

# 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, January 25, 1994, DP2S.

---

### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 26 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Ranking Minority Member; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Brumsickle; Cothorn; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; R. Meyers; Orr; Patterson; Quall; Romero; Sheldon; Shin; and Wood.

**Staff:** Brad Lovaas (786-7307).

**Background:** Currently the vessel dealer and 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**Summary of Second Substitute Bill:** Current vessel dealer laws are repealed and then restructured in a separate chapter from private vessel registration laws. A section setting forth exemptions from vessel dealer laws is recodified. 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, to issue cease and desist orders, and 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.

DOL is granted rulemaking authority to set the amount of the bond and the retail value of vessel sales which are exempt from the dealer's bond.

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

**Second 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.

Enforcement of the vessel dealer laws is to be performed exclusively by Department of Licensing personnel.

The display of vessel dealer display decals on rental vessels is authorized.

**Fiscal Note:** Available.

**Effective Date of Second 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:** Jim Wadsworth, Department of Licensing; Jack Swanburg, Northwest Marine Trade Association; and Ken Carlson, Olympia Police Department.