

(c) Educate affected entities within the juvenile justice and child care systems, local government, and the legislative branch regarding the implementation of chapters 13.32A and 13.34 RCW;

(d) Review complaints concerning the services, policies, and procedures of those entities charged with implementing chapters 13.32A and 13.34 RCW; and

(e) Report any violations and misunderstandings regarding the implementation of chapters 13.32A and 13.34 RCW.

(4) The secretary shall develop procedures in accordance with chapter 34.04 RCW for addressing violations and misunderstandings concerning the implementation of chapters 13.32A and 13.34 RCW.

(5) The secretary shall submit a quarterly report to the appropriate standing committee of the house of representatives and the senate of the state of Washington and to appropriate local government entities.

(6) Where appropriate, the department shall request opinions from the attorney general regarding correct construction of these laws.

NEW SECTION. Sec. 12. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate March 19, 1985.

Passed the House April 15, 1985.

Approved by the Governor May 10, 1985.

Filed in Office of Secretary of State May 10, 1985.

CHAPTER 258

[House Bill No. 853]

VESSELS AND WATERCRAFT—TITLE CERTIFICATES

AN ACT Relating to the issuance of title certificates of ownership and the perfection of security interests in vessels and watercraft; amending RCW 62A.9-302 and 88.02.070; adding new sections to chapter 88.02 RCW; providing an effective date; and declaring an emergency.

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

NEW SECTION. Sec. 1. It is the intention of the legislature to establish a system of certificates of title for vessels and watercraft similar to that in existence for motor vehicles. It is the goal of this legislation that the title certificate become prima facie evidence of ownership of the vessel it describes so that persons may rely upon that certificate; and that security interest in vessels be perfected solely by notation of a secured party upon the title certificate. However, there are title certificates issued prior to the effective date of this act which may not indicate security interests in the certificated vessel. The establishment of a more reliable system will require

implementation over several years, as the existing security interests are either satisfied or their perfection is not continued. During this interim period of five years from the effective date of this act, two different classes, class A and class B, of title certificates will be in existence and issued by the department of licensing. The establishment and operation of the system for watercraft and vessels should be patterned upon the system established and operating for motor vehicles and the department of licensing is hereby authorized and directed to adopt the regulations and procedures necessary and desirable to establish such a similar system, excepting only as the same may be inconsistent with this chapter.

NEW SECTION. Sec. 2. All titles issued prior to the effective date of this act are designated class B title certificates. Class B certificates evidence ownership of vessels but the vessel is more likely to be subject to a valid and perfected security interest or other claims of interest than class A certificated vessels.

Sec. 3. Section 9-302, chapter 157, Laws of 1965 ex. sess. as last amended by section 16, chapter 41, Laws of 1981 and RCW 62A.9-302 are each amended to read as follows:

(1) A financing statement must be filed to perfect all security interests except the following:

(a) a security interest in collateral in possession of the secured party under RCW 62A.9-305;

(b) a security interest temporarily perfected in instruments or documents without delivery under RCW 62A.9-304 or in proceeds for a ten day period under RCW 62A.9-306;

(c) a security interest created by an assignment of a beneficial interest in a trust or a decedent's estate;

(d) a purchase money security interest in consumer goods; but filing is required for a motor vehicle required to be registered and other property subject to subsection (3) of this section; and fixture filing is required for priority over conflicting interests in fixtures to the extent provided in RCW 62A.9-313;

(e) a security interest of a collecting bank (RCW 62A.4-208) or arising under the Article on Sales (RCW 62A.9-113) or covered in subsection (3) of this section;

(f) an assignment for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder.

(2) If a secured party assigns a perfected security interest, no filing under this Article is required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(3) The filing of a financing statement otherwise required by this Article is not necessary or effective to perfect a security interest in property subject to

(a) a statute or treaty of the United States which provides for a national or international registration or a national or international certificate of title or which specifies a place of filing different from that specified in this Article for filing of the security interest; or

(b) the following statute of this state: RCW 46.12.095 or 88.02.070; but during any period in which collateral is inventory held for sale by a person who is in the business of selling goods of that kind, the filing provisions of this Article (Part 4) apply to a security interest in that collateral created by him as debtor; or

(c) a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate is required as a condition of perfection (subsection (2) of RCW 62A.9-103).

