

CHAPTER 125

[Substitute Senate Bill No. 2244]

MOTOR VEHICLE DEALERS—LICENSING

AN ACT Relating to motor vehicles; amending section 3, chapter 74, Laws of 1967 ex. sess. as last amended by section 2, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.011; amending section 6, chapter 74, Laws of 1967 ex. sess. as last amended by section 5, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.041; amending section 11, chapter 74, Laws of 1967 ex. sess. as last amended by section 14, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.101; amending section 16, chapter 74, Laws of 1967 ex. sess. as last amended by section 18, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.180; defining crimes; prescribing penalties; and declaring an emergency.

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

Section 1. Section 3, chapter 74, Laws of 1967 ex. sess. as last amended by section 2, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.011 are each amended to read as follows:

As used in this chapter:

(1) "Vehicle" means and includes every device capable of being moved upon a public highway and in, upon, or by which any persons or property is or may be transported or drawn upon a public highway, excepting devices moved by human or animal power or used exclusively upon stationary rails or tracks.

(2) "Motor vehicle" shall mean every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, and which is required to be registered and titled under Title 46 RCW, Motor Vehicles.

(3) "Vehicle dealer" means any person, firm, association, corporation, or trust, not excluded by subsection (4) of this section, engaged in the business of buying, selling, exchanging, offering, brokering, leasing with an option to purchase, auctioning, soliciting, or advertising the sale of new(;) or used vehicles, or providing or licensing for use facilities and/or services for compensation of any kind which bring together potential buyers and sellers: PROVIDED, That vehicle dealers shall be classified as follows:

(a) A "motor vehicle dealer" shall be a vehicle dealer that deals in new and used motor vehicles;

(b) A "mobile home and travel trailer dealer" shall be a vehicle dealer that deals in mobile homes or travel trailers, or both;

(c) A "miscellaneous vehicle dealer" shall be a vehicle dealer that deals in motorcycles and/or vehicles other than motor vehicles or mobile homes and travel trailers.

(4) The term "vehicle dealer" does not include:

(a) Receivers, trustees, administrators, executors, guardians, or other persons appointed by, or acting under a judgment or order of any court; or

(b) Public officers while performing their official duties; or

(c) Employees of vehicle dealers who are engaged in the specific performance of their duties as such employees; or

(d) Any person engaged in an isolated sale of a vehicle in which he is the registered or legal owner, or both, thereof.

(e) Any person, firm, association, corporation, or trust, engaged in the selling of equipment other than vehicles, used for agricultural or industrial purposes.

(5) "Vehicle salesman" means any person who for any form of compensation sells, auctions, leases with an option to purchase, or offers to sell or to so lease vehicles on behalf of a vehicle dealer.

(6) The term "department" means the department of motor vehicles which shall administer and enforce the provisions of this chapter.

(7) "Director" means the director of the department of motor vehicles.

(8) "Manufacturer" means any person, firm, association, corporation, or trust, resident or nonresident, who manufactures or assembles new and unused vehicles and shall further include the terms:

(a) "Distributor" which means any person, firm, association, corporation, or trust, resident or nonresident, who in whole or in part offers for sale, sells, or distributes any new and unused vehicle to vehicle dealers or who maintains factory representatives.

(b) "Factory branch" which means a branch office maintained by a manufacturer for the purpose of selling or offering for sale, vehicles to a distributor, wholesaler, or vehicle dealer, or for directing or supervising in whole or in part factory or distributor representatives, and shall further include any sales promotion organization, whether the same be a person, firm, or corporation, which is engaged in promoting the sale of new and unused vehicles in this state of a particular brand or make to vehicle dealers.

(c) "Factory representative" which means a representative employed by a manufacturer, distributor, or factory branch for the purpose of making or promoting for the sale of his, its, or their vehicles or for supervising or contracting with his, its, or their dealers or prospective dealers.

