

**RCW 18.35.240 Violations—Surety bond or security in lieu of surety bonds.** (1) Every individual engaged in the fitting and dispensing of hearing instruments shall be covered by a surety bond of ten thousand dollars or more, for the benefit of any person injured or damaged as a result of any violation by the licensee or permit holder, or their employees or agents, of any of the provisions of this chapter or rules adopted by the secretary.

(2) In lieu of the surety bond required by this section, the licensee or permit holder may deposit cash or other negotiable security in a banking institution as defined in \*chapter 30.04 RCW or a credit union as defined in chapter 31.12 RCW. All obligations and remedies relating to surety bonds shall apply to deposits and security filed in lieu of surety bonds.

(3) If a cash deposit or other negotiable security is filed, the licensee or permit holder shall maintain such cash or other negotiable security for one year after discontinuing the fitting and dispensing of hearing instruments.

(4) Each invoice for the purchase of a hearing instrument provided to a customer must clearly display on the first page the bond number covering the licensee or interim permit holder responsible for fitting/dispensing the hearing instrument.

(5) All licensed hearing aid specialists, licensed audiologists, and permit holders must verify compliance with the requirement to hold a surety bond or cash or other negotiable security by submitting a signed declaration of compliance upon annual renewal of their license or permit. Up to twenty-five percent of the credential holders may be randomly audited for surety bond compliance after the credential is renewed. It is the credential holder's responsibility to submit a copy of the original surety bond or bonds, or documentation that cash or other negotiable security is held in a banking institution during the time period being audited. Failure to comply with the audit documentation request or failure to supply acceptable documentation within thirty days may result in disciplinary action. [2014 c 189 § 17; 2002 c 310 § 24; 2000 c 93 § 2; (2000 c 93 § 1 expired January 1, 2003); 1998 c 142 § 18; 1996 c 200 § 30; 1993 c 313 § 11; 1991 c 3 § 85; 1989 c 198 § 10; 1983 c 39 § 18.]

**\*Reviser's note:** Chapter 30.04 RCW was recodified as chapter 30A.04 RCW by 2014 c 37.

**Work group—2014 c 189:** See note following RCW 18.35.010.

**Effective date—2002 c 310:** See note following RCW 18.35.010.

**Expiration date—2000 c 93 §§ 1 and 3:** "Sections 1 and 3 of this act expire January 1, 2003." [2000 c 93 § 45.]

**Effective date—2000 c 93 §§ 2 and 4:** "Sections 2 and 4 of this act take effect January 1, 2003." [2000 c 93 § 46.]

**Effective date—1998 c 142 §§ 1-14 and 16-20:** See note following RCW 18.35.010.