(4) Compliance with a statute or treaty described in subsection (3) is equivalent to the filing of a financing statement under this Article, and a security interest in property subject to the statute or treaty can be perfected only by compliance therewith except as provided in RCW 62A.9-103 on multiple state transactions. Duration and renewal of perfection of a security interest perfected by compliance with the statute or treaty are governed by the provisions of the statute or treaty; in other respects the security interest is subject to this Article.

(5) Part 4 of this Article does not apply to a security interest in property of any description created by a deed of trust or mortgage made by any corporation primarily engaged in the railroad or street railway business, the furnishing of telephone or telegraph service, the transmission of oil, gas or petroleum products by pipe line, or the production, transmission or distribution of electricity, steam, gas or water, but such security interest may be perfected under this Article by filing such deed of trust or mortgage with the department of licensing. When so filed, such instrument shall remain effective until terminated, without the need for filing a continuation statement. Assignments and releases of such instruments may also be filed with the department of licensing. The director of licensing shall be a filing officer for the foregoing purposes, and the uniform fee for filing, indexing, and furnishing filing data pursuant to this subsection shall be five dollars.

Sec. 4. Section 46, chapter 3, Laws of 1983 2nd ex. sess. and RCW 88.02.070 are each amended to read as follows:

(1) The department shall provide for the issuance of vessel certificates of title. Applications for certificates may be made through the agents appointed under RCW 88.02.040. The fee for a vessel certificate of title is five dollars. Fees for vessel certificates of title shall be deposited in the general fund. Security interests in vessels subject to the requirements of this chapter and attaching after July 1, 1983, shall be perfected only by indication upon the vessel's title certificate. The provisions of chapters 46.12 and 46.16 RCW relating to motor vehicle certificates of registration, titles, certificate issuance, ownership transfer, and perfection of security interests, and other

provisions which may be applied to vessels subject to this chapter, may be so applied by rule of the department if they are not inconsistent with this chapter.

(2) Whenever a vessel is to be registered for the first time as required by this chapter, except for a vessel having a valid marine document as a vessel of the United States, application shall be made at the same time for a certificate of title. Any person who purchases or otherwise obtains majority ownership of any vessel subject to the provisions of this chapter, except for a vessel having a valid marine document as a vessel of the United States, shall within fifteen days thereof apply for a new certificate of title which shows the vessel's change of ownership.

(3) Security interests may be released or acted upon as provided by the law under which they arose or were perfected. No new security interest or renewal or extension of an existing security interest is affected except as provided under the terms of this chapter and RCW 46.12.095.

(4) Notice shall be given to the issuing authority by the owner indicated on the certificate of registration within fifteen days of the occurrence of any of the following: Transfer of any part or all of the ownership of a vessel registered under this chapter; any change of address of owner; destruction, loss, abandonment, theft, or recovery of the vessel; or loss or destruction of a valid certificate of registration on the vessel.

NEW SECTION. Sec. 5. Class A and class B certificates shall be readily distinguishable from each other, through different color, format, or other apparent distinctions. Each class B certificate issued after the effective date of this act shall bear the legend: "The vessel may be subject to perfected security interests or claims not indicated on this certificate."

NEW SECTION. Sec. 6. Each application for a title certificate shall require the person to be designated as the registered owner to swear under penalty of the perjury laws of this state that he is the owner or an authorized agent of the owner of the vessel, and that it is free of any claim of lien, mortgage, conditional sale, or other security interest of any person except the person or persons set forth in the application as secured parties.

NEW SECTION. Sec. 7. After the effective date of this act a class A certificate shall be issued in the following circumstances:

(1) Upon application for a certificate of title to a new vessel never before titled and sold by an in-state or out-of-state dealer or manufacturer. The application must be accompanied by a manufacturer's statement of origin or other document or documents certifying the first conveyance of said vessel after its manufacture. The manufacturer's statement of origin or other similar document or documents shall reflect the model year, make, and hull identification number of the vessel.