(9) "Established place of business" means a permanent, enclosed commercial building located within the state of Washington easily accessible and open to the public, at all reasonable times, with an improved display area of not less than three thousand square feet in or immediately adjoining said building, and at which the business of a vehicle dealer, including the display and repair of vehicles, may be lawfully carried on in accordance with the terms of all applicable building code, zoning, and other land-use regulatory ordinances and in which such building the public may contact the vehicle dealer or his vehicle salesman, at all reasonable times and at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business at such place. The established place of business shall display an exterior sign permanently affixed to the land or building, with letters clearly visible to the major avenue of traffic. A dealer operating a listing service who does not physically maintain any vehicles for display, or a vehicle dealer who merely rents or leases or licenses for use any space on a temporary basis not to exceed two days to private persons to sell their own vehicles, need not operate in a commercial building nor have such a display area.

(10) "Subagency" means any place of business of a vehicle dealer within the same county as the principal place of business of the firm which is physically and geographically separated from the principal place of business of the firm or any place of business of a vehicle dealer within the same county as the principal place

of business of the firm under which he does business under a name other than the principal name of the firm, or both.

Sec. 2. Section 6, chapter 74, Laws of 1967 ex. sess. as last amended by section 5, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.041 are each amended to read as follows:

(1) Every application for a vehicle dealer or a vehicle salesman's license shall contain the following information to the extent the same is applicable to the applicant:

(a) Proof as the department may require concerning the applicant's identity, including but not limited to his fingerprints, the honesty, truthfulness, and good reputation of the applicant for license, or of the officers of a corporation making the application;

(b) The applicant's form and place of organization;

(c) The qualification and business history of the applicant, and in the case of a vehicle dealer, any partner, officer or director;

(d) Whether the applicant has been ~~((convicted of any crime within the preceding five years involving fraud, misrepresentation, or conversion))~~ adjudged guilty of a crime which directly relates to the business for which the license is sought and the time elapsed since the conviction is less than ten years, or has suffered any judgment within the preceding five years in any civil action involving fraud, misrepresentation or conversion and in the case of a corporation or partnership, all directors, officers or partners;

(e) Any other information the department may reasonably require.

(2) If the applicant is a vehicle dealer:

(a) Name or names of new vehicles the vehicle dealer wishes to sell;

(b) The names and addresses of each manufacturer from whom the applicant has received a franchise;

(c) Whether the applicant intends to sell used vehicles, and if so, whether he has space available for servicing and repairs;

(d) A certificate by the chief of police or his deputy, or a member of the Washington state patrol or a representative of the department of motor vehicles that the applicant has an established place of business at each business location in the state of Washington: PROVIDED, That in no event shall such certificate be issued by a member of the Washington state patrol if the dealership is located in a city which has a population in excess of five thousand persons;

(e) A copy of a current service agreement with a manufacturer, or distributor for a foreign manufacturer, requiring the applicant, upon demand of any customer receiving a new vehicle warranty to perform or arrange for, within a reasonable distance of his established place of business, the service repair and replacement work required of the manufacturer or distributor by such vehicle warranty: PROVIDED, That this requirement shall only apply to applicants seeking to sell, to exchange, to offer, to broker, to auction, to solicit or to advertise new or current-model vehicles with factory or distributor warranties;

(f) The class of vehicles the vehicle dealer will be buying, selling, exchanging, offering, brokering, leasing with an option to purchase, auctioning, soliciting, or advertising, or for which the dealer will be providing or licensing for use facilities and/or services for compensation of any kind which bring together potential buyers

and sellers, and which classification or classifications the dealer wishes to be designated as;

(g) The applicant's financial condition or history including whether the applicant or any partner, officer or director has ever been adjudged bankrupt or has any unsatisfied judgment in any federal or state court.

(3) If the applicant is a vehicle salesman, such application shall contain, in addition, a certification by the vehicle dealer for whom he is going to work that he has examined the background of the applicant and to the best of his knowledge is of good moral character;

(4) If the applicant is a manufacturer such application shall contain the following information to the extent it is applicable to the applicant:

(a) The name and address of the principal place of business of the applicant and, if different, the name and address of the Washington state representative of the applicant;

(b) The name or names under which the applicant will do business in the state of Washington;

(c) Evidence that the applicant is authorized to do business in the state of Washington;

(d) The name or names of the vehicles that the licensee manufactures;

(e) The name or names and address or addresses of each and every distributor, factory branch, and factory representative;

(f) The name or names and address or addresses of resident employees or agents to provide service or repairs to vehicles located in the state of Washington only under the terms of any warranty attached to new or unused vehicles manufactured, unless such manufacturer requires warranty service to be performed by all of its dealers pursuant to a current service agreement on file with the department;

(g) Any other information the department may reasonably require.

