CHAPTER 61.

[H. B. 156.]

PRODUCTION AND TRANSPORTATION OF PETROLEUM PRODUCTS.

AN ACT relating to the business of producing from natural deposits and/or carrying or transporting natural gas and/or crude oil or petroleum or the products thereof for hire, defining a common carrier; and providing for the regulation of such business.

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

SECTION 1. Every person, co-partnership, corporation or other association now or hereafter engaged in the business of producing from natural deposits and/or carrying or transporting natural gas and/or crude oil or petroleum or the products thereof for hire, by pipe lines within this state shall be a common carrier within the meaning and subject to the provisions of chapter 117, Laws of 1911 and all acts amendatory thereof and supplemental thereto: *Provided, however,* That the provisions of this act shall not apply to distribution systems owned and operated under franchise for the sale, delivery, or distribution of natural gas at retail.

Passed the House December 30, 1933.
Passed the Senate January 9, 1934.
Approved by the Governor January 23, 1934.

DEFENDANT'S EXHIBIT
CASE NO. C04-0360P
EXHIBIT NO. 402

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CHAPTER 62.

[S. B. 7.]

WASHINGTON STATE LIQUOR ACT.

AN ACT relating to intoxicating liquors, providing for the control and regulation thereof, creating state offices, defining crimes and providing penalties therefor, providing for the disposition of public funds and declaring that this act shall take effect immediately.

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

SECTION 1. This act may be cited as the "Washington State Liquor Act." Title.

SEC. 2. This entire act shall be deemed an exercise of the police power of the state, for the protection of the welfare, health, peace, morals, and safety of the people of the state, and all its provisions shall be liberally construed for the accomplishment of that purpose. Police power. Liberally construed.

SEC. 3. In this act, unless the context otherwise requires:

"Alcohol" is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance. "Alcohol."

"Beer" means any beverage obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than four per cent of alcohol by weight, and not less than ½ of one per cent of alcohol by volume. For the purposes of this act any such beverage, including ale, stout and porter, containing more than four per cent of alcohol by weight shall be referred to as "strong beer." "Beer." "Strong beer."

"Brewer." "Brewer" means any person engaged in the business of manufacturing beer and malt liquor.

"Board." "Board" means the liquor control board, constituted under this act.

"Club." "Club" means an organization of persons, incorporated or unincorporated, operated solely for fraternal, benevolent, educational, athletic or social purposes, and not for pecuniary gain.

"Consume." "Consume" includes the putting of liquor to any use, whether by drinking or otherwise.

"Dentist." "Dentist" means a practitioner of dentistry duly and regularly licensed and engaged in the practice of his profession within the state pursuant to sections 10030-10038, Rem. Rev. Stat.

"Distiller." "Distiller" means a person engaged in the business of distilling spirits.

"Druggist." "Druggist" means any person who holds a valid certificate and is a registered pharmacist and is duly and regularly engaged in carrying on the business of pharmaceutical chemistry pursuant to sections 10126-10146, Rem. Rev. Stat.

"Drug Store." "Drug store" means a place whose principal business is, the sale of drugs, medicines and pharmaceutical preparations and maintains a regular prescription department and employs a registered pharmacist during all hours drug store is open.

"Employee." "Employee" means any person employed by the board, including a vendor, as hereinafter in this section defined.

"Fund." "Fund" means "liquor revolving fund."

"Hotel." "Hotel" means every building or other structure kept, used, maintained, advertised or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which 20 or more rooms are used for the sleeping accommodation of such transient guests and having one or more dining rooms where meals are served to such transient guests, such

sleeping accommodations and dining rooms being conducted in the same building and buildings, in connection therewith, and such structure or structures being provided, in the judgment of the board, with adequate and sanitary kitchen and dining room equipment and capacity, for preparing, cooking and serving suitable food for its guests: *Provided further,* That in cities and towns of less than five thousand (5,000) population, the board shall have authority to waive the provisions requiring twenty (20) or more rooms.

"Imprisonment." "Imprisonment" means confinement in the county jail.

"Interdicted person." "Interdicted person" means a person declared an habitual drunkard pursuant to sections 1708-1715, Rem. Rev. Stat., or a person to whom the sale of liquor is prohibited by an order of interdiction filed with the board pursuant to this act.

"Liquor." "Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine and beer), and all fermented, spiritous, vinous, or malt liquor, or combinations thereof, and mixed liquor, a part of which is fermented, spiritous, vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid, or other substance, which contains more than one per cent of alcohol by weight shall be conclusively deemed to be intoxicating.

"Manufacturer." "Manufacturer" means a person engaged in the preparation of liquor for sale, in any form whatsoever.

"Malt liquor." "Malt liquor" means beer, strong beer, ale, stout and porter.

"Package." "Package" means any container or receptacle used for holding liquor.

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"Permit." "Permit" means a permit for the purchase of liquor under this act.

"Person." "Person" means an individual, copartnership, association, or corporation.

"Physician." "Physician" means a medical practitioner duly and regularly licensed and engaged in the practice of his profession within the state pursuant to sections 10008-10025, Rem. Rev. Stat.

"Prescription." "Prescription" means a memorandum signed by a physician and given by him to a patient for the obtaining of liquor pursuant to this act for medicinal purposes.