(2) Upon transfer of a vessel or release of a security interest in a vessel for which a class A certificate of title has previously been issued if the department receives appropriate releases of interests.

(3) Commencing five years after the effective date of this act, in all cases.

NEW SECTION. Sec. 8. After the effective date of this act a class A title certificate may be issued upon application by an owner, purchaser, or secured party who presents evidence satisfactory to the department of ownership of the vessel in the registered owner's name and the absence of security interests or claims except as will be shown on the new title certificate. The absence of outstanding security interests may be evidenced by appropriate Uniform Commercial Code financing statement searches by the appropriate filing officer or officers pursuant to RCW 62A.9-407(2) and releases or disclaimers of interest by any secured parties who might have security interests perfected by filing of Uniform Commercial Code financing statement.

NEW SECTION. Sec. 9. A class A certificate of title shall not be issued for any vessel for which a class B certificate has been issued unless the class B certificate is surrendered together with appropriate releases of interest by parties shown on such certificate.

NEW SECTION. Sec. 10. The department is hereby authorized to require inspection of vessels which are brought into this state from another state and for which no title certificate has been issued and for any other vessel if the department determines that inspection of the vessel will help to verify the accuracy of the information set forth on the application.

NEW SECTION. Sec. 11. No suit or action shall ever be commenced or prosecuted against the department of licensing or the state of Washington by reason of any act done or omitted to be done in the administration of the duties and responsibilities imposed upon the department under chapter 88.02 RCW.

***NEW SECTION.** Sec. 12. *Sections 1 and 2 and 5 through 11 of this act are each added to chapter 82.02 RCW.*

*Sec. 12 was vetoed, see message at end of chapter.

NEW SECTION. Sec. 13. This 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 June 30, 1985.

Passed the House March 21, 1985.

Passed the Senate April 18, 1985.

Approved by the Governor May 10, 1985, with the exception of certain items which are vetoed.

Filed in Office of Secretary of State May 10, 1985.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to one section, House Bill No. 853, entitled:

"AN ACT Relating to the issuance of title certificates of ownership and the protection of security interests in vessels and watercraft."

Section 12 of the bill directs that Sections 1, 2, and 5 through 11 must be added to Chapter 82.02 RCW, general provisions relating to excise taxes. This directive is not correct. Those sections should be added to Chapter 88.02 RCW, the chapter relating to watercraft registration.

With the exception of Section 12, House Bill No. 853 is approved."

CHAPTER 259

[Engrossed Substitute House Bill No. 932]
CHILD ABUSE REPORTING

AN ACT Relating to child abuse; amending RCW 26.44.030; adding new sections to chapter 26.44 RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The Washington state legislature finds and declares:

The children of the state of Washington are the state's greatest resource and the greatest source of wealth to the state of Washington. Children of all ages must be protected from child abuse. Governmental authorities must give the prevention, treatment, and punishment of child abuse the highest priority, and all instances of child abuse must be reported to the proper authorities who should diligently and expeditiously take appropriate action, and child abusers must be held accountable to the people of the state for their actions.

The legislature recognizes the current heavy caseload of governmental authorities responsible for the prevention, treatment, and punishment of child abuse. The information obtained by child abuse reporting requirements, in addition to its use as a law enforcement tool, will be used to determine the need for additional funding to ensure that resources for appropriate governmental response to child abuse are available.

Sec. 2. Section 3, chapter 13, Laws of 1965 as last amended by section 3, chapter 97, Laws of 1984 and RCW 26.44.030 are each amended to read as follows:

(1) When any practitioner, professional school personnel, registered or licensed nurse, social worker, psychologist, pharmacist, or employee of the department has reasonable cause to believe that a child or adult dependent person has suffered abuse or neglect, he shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040. The report shall be made at the first opportunity, but in no case longer than ~~((seven days))~~ forty-eight hours after there is reasonable cause to believe that the child or adult has suffered abuse or neglect.