Sec. 3. Section 11, chapter 74, Laws of 1967 ex. sess. as last amended by section 14, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.101 are each amended to read as follows:

The director may by order deny, suspend or revoke the license of any vehicle dealer, vehicle manufacturer, or vehicle salesman or, in lieu thereof or in addition thereto, may by order assess monetary penalties of a civil nature not to exceed one thousand dollars per violation, if he finds that the order is in the public interest and that the applicant, or licensee:

(1) In the case of a vehicle dealer:

(a) The applicant or licensee, or any partner, officer, director, owner of ten percent or more of the assets of the firm, or managing employee:

(i) Was the holder of a license issued pursuant to this chapter, which was revoked for cause and never reissued by the department, or which license was suspended for cause and the terms of the suspension have not been fulfilled, or which license was assessed a civil penalty and the assessed amount has not been paid;

(ii) Has been ((convicted of any crime within the preceding five years involving fraud, misrepresentation, or conversion)) adjudged guilty of a crime which directly relates to the business of a vehicle dealer and the time elapsed since the adjudication is less than ten years, or suffering any judgment within the preceding five years

in any civil action involving fraud, misrepresentation or conversion. For the purposes of this section, adjudged guilty shall mean in addition to a final conviction in either a state or municipal court, an unvacated forfeiture of bail or collateral deposited to secure a defendant's appearance in court, the payment of a fine, a plea of guilty, or a finding of guilt regardless of whether the sentence is deferred or the penalty is suspended;

(iii) Has knowingly or with reason to know made a false statement of a material fact in his application for license or any data attached thereto, or in any matter under investigation by the department;

(iv) Does not have an established place of business as defined in this chapter;

(v) Employs an unlicensed salesman or one whose license has been denied, revoked within the last year, or is currently suspended, the terms of which have not been fulfilled;

(vi) Refuses to allow representatives or agents of the department to inspect during normal business hours all books, records and files maintained within this state;

(vii) Sells, exchanges, offers, brokers, auctions, solicits or advertises a new or current model vehicle to which a factory new vehicle warranty attaches and fails to have a valid, written service agreement as required by this chapter, or having such agreement refuses to honor the terms of such agreement within a reasonable time or repudiates the same;

(viii) Is insolvent, either in the sense that his liabilities exceed his assets, or in the sense that he cannot meet his obligations as they mature;

(ix) Fails to pay any civil monetary penalty assessed by the director pursuant to this section within ten days after such assessment becomes final.

(b) The applicant or licensee, or any partner, officer, director, owner of ten percent of the assets of the firm, or any employee or agent:

(i) Has failed to comply with the applicable provisions of chapter 46.12 or 46.16 RCW or this chapter or any rules and regulations adopted thereunder;

(ii) Has defrauded or attempted to defraud the state, or a political subdivision thereof of any taxes or fees in connection with the sale or transfer of a vehicle;

(iii) Has forged the signature of the registered or legal owner on a certificate of title;

(iv) Has purchased, sold, disposed of, or has in his possession any vehicle which he knows or has reason to know has been stolen or appropriated without the consent of the owner;

(v) Has wilfully failed to deliver to a purchaser a certificate of ownership to a vehicle which he has sold;

(vi) Has committed any act in violation of RCW 46.70.090 relating to vehicle dealer license plates and manufacturer license plates;

(vii) Has committed any act in violation of RCW 46.70.180 relating to unlawful acts and practices; or

(viii) Has engaged in practices inimical to the health or safety of the citizens of the state of Washington including but not limited to failure to comply with standards set by the state of Washington or the federal government pertaining to the construction or safety of vehicles;

(c) The licensee or any partner, officer, director, owner of ten percent or more of the assets of the firm holds or has held any such position in any other vehicle dealership licensed pursuant to this chapter which is subject to final proceedings under this section.

