

the application of the provision to other persons or circumstances is not affected.

Passed the Senate April 21, 1987.

Passed the House April 16, 1987.

Approved by the Governor May 12, 1987, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 12, 1987.

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

"I am returning herewith, without my approval as to two sections, Substitute Senate Bill No. 5608 entitled:

"AN ACT Relating to abused and injured animals."

The bill amends the cruelty to animals statutes to allow law enforcement officials to remove an animal for a medical examination to determine if the animal is neglected and in need of restoration. The bill also prescribes penalties for violations of these statutes.

Sections 4 and 5, amendments to the original bill, specifically allow dogs to be transported in the open bed of a pickup truck. Current statute allows this to occur but requires that the animal be suitably harnessed or otherwise protected from falling or being thrown from the vehicle. Testimony before the House pointed out that nationally every year over 100,000 dogs die after being thrown from pickup truck beds. In keeping with the intent of the bill to encourage humane treatment of animals, I am vetoing sections 4 and 5.

With the exception of sections 4 and 5, Substitute Senate Bill No. 5608 is approved."

CHAPTER 336

[Substitute Senate Bill No. 5561]

AUCTIONEERS—BONDING AND SECURITY REQUIREMENTS

AN ACT Relating to bonding and trust account requirements for auctioneers; and amending RCW 18.11.085, 18.11.121, 18.11.220, 18.11.230, and 18.11.095.

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

Sec. 1. Section 5, chapter 324, Laws of 1986 and RCW 18.11.085 are each amended to read as follows:

Every individual, before acting as an auctioneer, shall obtain an auctioneer certificate of registration. To be licensed as an auctioneer, an individual shall meet all of the following requirements:

(1) Be at least eighteen years of age or sponsored by a licensed auctioneer.

(2) File with the department a completed application on a form prescribed by the director.

(3) Show that the proper tax registration certificate required by RCW 82.32.030 has been obtained from the department of revenue.

(4) Pay the auctioneer registration fee required under the agency rules adopted pursuant to this chapter.

(5) Except as otherwise provided under RCW 18.11.121, file with the department an auctioneer surety bond in the amount and form required by RCW 18.11.121 and the agency rules adopted pursuant to this chapter.

(6) Have no disqualifications under RCW 18.11.160.

Sec. 2. Section 8, chapter 324, Laws of 1986 and RCW 18.11.121 are each amended to read as follows:

(1) Except as provided in this section, each auctioneer and each auction company shall as a condition to the granting and retention of a license have on file with the department an approved surety bond or other security in lieu of a bond. However, if an auction company is a sole proprietorship or a partnership and has on file with the department a surety bond or other security approved by the director in the amount that would otherwise be required for an auction company to be granted or to retain a license under this section, then no separate bond or bonds shall be required for the sole proprietor or any individual partner to act as an auctioneer for the sole proprietorship or partnership. The bond or other security of an auctioneer shall be in the amount of five thousand dollars.

(2) The bond or other security of an auction company shall be in an amount not less than five thousand dollars and not more than twenty-five thousand dollars. The amount shall be based on the value of the goods and real estate sold at auctions conducted, supervised, arranged, sponsored, or managed by the auction company during the previous calendar year or, for a new auction company, the estimated value of the goods and real estate to be sold at auction during the current calendar year. The director shall establish by rule the procedures to be used for determining the amount of auction company bonds or other security.

(3) In lieu of a surety bond, an auctioneer or auction company may deposit with the department any of the following:

- (a) Savings accounts assigned to the director;
- (b) Certificates of deposit payable to the director;
- (c) Investment certificates or share accounts assigned to the director;

or

- (d) Any other security acceptable to the director.

All obligations and remedies relating to surety bonds authorized by this section shall apply to deposits filed with the director.

(4) Each bond shall comply with all of the following:

(a) Be executed by the person seeking the license as principal and by a corporate surety licensed to do business in the state;

(b) Be payable to the state;

(c) Be conditioned on compliance with all provisions of this chapter and the agency rules adopted pursuant to this chapter, including payment of any administrative fines assessed against the licensee; and

(d) Remain in effect for one year after expiration, revocation, or suspension of the license.

