

(15) Make any loan secured by an investment certificate that does not provide for a refund to the borrower or a credit to the borrower's account of the unearned portion of the interest when the note is prepaid in full by cash, a new loan, refinancing, or otherwise before the final due date. If the originally scheduled term of the loan is less than thirty-seven months, unearned interest may be refunded or credited using the sum of the digits method commonly known as the "rule of seventy-eights". If the originally scheduled term of the loan is thirty-seven months or more, the refund of the unearned portion of the interest shall be computed as follows:

Interest shall be considered earned at the single nominal annual percentage rate which, if applied to the unpaid amounts of principal outstanding from time to time, would produce the same total of interest paid at maturity as originally contracted for, based upon the assumption that all payments were made on the loan according to the schedule of payments due on the certificate and calculations were made according to the actuarial method. Interest earned so calculated up to the scheduled due date nearest the date of prepayment shall be subtracted from the original amount of interest included in the note and the balance of such interest shall be refunded. For purposes of this calculation only, the original principal amount of the loan shall be deemed to be the amount of the total note less the interest deducted in advance. Actuarial method means the method of allocating payments made between principal and interest whereby a payment is applied first to the interest accumulated to date, and the remainder then applied to the unpaid principal amount. In computing an actuarial refund, the lender may round the single annual percentage rate used to the nearest quarter of one percent. In computing any required refund, any prepayment made on or before the fifteenth day following the scheduled payment date on the investment certificate shall be deemed to have been made on the payment date preceding such prepayment. In the case of prepayment prior to the first installment date, the company may retain an amount not to exceed one-thirtieth of the first month's interest charge for each date between the origination date of the loan and the actual date of prepayment.

Passed the House February 10, 1988.

Passed the Senate March 1, 1988.

Approved by the Governor March 9, 1988.

Filed in Office of Secretary of State March 9, 1988.

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## CHAPTER 8

[House Bill No. 280]

### MOTOR VEHICLE ACCIDENT REPORTING OBLIGATIONS—FAILURE TO COMPLY

AN ACT Relating to suspension of driving privileges; and amending RCW 46.52.035.

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

Sec. 1. Section 2, chapter 119, Laws of 1965 ex. sess. and RCW 46-.52.035 are each amended to read as follows:

The director (~~shall~~) may suspend the license or permit to drive and any nonresident operating privileges of any person failing to report an accident as provided in RCW 46.52.030 until such report has been filed.

Passed the House January 13, 1988.

Passed the Senate February 29, 1988.

Approved by the Governor March 9, 1988.

Filed in Office of Secretary of State March 9, 1988.

CHAPTER 9

[House Bill No. 1300]

CHARTER BOATS

AN ACT Relating to charter boats; and amending RCW 75.28.095.

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

Sec. 1. Section 1, chapter 90, Laws of 1969 as last amended by section 112, chapter 46, Laws of 1983 1st ex. sess. and RCW 75.28.095 are each amended to read as follows:

(1) A charter boat license is required for a vessel to be operated as a charter boat from which food fish are taken for personal use. The annual license fees are:

Species	Resident Fee	Nonresident Fee
(a) Food fish other than salmon	\$100	\$200
(b) Salmon and other food fish	\$200	\$200

(2) "Charter boat" means a vessel from which persons may, for a fee, fish for food fish, and which delivers food fish (~~taken from offshore waters~~) into state ports or delivers food fish taken from state waters into United States ports. "Charter boat" does not mean:

(a) Vessels not generally engaged in charter boat fishing which are under private lease or charter and operated by the lessee for the lessee's personal recreational enjoyment; or

(b) Vessels used by guides for clients fishing for (~~salmon~~) food fish for personal use in freshwater rivers, streams, and lakes, other than Lake Washington or that part of the Columbia River below the bridge at Longview.

(3) A vessel shall not engage in both charter or sports fishing and commercial fishing on the same day. A vessel may be licensed for both