(2) In the case of a vehicle salesman:

(a) Was the holder of, or was a partner in a partnership, or was an officer, director, or owner involved in the management of a corporation which was the holder, of a license issued pursuant to this chapter which was revoked for cause and never reissued, or was suspended and the terms of the suspension had not been fulfilled, or which license was assessed a civil penalty and the assessed amount has not been paid;

(b) Has been (~~convicted of any crime within the preceding five years involving fraud, misrepresentation, or conversion~~) adjudged guilty of a crime which directly relates to the business of a vehicle salesman and the time elapsed since the conviction is less than ten years, or suffering any judgment within the preceding five years in any civil action involving fraud, misrepresentation, or conversion. For the purpose of this section, the term adjudged guilty shall mean, in addition to a final conviction in either a state or municipal court, an unvacated forfeiture of bail or collateral deposited to secure a defendant's appearance in court, the payment of a fine, a plea of guilty, or a finding of guilt regardless of whether the imposition of sentence is deferred or the penalty is suspended;

(c) Has knowingly or with reason to know made a false statement of a material fact in his application for license or any data attached thereto or in any matter under investigation by the department;

(d) Has failed to comply with the applicable provisions of chapter 46.12 or 46.16 RCW or this chapter (~~and~~) or any rules and regulations adopted thereunder;

(e) Has defrauded or attempted to defraud the state, or a political subdivision thereof, of any taxes or fees in connection with the sale or transfer of a vehicle;

(f) Has forged the signature of the registered or legal owner on a certificate of title;

(g) Has purchased, sold, or disposed of, or has in his possession, any vehicle which he knows or has reason to know has been stolen or appropriated without the consent of the owner;

(h) Has wilfully failed to deliver to a purchaser a certificate of ownership to a vehicle which he has sold;

(i) Has committed any act in violation of RCW 46.70.180 relating to unlawful acts and practices;

(j) Fails to pay any civil monetary penalty assessed by the director pursuant to this section within ten days after such assessment becomes final.

(3) In the case of a manufacturer, or any partner, officer, director, or majority shareholder:

(a) Was or is the holder of a license issued pursuant to this chapter which was revoked for cause and never reissued by the department, or which license was suspended for cause and the terms of the suspension have not been fulfilled, or which license was assessed a civil penalty and the assessed amount has not been paid;

(b) Has knowingly or with reason to know, made a false statement of a material fact in his application for license, or any data attached thereto, or in any matter under investigation by the department;

(c) Has failed to comply with the applicable provisions of chapter 46.12 or 46-.16 RCW or this chapter ((and)) or any rules and regulations adopted thereunder;

(d) Has defrauded or attempted to defraud the state, or political subdivision thereof, of any taxes or fees in connection with the sale or transfer of a vehicle;

(e) Has purchased, sold, or disposed of, or has in his possession, any vehicle which he knows or has reason to know has been stolen or appropriated without the consent of the owner;

(f) Has committed any act in violation of RCW 46.70.090 relating to vehicle dealer license plates and manufacturer license plates;

(g) Has committed any act in violation of RCW 46.70.180 relating to unlawful acts and practices;

(h) Sells or distributes in this state or transfers into this state for resale, any new or unused vehicle to which a warranty attaches or has attached and refuses to honor the terms of such warranty within a reasonable time or repudiates the same;

(i) Fails to maintain one or more resident employees or agents to provide service or repairs to vehicles located within the state of Washington only under the terms of any warranty attached to new or unused vehicles manufactured and which are or have been sold or distributed in this state or transferred into this state for resale unless such manufacturer requires warranty service to be performed by all of its dealers pursuant to a current service agreement on file with the department((-));

(j) Fails to reimburse within a reasonable time any vehicle dealer within the state of Washington who in good faith incurs reasonable obligations in giving effect to warranties that attach or have attached to any new or unused vehicle sold or distributed in this state or transferred into this state for resale by any such manufacturer((-));

(k) Engaged in practices inimical to the health and safety of the citizens of the state of Washington including but not limited to failure to comply with standards set by the state of Washington or the federal government pertaining to the construction and safety of vehicles;

(l) Is insolvent either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature.

