

RCW 19.105.340 Impounding proceeds from contract sales—

Conditional release of impounded funds—Funds not subject to lien—No assignment of impounded or reserved assets. (1) If the director finds that the applicant or registrant has not by other means assured future availability to and quiet enjoyment of the campgrounds and facilities, as required under this chapter, the director may, notwithstanding the provisions of RCW 19.105.336, require impoundment of the funds or membership receivables, or both, from camping resort contract sales, including the impoundment of periodic dues or assessments required of purchasers under the contracts, or provide other assurances acceptable to the director, until sufficient funds have been impounded or arrangements made to alleviate the inadequacy. The director may, upon finding it reasonable and necessary, for compliance with RCW 19.105.336 and 19.105.365, and not inconsistent with the protection of purchasers or owners of camping resort contracts, provide for release to the applicant, registrant, or others of all or a portion of the impounded funds, membership receivables, or other assets in the impound. The director may take appropriate measures to assure that the impounded funds will be applied as required by this chapter.

(2) Funds placed in impounds under this section or reserve accounts under RCW 19.105.350 are not subject to lien, attachment, or the possession of lenders or creditors of the operator, trustees in bankruptcy, receivers, or other third parties. In instances of bankruptcy, foreclosure, attachment, or other contingency where the ownership or beneficiary status of funds in depositories, or the receivables and funds to be collected from receivables, may be at issue, the purchasers of contracts under this chapter, as a class, shall be deemed the beneficiary. No individual purchaser or group of purchasers, other than the purchasers as a class, have any right to possession, attachment, lien, or right of partition of funds or receivables in the impound or reserve.

(3) It is unlawful for an operator or other person to assign, hypothecate, sell, or pledge any contract or other asset placed into an impound or reserve under this chapter without the express written approval of the director or a court of competent jurisdiction. [1988 c 159 § 8; 1982 c 69 § 5.]