(5) If any licensee fails or is alleged to have failed to comply with the provisions of this chapter or the agency rules adopted pursuant to this chapter, the director may hold a hearing in accordance with chapter 34.04 RCW, determine those persons who are proven claimants under the bond, and, if appropriate, distribute the bond proceeds to the proven claimants. The state or an injured person may also bring an action against the bond in superior court. The liability of the surety shall be only for actual damages and shall not exceed the amount of the bond.

(6) Damages that exceed the amount of the bond may be remedied by actions against the auctioneer or the auction company under RCW 18.11-.260 or other available remedies at law.

Sec. 3. Section 20, chapter 324, Laws of 1986 and RCW 18.11.220 are each amended to read as follows:

The client of an auctioneer or auction company has a right to (1) an accounting for any money that the auctioneer or auction company receives from the sale of the client's goods, ~~((and))~~ (2) payment of all money due to the client within twenty-one calendar days unless the parties have mutually agreed in writing to another time of payment, and (3) bring an action against the surety bond or other security filed in lieu of the surety bond for any violation of this chapter or the rules adopted pursuant to this chapter.

Sec. 4. Section 21, chapter 324, Laws of 1986 and RCW 18.11.230 are each amended to read as follows:

Auction proceeds due to ~~((the))~~ a client that are received by the auctioneer or auction company and not paid to the client within twenty-four hours of the sale shall be deposited no later than the next business day by the auctioneer or auction company in a trust account for ~~((the))~~ clients in a bank, savings and loan association, mutual savings bank, or licensed escrow agent located in the state. The auctioneer or auction company shall draw on the trust account only to pay proceeds to ~~((the))~~ clients, or such other persons who are legally entitled to such proceeds, and to obtain the sums due to the auctioneer or auction company for services as set out in the written contract required under RCW 18.11.130. Funds in the trust account shall not be subject to the debt of the auctioneer or auction company and shall not be used for personal reasons or other business reasons.

Sec. 5. Section 6, chapter 324, Laws of 1986 and RCW 18.11.095 are each amended to read as follows:

Every person, before operating an auction company as defined in RCW 18.11.050, shall obtain an auction company certificate of registration.

(1) Except as provided in subsection (2) of this section, to be licensed as an auction company, a person shall meet all of the following requirements:

~~((+))~~ (a) File with the department a completed application on a form prescribed by the director.

~~((2))~~ (b) Sign a notarized statement included on the application form that all auctioneers hired by the auction company to do business in the state shall be properly registered under this chapter.

~~((3))~~ (c) Show that the proper tax registration certificate required by RCW 82.32.030 has been obtained from the department of revenue.

~~((4))~~ (d) Pay the auction company registration fee required under the agency rules adopted pursuant to this chapter.

~~((5))~~ (e) File with the department an auction company surety bond in the amount and form required by RCW 18.11.121 and the agency rules adopted pursuant to this chapter.

~~((6))~~ (f) Have no disqualifications under RCW 18.11.160.

(2) An auction company shall not be charged a license fee if it is a sole proprietorship or a partnership owned by an auctioneer or auctioneers, each of whom is licensed under this chapter, and if it has in effect a surety bond or bonds or other security approved by the director in the amount that would otherwise be required for an auction company to be granted or to retain a license under RCW 18.11.121.

Passed the Senate April 18, 1987.

Passed the House April 9, 1987.

Approved by the Governor May 12, 1987.

Filed in Office of Secretary of State May 12, 1987.

CHAPTER 337

[Substitute House Bill No. 324]

PUBLIC DISCLOSURE EXEMPTION GRANTED FOR CERTAIN INFORMATION FILED REGARDING GRANTS, LOANS, AND SERVICES

AN ACT Relating to the exemption from public disclosure of financial and commercial information and records supplied by businesses; and reenacting and amending RCW 42.17.310.

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

Sec. 1. Section 31, chapter 1, Laws of 1973 as last amended by section 7, chapter 276, Laws of 1986 and by section 25, chapter 299, Laws of 1986 and RCW 42.17.310 are each reenacted and amended to read as follows:

(1) The following are exempt from public inspection and copying:

(a) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, welfare recipients, prisoners, probationers, or parolees.

(b) Personal information in files maintained for employees, appointees, or elected officials of any public agency to the extent that disclosure would violate their right to privacy.

(c) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would (i) be prohibited to such persons by RCW 82.32.330 or