Sec. 4. Section 16, chapter 74, Laws of 1967 ex. sess. as last amended by section 18, chapter 132, Laws of 1973 1st ex. sess. and RCW 46.70.180 are each amended to read as follows:

Each of the following acts or practices is hereby declared unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale or financing of a vehicle which is false, deceptive or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for less down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2) To incorporate within the terms of any purchase and sale agreement any statement or representation with regard to the sale or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold to a person for a consideration and upon further consideration that the purchaser agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser being given the right to secure money, credits, goods or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Taking from a prospective buyer of a vehicle a written order or offer to purchase, or a contract document signed by the buyer, which:

(a) Is subject to the dealer's, or his authorized representative's future acceptance, and the dealer fails or refuses within forty-eight hours, exclusive of Saturday, Sunday or legal holiday, and prior to any further negotiations with said buyer, to deliver to the buyer either the dealer's signed acceptance or all copies of the order, offer or contract document together with any initial payment or security made or given by the buyer, including but not limited to money, check, promissory note, vehicle keys, a trade-in or certificate of title to a trade-in; or

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle, delivered or to be delivered by the buyer as part of the purchase price, because of depreciation, obsolescence, or any other reason except substantial and latent mechanical defect that could not have been reasonably discovered at the time of the taking of said order, offer or contract: PROVIDED, That said physical damage or mechanical defect shall have occurred before the dealer took possession of the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560 and 46.37.570(;;).

(6) For any vehicle dealer or vehicle salesman to refuse to furnish, upon request of a prospective purchaser, the name and address of the previous registered owner of any used vehicle offered for sale.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle.

(9) For a dealer, salesman, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser prior to the delivery of the bargained-for vehicle, to commingle said "on deposit" funds with assets of the dealer, salesman, or mobile home manufacturer instead of holding said "on deposit" funds as trustee in a separate trust account until the purchaser has taken delivery of the bargained-for vehicle. Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his customary total customer deposits for vehicles for future delivery.

(10) Being a manufacturer to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which shall not have been voluntarily ordered by the said vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument shall not be deemed to constitute coercion;

(b) Cancel, or, fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his capital investment which shall include but not be limited to tools, equipment, and parts inventory, possessed by the dealer on the day he is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (1) The capital investment shall have been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (2) Said cancellation or nonrenewal was not done in good faith. Good faith shall be defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging or argument shall not be deemed to constitute a lack of good faith.

(c) Encourage, aid, abet or teach a vehicle dealer to sell vehicles through any false, deceptive or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order shall have been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation or utility services, or to any labor or production difficulty, or to any cause beyond the reasonable control of the manufacturer.

(f) To provide under the terms of any warranty that a purchaser of any new or unused vehicle that has been sold, distributed for sale, or transferred into this state for resale by the vehicle manufacturer that any warranty claim on any item included as an integral part of the vehicle may only be made against the manufacturer of that item.

(8) Nothing in this section shall be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor shall the requirement of such performance constitute a violation of any of the provisions of this section: PROVIDED, HOWEVER, Any such contract, or the terms thereof, requiring performance, shall have been theretofore freely entered into and executed between the contracting parties.

NEW SECTION. Sec. 5. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate May 23, 1977.

Passed the House May 19, 1977.

Approved by the Governor June 1, 1977.

Filed in Office of Secretary of State June 1, 1977.

CHAPTER 126

[Engrossed Senate Bill No. 2273]

INSTITUTIONS OF HIGHER EDUCATION—JOINT PROGRAMS—TUITION AND FEES

AN ACT Relating to tuition and fees for students participating in joint programs conducted by two or more institutions of higher education; and adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.15 RCW.

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

NEW SECTION. Section 1. There shall be added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.15 RCW a new section to read as follows:

Where students at any of the four year state colleges or universities participate in a joint program undertaken by two or more of such institutions, and which leads to a degree, the tuition and fees assessed each student participating in such joint program shall be equal.

The governing board at each state four year institution shall, where the tuition and fees which it charges resident students participating in a joint program falling