

SEC. 2. All funds in the forest development fund as now constituted shall be paid into or transferred into the forest development fund as created by section 1.

Funds to be transferred.

Passed the House February 23, 1951.

Passed the Senate March 6, 1951.

Approved by the Governor March 15, 1951.

CHAPTER 150.

[H. B. 375.]

REGULATION OF MOTOR VEHICLE DEALERS— “DEALER’S LICENSES” ACT.

AN ACT relating to motor vehicles; regulating the licensing of motor vehicle dealers, and the caravaning of motor vehicles, providing penalties, adding a new chapter to Title 46, R.C.W., amending section 46.18.060, R.C.W., and repealing sections 46.16.050 and 46.16.250, R.C.W., and chapter 46.72, R.C.W.

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

SECTION 1. This act shall constitute a new chapter under Title 46, R.C.W., and shall be designated as “Dealer’s Licenses.”

New chapter.

SEC. 2. “Dealer” as defined in this title shall mean any person in the business of buying, selling, exchanging or acting as a broker of new or used motor vehicles, trailers, or motorcycles, with an established place of business at which is kept and maintained the books, records and files of the business.

“Dealer.”

SEC. 3. It shall be unlawful for any person to carry on or conduct business as a dealer unless he shall have applied for and received from the director a license to do so.

Unlawful to act without a license.

SEC. 4. Application for a dealer’s license shall be made on a form provided for the purpose by the director and shall be forwarded with the required

Application for license.

Fee. fee to the director. Such application shall be made by the dealer or his authorized representative who shall certify that the facts contained therein are true.

Contents. SEC. 5. Applications for a dealer's license shall contain:

Name and address of business. (1) The name under which the business is to be conducted and the address of its established place of business;

Owner's name, address. (2) The name and address of owner, or if partnership, name and address of each partner. If owner is a corporation, the names of principal officers and their addresses, and if the corporation is not incorporated under the laws of this state, the name of the state in which it is incorporated, and the name of its resident officers;

Make of vehicles. (3) The make of vehicles for which enfranchised, if any;

Used cars. (4) Whether or not used cars will be sold;

Certificate that applicant is a dealer. (5) A certificate to the effect that the applicant is a dealer as defined in this chapter having an established place of business at the address shown on the application and signed by the chief of police or his deputy in cities having a population of five thousand persons or more, otherwise by a member of the Washington state patrol; and

Previous revocation. (6) Whether or not a previous dealer's license has been denied, suspended, or revoked.

SEC. 6. Upon receiving an application for dealer's license, the director shall, if such application is in proper form and accompanied by a proper fee, retain the application and transmit the fee to the state treasurer with a proper identifying report, such fee to be deposited in the motor vehicle fund. If the director is satisfied that the applicant has complied with the provisions of this chapter and is entitled to a dealer's license, he shall issue an official certificate authorizing the dealer named thereon to carry on and conduct the business of a dealer in

Fee deposited in motor vehicle fund.

Issuance of license.

motor vehicles, trailers and motorcycles. Every license so issued shall expire on December thirty-first, and may be renewed by filing a proper application and paying the fees therefor.

Expiration of license.

SEC. 7. The fee for original dealer license for each calendar year or fraction thereof shall be twenty-five dollars which shall include one set of dealer license plates, and which may be renewed annually for a fee of ten dollars: *Provided*, That any dealer who is otherwise eligible and during the year 1951 has obtained a dealer's license shall be permitted to obtain a renewal of license and pay therefor a fee of ten dollars. Additional sets of the dealer license plates, bearing the same license number, may be obtained for three dollars per set. If any dealer shall fail or neglect to apply for such renewal prior to February first in each year, his license shall be declared cancelled by the director of licenses, in which case the dealer will be required to apply for an original license and pay the fee required for such original license. The fees prescribed herein shall be in addition to any excise taxes imposed by chapter 82.44, R.C.W., as derived from chapter 144, Laws of 1943, as amended.

Fees; original and renewal licenses; license plates.

Fees are in addition to excises.

[Ch. 82.44 R.C.W. is Rem. Supp. 1945, § 6312-115, Rem. Supp. 1943, §§ 6312-116—6312-120, Rem. Supp. 1949, § 6312-120a, Rem. Supp. 1943, §§ 6312-121—6312-124, Rem. Supp. 1949, § 6312-125, Rem. Supp. 1945, § 6312-126, Rem. Supp. 1943, § 6312-127, Rem. Supp. 1945, §§ 6312-128—6312-128a.]

SEC. 8. Before issuing a motor vehicle dealer license, the director shall require the applicant to file with said director a surety bond in the amount of two thousand dollars running to the state, and executed by a surety company authorized to do business in the state. Such bond shall be approved by the attorney general as to form and conditioned that the dealer 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 any act by a dealer which constitutes a violation

Applicant to file bond.

Approved by attorney general.

Recovery
against
surety.

of this chapter shall have the right to institute an action for recovery against such motor vehicle dealer and the surety upon such bond. Successive recoveries against said bond shall be permitted but the aggregate liability of the surety to all persons shall in no event exceed the amount of the bond. Upon exhaustion of the penalty of said bond or cancellation of the bond by the surety the director shall revoke the license of the dealer.

Revocation
of license.

SEC. 9. Every dealer maintaining a branch or subagency in another city or town in this state, shall be required to have separate dealer license plates for such branch or subagency, in the same manner as though each constituted a separate and distinct dealer.

