

CHAPTER 284.

[S. B. 169.]

CHATTEL MORTGAGES.

AN ACT relating to chattel mortgages and the filing thereof; providing for optional filing thereof with the Secretary of State after filing in a county and the effect thereof; providing for records to be kept by the Secretary of State and the amount of filing fees; amending section 1987, chapter CXLI, Code of 1881, as amended by section 1, chapter 96, Laws of 1915 (section 3780 of Remington's Revised Statutes); and section 2, chapter XCVIII, Laws of 1899 (section 3781 of Remington's Revised Statutes); and section 1988, chapter CXLI, Code of 1881, as amended by section 1, chapter 121, Laws of 1939 (section 3788 of Remington's Revised Statutes); and section 8 of chapter XCVIII of the Session Laws of 1899, as amended by chapter 133 of the Session Laws of 1937 (Remington's Revised Statutes, section 3787).

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

SECTION 1. Section 1987, chapter CXLI, Code of 1881, as amended by section 1, chapter 96, Laws of 1915 (Remington's Revised Statutes, section 3780) is amended to read as follows:

Amendments.

Section 1987. (a) A mortgage of personal property is void as against all creditors of the mortgagor, both existing and subsequent, whether or not they have or claim a lien upon such property, and against all subsequent purchasers, pledgees, and mortgagees and encumbrancers for value and in good faith, unless it is accompanied by the affidavit of the mortgagor that it is made in good faith, and without any design to hinder, delay, or defraud creditors, and unless it is acknowledged and filed within ten days from the time of the execution thereof in the office of the County Auditor of the county in which the mortgaged property is situated as provided by law.

Mortgage void against creditors.

(b) Any chattel mortgage executed as provided in this section, or a true copy thereof certified as a true copy by the Auditor of any county where the

Effect of filing.

same has been filed, may also at any time prior to its satisfaction, discharge, or release, be filed for record in the office of the Auditor of any other county in the state, or in the office of the Secretary of State, or both, but filing in the office of the Secretary of State shall be of no effect however, until the mortgage or copy thereof shall have been filed with a County Auditor as provided in paragraph (a) of this section. But when a mortgage is filed with a County Auditor in compliance with said paragraph (a), and with the Secretary of State, such filing shall have the same effect as if the mortgage had been duly filed for record in the office of the Auditor in each county of this state.

Amend-
ments.

SEC. 2. Section 2 of chapter XCVIII of the Laws of 1899 (Remington's Revised Statutes, section 3781) is amended to read as follows:

Procedure
of filing.

Section 2. Upon the receipt of any such instrument presented for filing, the County Auditor or the Secretary of State, as the case may be, shall upon payment of the proper fees therefor, indorse thereon the time of reception, the number thereof, and shall enter in a suitable book to be provided by him at the expense of his county, or of the state, as the case may be, with an alphabetical index thereto, used exclusively for that purpose, ruled into separate columns with appropriate heads: "The time of filing," "Name of mortgagor," "Name of mortgagee," "Date of instrument," "Amount secured," "When due," and "Date of release." An index to said book shall be kept in the manner required for indexing deeds to real estate, and the County Auditor or the Secretary of State, as the case may be, shall receive for the services as required by this act the sum of fifty cents for every instrument, and the moneys so collected shall be accounted for as other fees of his office. Such instruments shall remain on file for the inspection of the public.

Index.

Fee.

SEC. 3. Section 1988, chapter CXLI, Code of 1881, as amended by section 1, chapter 121, Laws of 1939 (section 3788 of Remington's Revised Statutes) is amended to read as follows:

Amend-
ments.

