantially altered by him(,); and

(b) Every major component part acquired by him; together with a bill of sale signed by a seller whose identity has been verified and the name and address of the person, firm, or corporation from whom he purchased the vehicle or part: PROVIDED, That major component parts shall be further identified by the vehicle identification number of the vehicle from which the part came.

(2) Such record shall also contain the following data regarding the wrecked or acquired vehicle or vehicle which is the source of a major component part:

~~((1))~~ (a) The certificate of title number (if previously titled in this or any other state);

~~((2))~~ (b) Name of state where last registered;

~~((3))~~ (c) Number of the last license number plate issued;

~~((4))~~ (d) Name of vehicle;

~~((5))~~ (e) Motor or identification number and serial number of the vehicle;

~~((6))~~ (f) Date purchased;

~~((7))~~ (g) Disposition of the motor and chassis(,);

(h) Yard number assigned by the licensee to the vehicle or major component part which shall also appear on the identified vehicle or part; and

(i) Such other information as the department may require.

(3) Such records shall also contain a bill of sale signed by the seller for other minor component parts acquired by the licensee, identifying the seller by name, address, and date of sale.

(4) Such records shall be maintained by the licensee at his established place of business for a period of three years from the date of acquisition.

(5) Such record shall be subject to inspection at all times during regular business hours by members of the police department, sheriff's office ~~((and))~~, members of the Washington state patrol, or officers or employees of the department.

(6) A motor vehicle wrecker shall also maintain a similar record of all disabled vehicles that have been towed or transported to the motor vehicle wrecker's place of business or to other places designated by the owner of the vehicle or his representative. This record shall specify the name and description of the vehicle, name of owner, number of license plate, condition of the vehicle and place to which it was towed or transported.

Sec. 7. Section 46.80.090, chapter 12, Laws of 1961 as last amended by section 7, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.090 are each amended to read as follows:

Within thirty days after a vehicle has been acquired by the motor vehicle wrecker it shall be the duty of such motor vehicle wrecker to furnish a written report to the department on forms furnished by the department. This report shall be in such form as the department shall prescribe and shall be accompanied by the certificate of title, if the vehicle has been last registered in a state which issues a certificate, or a record of registration if registered in a state which does not issue a certificate of title. No motor vehicle wrecker shall acquire a vehicle without first obtaining such record or title. It shall be the duty of the motor vehicle wrecker to furnish a monthly report of all vehicles wrecked, dismantled, disassembled, or substantially changed in form by him. This report shall be made on forms prescribed by the department and contain such information as the department may require. This statement shall be signed by the motor vehicle wrecker or his authorized representative and the facts therein sworn to before a notary public, or before an officer or employee of the department of motor vehicles designated by the director to administer oaths or acknowledge signatures, pursuant to RCW 46.01.180. ~~((Any motor vehicle wrecker who fails, neglects or refuses to furnish these monthly reports shall be guilty of a gross misdemeanor and shall be punished by a fine of not more than five hundred dollars or by imprisonment of not more than six months or by both fine and imprisonment.))~~

Sec. 8. Section 46.80.100, chapter 12, Laws of 1961 as amended by section 101, chapter 32, Laws of 1967 and RCW 46.80.100 are each amended to read as follows:

If, after issuing a motor vehicle wrecker's license, the bond is canceled by the surety in a method provided by law, the ~~((director))~~ department shall immediately notify the principal covered by such bond by registered mail and afford him the opportunity of obtaining another bond before the termination of the original and should such principal fail, neglect or refuse to obtain such replacement, the director may cancel or suspend the motor vehicle wrecker's license which has been issued to him under the provisions of this chapter.

Sec. 9. Section 46.80.110, chapter 12, Laws of 1961 as last amended by section 8, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.110 are each amended to read as follows:

The director or a designee may, pursuant to the provisions of chapter 34.04 RCW, by order deny, suspend, or revoke the license of any motor vehicle wrecker, or assess a civil fine of up to five hundred dollars for each violation, if he finds that the applicant or licensee has:

(1) Acquired a vehicle or major component part other than by first obtaining title or other documentation as provided by this chapter;

(2) Wilfully misrepresented the physical condition of any motor or integral part of a motor vehicle;

~~((2))~~ (3) Sold, had in his possession, or disposed of a motor vehicle or trailer or any part thereof when he knows that such vehicle or part has been stolen, or appropriated without the consent of the owner;