Separate
license plates
for branch
offices.

Display and
use of
dealer's
plates.

SEC. 10. The dealer license plate shall be displayed upon every vehicle demonstrated by such dealer whenever the same is operated upon any public highway in this state, and on such vehicles as may be actually owned by the dealer and used by members or employees of his firm. Dealer license plates shall not be used upon any vehicle for the transportation of any person, produce, freight or commodities for compensation, except there shall be permitted the use of such dealer license plates on a vehicle transporting commodities in course of demonstration over a period not to exceed seventy-two consecutive hours from the commencement of such demonstration, if a representative of the dealer is present and accompanies such vehicle during the course of the demonstration.

Tampered
motor or
serial
numbers.
Failure to
report motor
change.

SEC. 11. Any dealer who shall knowingly buy or receive, sell or dispose of, conceal or have in his possession, any motor vehicle, trailer, or motorcycle from which the motor or serial number has been removed, defaced, covered, altered or destroyed, or any dealer, who shall remove from or install in any motor vehicle a new or used motor block without

immediately notifying the director of licenses of such fact upon a form provided by him, or any motor vehicle dealer who shall loan or permit the use of dealer plates by any person not entitled to the use thereof, shall be guilty of a gross misdemeanor.

Lending dealer plates.

Penalty.

SEC. 12. The director may, when informed of the conviction of any dealer of the violation of any of the provisions of this chapter, in addition to penalties imposed by the court, require the surrender of the dealer license and dealer license plates, and may thereupon suspend such license for a period of not less than thirty days or not more than one year, or he may confiscate the dealer license plates that have been issued to such dealer for the current license year.

Conviction of dealer; powers of director.

SEC. 13. The director may refuse to issue a dealer license, or may suspend or revoke a dealer license whenever he has reason to believe that such dealer has:

Non-issuance, suspension or revocation of license; grounds.

(1) Forged the signature of the registered or legal owner on a certificate of title;

Forged signature.

(2) Sold or disposed of a vehicle which he knows or has reason to know has been stolen or appropriated without the consent of the owner;

Sale of stolen vehicle.

(3) Wilfully misrepresented any material fact in the applications for a vehicle dealer's license, certificate of registration or certificate of title;

Misrepresentation.

(4) Wilfully failed to deliver to a purchaser a certificate of title to the car sold; and/or

Failure to deliver title.

(5) Suffered or permitted the cancellation of the bond or the exhaustion of the penalty thereof.

Cancellation of bond.

SEC. 14. Upon receipt of complaint or other information by the director that an applicant should not be licensed or that a dealer has violated any of the provisions of this act he may call a hearing to give the person affected an opportunity to show cause why his application for license should not be

Hearing on alleged violations.

refused or why his license should not be revoked or suspended. Notice of the hearing shall be given in writing by registered mail to the holder or applicant for such license and shall designate a time and place for the hearing before the director of licenses which shall not be less than ten days from the date of said notice. The director may require the attendance of any witnesses or documents by issue of subpoenas upon motion either of the department of licenses or the person affected, and shall make a record of the proceedings and of the testimony. Should the director decide that any person is not entitled to a dealer's license or that an existing license should be suspended or revoked, the applicant or holder may within thirty days from the date of the decision of the director, appeal to the superior court of the county of the dealer's residence for a review on the record of such decision, filing a notice of such appeal with the clerk of such superior court and at the same time filing a copy of such notice with the director. On receipt of such notice, the director shall prepare, certify and forward to the court the record of the proceedings.

Notice.

Subpoenas.

Appeal to superior court.

Record certified.

Record of sales.

Contents.

Available for inspection.

SEC. 15. A dealer shall complete and maintain a record of the purchase and sale of all motor vehicles, motorcycles or trailers, purchased or sold by him and which have been previously licensed in this or another state, which record shall consist of:

- (1) The license and title numbers of state in which last license was issued;
- (2) A description of vehicle;
- (3) The name of person from whom purchased;
- (4) The name of legal owner, if any; and
- (5) The name of purchaser.

Such record shall at all times be available for inspection by the director or duly authorized member of the state patrol.

SEC. 16. Before the execution of a contract or chattel mortgage or the consummation of the sale of any motor vehicle, the seller must furnish the buyer an itemization in writing signed by the seller separately disclosing to the buyer the finance charge, insurance costs, taxes, and other charges which are paid or to be paid by the buyer.

Seller to furnish itemized statement.

SEC. 17. Section 46.16.060, R.C.W., as derived from section 16, chapter 188, Laws of 1937, as amended by section 8, chapter 220, Laws of 1949, is amended to read as follows:

Amendment.

Except as otherwise specifically provided by law for the licensing of vehicles, there shall be paid and collected annually for each calendar year or fractional part thereof and upon each vehicle a license fee in the sum of five dollars.

License fee.

[Am. Rem. Supp. 1949, § 6312-16.]

SEC. 18. Sections 46.16.050 and 46.16.250, R.C.W., as derived from sections 30 and 31, chapter 188, Laws of 1937, and chapter 46.72, R.C.W., as derived from chapter 184, Laws of 1937, are repealed.

Repealing clause.

[R.C.W. 46.16.050 is R.R.S. § 6312-31, R.C.W. 46.16.250 is R.R.S. § 6312-30, Ch. 46.72 R.C.W. is R.R.S. §§ 6382-61 to 6382-72 incl. (motor vehicle caravanning).]

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