Section 1988. When the personal property described in a mortgage which has been filed in accordance with the provisions of sections 3780, 3781, or 3786 of Remington's Revised Statutes has been thereafter removed from the county in which the mortgage is filed such property is, except between the parties thereto, and those having actual notice thereof, exempted from the operation thereof unless either:

1. The mortgagee shall, prior to such removal or within thirty (30) days after such removal cause a copy of the mortgage, certified by the Auditor of the county where filed, to be filed in the office of the County Auditor of the county to which the property shall be or has been removed: *Provided*, That the filing of the mortgage after said period in the county to which such property is so removed shall restore the operation of the mortgage as to all parties except purchasers and encumbrancers in good faith who shall have become such after the expiration of said thirty (30) days and before such filing in the county to which the property has been removed; or

Mortgage
filed in
county to
which
chattels are
moved.

2. The mortgagee shall, prior to such removal or within thirty (30) days after such removal cause a copy of the mortgage, certified by the Auditor of the county where filed, to be filed in the office of the Secretary of State according to the provisions of section 3780 of Remington's Revised Statutes: *Provided*, That the filing of the mortgage after said period with the Secretary of State shall restore the operation of the mortgage as to all parties except purchasers and encumbrancers in good faith who shall have become such after the expiration of said

Mortgage
filed with
Secretary
of State.

thirty (30) days and before such filing in the county to which the property has been removed.

3. The mortgage be recorded in the custom house; or

Mortgage
on vessel or
boat.

4. The mortgagee within thirty (30) days after such removal takes possession of the property: *Provided*, That a mortgage on any vessel or boat, or part of a vessel or boat, over twenty tons burden, shall be recorded in the office of the Collector of Customs, where such vessel is registered, enrolled, or licensed, and need not be recorded elsewhere.

Amend-
ments.

SEC. 4. Section 8 of chapter XCVIII of the Session Laws of 1899, as amended by section 1 of chapter 133 of the Session Laws of 1937, (Remington's Revised Statutes, section 3787) is hereby amended to read as follows:

Procedure
upon satis-
faction of
mortgage
or contract.

Section 8. Whenever any mortgage or contract of conditional sale of personal property or lease thereof, which has been filed or recorded with the County Auditor or with the Secretary of State, has been paid, or the conditions thereof satisfied, the mortgagee, or vendor, or his assignee or personal representatives, shall make to the mortgagor, or vendee, his assignee or personal representatives a certificate in writing, under his hand and acknowledged by him, stating the date of the mortgage or contract, the names of the parties thereto, the Auditor's file number thereof, or the Secretary of State's file number thereof, and that the same has been discharged in full; and shall file or record such certificate in writing with the officer with whom such mortgage or contract is filed, the said officer shall deliver said mortgage or contract to the person producing such certificate on payment of the proper fee for filing or recording said certificate, and shall file said certificate in his office, endorsing thereon the true date of filing the same, and shall keep and preserve said certificate among the records in his office, and

shall write the word "satisfied" with the date opposite to such mortgage or conditional sale contract, in the index in which such mortgage or contract is entered under the heading "release." The Secretary of State shall be paid a fee of twenty-five cents (25¢) for each release or satisfaction of chattel mortgage filed with him.

Passed the Senate March 2, 1943.

Passed the House March 9, 1943.

Approved by the Governor March 22, 1943.

CHAPTER 285.

[S. B. 200.]

SUPPLEMENTAL APPROPRIATION.

AN ACT making appropriations for the purchase of land, construction of buildings and improvements at designated state institutions; for the payment of salaries of certain officers and employees of the state and for the operation, maintenance and other expenses of certain state institutions, departments and offices; for the relief of certain individuals, corporations, counties and municipalities; for refunds and for deficiencies and for emergencies, including deficiencies and appropriation of revolving funds, and for purposes specified in certain acts of Congress, and for miscellaneous purposes designated for the fiscal biennium beginning April 1, 1943, and ending March 31, 1945, except as otherwise provided; defining terms, limiting allowances and providing that this act shall take effect immediately.

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

SECTION 1. The words "capital outlay" whenever used in this act shall mean and include the purchase and improvement of land and erection of buildings, including necessary salaries and wages incident thereto.

"Capital
outlay."

The words "salaries and wages" whenever used in this act shall mean and include salaries of executive officers and employees of state offices, depart-

"Salaries
and wages."