~~((3))~~ (4) Sold, bought, received, concealed, had in his possession, or disposed of a motor vehicle or trailer or part thereof having a missing, defaced, altered, or covered manufacturer's identification number, unless approved by a law enforcement officer;

(5) Committed forgery (~~(on a certificate of title)~~) 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;

~~((4))~~ (6) Committed any dishonest act or omission which the director has reason to believe has caused loss or serious inconvenience as a result of a sale of a motor vehicle, trailer or part thereof;

~~((5))~~ (7) Failed to comply with any of the provisions of this chapter, as now or hereafter amended, or with any of the rules and regulations adopted thereunder, or with any of the provisions of Title 46 RCW relating to registration and certificates of title of vehicles;

~~((6))~~ (8) Procured a license fraudulently or dishonestly or that such license was erroneously issued.

Sec. 10. Section 46.80.150, chapter 12, Laws of 1961 as last amended by section 10, chapter 7, Laws of 1971 ex. sess. and RCW 46.80.150 are each amended to read as follows:

It shall be the duty of the chiefs of police in cities having a population of over five thousand persons, and in all other cases members of the Washington state patrol, to make periodic inspection of the motor vehicle wrecker's licensed premises and records provided for in this chapter during normal business hours, and furnish a certificate of inspection to the department in such manner as may be determined by the department: PROVIDED, That the above inspection in any instance can be made by an authorized representative of the department.

NEW SECTION. Sec. 11. There is added to chapter 46.80 RCW a new section to read as follows:

It shall be a gross misdemeanor for any person to violate any of the provisions of this chapter or the rules and regulations promulgated as provided under this chapter, and any person so convicted shall be punished by imprisonment for not less than thirty days or more than one year in jail or by a fine of one thousand dollars.

NEW SECTION. Sec. 12. Section 46.80.120, chapter 12, Laws of 1961 and RCW 46.80.120 are each repealed.

NEW SECTION. Sec. 13. There is added to chapter 46.80 RCW a new section to read as follows:

The provisions of this chapter shall be liberally construed to the end that traffic in stolen vehicle parts may be prevented, and irresponsible, unreliable, or dishonest persons may be prevented from engaging in the business of wrecking motor vehicles or selling used vehicle parts in this state and reliable persons may be encouraged to engage in businesses of wrecking or reselling vehicle parts in this state.

NEW SECTION. Sec. 14. There is added to chapter 46.80 RCW a new section to read as follows:

If any provision of this 1977 amendatory act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the amendatory act and the applicability thereof to persons and circumstances shall not be affected thereby.

Passed the House April 23, 1977.

Passed the Senate June 4, 1977.

Approved by the Governor June 15, 1977.

Filed in Office of Secretary of State June 15, 1977.

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CHAPTER 254

[House Bill No. 733]

MOTOR VEHICLE TRANSPORTERS—LICENSES; DENIAL, ETC., GROUNDS

AN ACT Relating to motor vehicle transporters; adding a new section to chapter 46.76 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. There is added to chapter 46.76 RCW a new section to read as follows:

The following conduct shall be sufficient grounds pursuant to RCW 34.04.170 for the director or a designee to deny, suspend, or revoke the license of a motor vehicle transporter:

- (1) Using transporter plates for driveway or towaway of any vehicle owned by such transporter;
- (2) Knowingly, as that term is defined in RCW 9A.08.010(1)(b), having possession of a stolen vehicle or a vehicle with a defaced, missing, or obliterated manufacturer's identification serial number;
- (3) Loaning transporter plates;
- (4) Using transporter plates for any purpose other than as provided under RCW 46.76.010; or
- (5) Violation of provisions of this chapter or of rules and regulations adopted relating to enforcement and proper operation of this chapter.

Passed the House April 23, 1977.

Passed the Senate June 4, 1977.

Approved by the Governor June 15, 1977.

Filed in Office of Secretary of State June 15, 1977.

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CHAPTER 255

[Substitute House Bill No. 737]

SCHOOL DISTRICTS—INTERSCHOOL ACTIVITIES—STUDENTS' INSURANCE

AN ACT Relating to school districts; and amending section 28A.58.420, chapter 223, Laws of 1969 ex. sess. as last amended by section 1, chapter 9, Laws of 1973 1st ex. sess. and RCW 28A.58.420.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 28A.58.420, chapter 223, Laws of 1969 ex. sess. as last amended by section 1, chapter 9, Laws of 1973 1st ex. sess. and RCW 28A.58.420 are each amended to read as follows: