

HOUSE BILL REPORT

HB 1513

As Reported By House Committee On:
Transportation

Title: An act relating to vessel dealer registration.

Brief Description: Regulating watercraft registration.

Sponsors: Representatives Zellinsky, Eide, Sheldon and Schmidt; by request of Department of Licensing.

Brief History:

Reported by House Committee on:
Transportation, March 4, 1993, DPS.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 27 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Brough; Brumsickle; Cothorn; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; R. Meyers; Miller; H. Myers; Orr; Patterson; Quall; Sheldon; Shin; Wood; and Zellinsky.

Staff: Brad Lovaas (786-7307).

Background: Currently, the vessel dealer and the vessel registration laws are contained in the same chapter. This has caused problems in distinguishing between vessel dealer duties and private vessel registration requirements.

Summary of Substitute Bill: The current vessel dealer laws are repealed and then restructured in a separate chapter from the private vessel registration laws. A section setting forth exemptions from vessel dealer laws is recodified. The current vessel dealer statutes are clarified and new statutory authority is added for the Department of Licensing (DOL).

Vessel dealer place of business requirements are clarified. The director of DOL may grant exemptions to these statutory requirements in unique circumstances.

DOL is authorized to subpoena records, issue cease and desist orders, and is authorized to enforce subpoenas and orders through Superior Court.

DOL is authorized to investigate unlicensed vessel dealer activity.

Vessel dealers are required to notify the department if they file for bankruptcy.

The amount of the surety bond is set in statute at \$5,000.

An exemption from dealer registration is provided for manufacturers who produce documented commercial vessels.

Substitute Bill Compared to Original Bill: The rulemaking authority of the director to set the amount of the surety bond is deleted, and the amount of the bond is set in statute at \$2,000 and \$5,000.

Language is clarified as to what negotiable instruments a dealer must put into a trust account.

Business practices and hours of operation are clarified.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: The distinction between vessel dealer laws and private vessel registration is clarified.

Testimony Against: None.

Witnesses: Heather Hamilton, Department of Licensing; John Swanberg, Northwest Marine Trade Association; and John Woodring, Northwest Marine Trade Association.