"Public place." "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance-halls and grounds adjacent thereto; those parts of establishments where beer may be sold under this act, soft drink establishments, public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages and filling stations which are open to and are generally used by the public, and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

"Regulations." "Regulations" means regulations made by the board under the powers conferred by this act.

"Restaurant." "Restaurant" means any establishment provided with special space and accommodations where, in consideration of payment, food, without lodgings, is

habitually furnished to the public, not including drug stores and soda fountains.

"Sale, sell." "Sale" and "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever, of liquor, or of any liquid known or described as beer or by any name whatever commonly used to describe malt or brewed liquor or of wine, by any person to any person; and also include a sale or selling within the state to a foreign consignee or his agent in the state.

"Soda fountain." "Soda fountain" means a place especially equipped with apparatus for the purpose of dispensing soft drinks, whether mixed or otherwise.

"Spirits." "Spirits" means any beverage which contains alcohol obtained by distillation, including wines exceeding seventeen (17) per cent of alcohol by weight.

"Store." "Store" means a state liquor store established under this act.

"Tavern." "Tavern" means any establishment with special space and accommodation for sale by the glass and for consumption on the premises, of beer, as herein defined.

"Vendor." "Vendor" means a person employed by the board as a store manager under this act.

"Winery." "Winery" means a business conducted by any person for the manufacture of wine for sale.

"Farmers' winery." "Farmers' winery" means a place where any farmer in this state who grows grapes or other fruits upon his land, manufactures wine out of such grapes or other fruits grown by himself and no other, and sells by wholesale under the provisions of this act: *Provided*, That said wine shall not contain more than seventeen per cent (17%) of alcohol by weight.

"Wine." "Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, etc.) or other agricultural product containing sugar, to which any saccharine substances may have been

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added before, during or after fermentation, and containing not more than seventeen (17) per cent of alcohol by weight, including sweet wines fortified with wine spirits, such as port, sherry, muscatel and angelica, not exceeding seventeen (17) per cent of alcohol by weight.

"Beer wholesaler."

"Beer wholesaler" means a person who buys beer from a brewer or brewery located either within or beyond the boundaries of the state for the purpose of selling the same pursuant to this act, or who represents such brewer or brewery as agent.

"Wine wholesaler."

"Wine wholesaler" means a person who buys wine from a vintner or winery located either within or beyond the boundaries of the state for the purpose of selling the same not in violation of this act, or who represents such vintner or winery as agent.

Establishment of state liquor stores.

SEC. 4. 1. There shall be established at such places throughout the state as the liquor control board, constituted under this act, shall deem advisable, stores to be known as "state liquor stores," for the sale of liquor in accordance with the provisions of this act and the regulations: *Provided,* That the prices of all liquor shall be fixed by the board from time to time so that the net annual revenue received by the board therefrom shall not exceed twenty-five per cent.

Prices fixed.

Revenue not to exceed 25%.

2. The liquor control board may, from time to time, fix the special price at which pure ethyl alcohol may be sold to physicians and dentists and institutions regularly conducted as hospitals, for use or consumption only in such hospitals; and may also fix the special price at which pure ethyl alcohol may be sold to schools, colleges and universities within the state for use for scientific purposes. Regularly conducted hospitals may have right to purchase pure ethyl alcohol on a federal permit.

Ethyl alcohol for physicians, dentists, hospitals, schools.

3. The liquor control board may also fix the special price at which pure ethyl alcohol may be sold

to any department, branch or institution of the State of Washington, Federal Government, or to any person engaged in a manufacturing or industrial business or in scientific pursuits requiring alcohol for use therein.

For scientific purposes.

4. The liquor control board may also fix a special price at which pure ethyl alcohol may be sold to any private individual, and shall make regulations governing such sale of alcohol to private individuals as shall promote, as nearly as may be, the minimum purchase of such alcohol by such persons.

For private individuals.

SEC. 5. The administration of this act, including the general control, management and supervision of all state liquor stores, shall be vested in the liquor control board, constituted under this act.

Board to administer act.

SEC. 6. The sale of liquor at each state liquor store shall be conducted by a person employed under this act to be known as a "vendor," who shall, together with the employes under his direction, under the regulations of the board, be responsible for the carrying out of this act and the regulations, so far as they relate to the conduct of the store and the sale of liquor thereat.

Employees responsible to board.

SEC. 7. 1. An employee in a state liquor store may sell to any person who is the holder of a subsisting permit such liquor as that person is entitled to purchase under his permit.

Limitation on employees' power to sell liquor.

2. No liquor sold under this section shall be delivered until

Delivery.

a. The purchaser has given a written order to the employee, dated and signed by the purchaser, and stating the number of his permit and the nature and quantity of the liquor ordered; and

Written order.

b. The purchaser has produced his permit for inspection by the employee; and

Permit produced.

c. The purchaser has paid for the liquor in cash.

Cash payment.

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Sale of beer and wine to licensee.

SEC. 8. An employee may sell beer and wines to any licensee holding a license to sell under this act in accordance with the terms of said license.

Sealed package.

SEC. 9. No liquor other than malt liquor shall be delivered to any purchaser at a state liquor store except in a package sealed with the official seal prescribed under this act.

Consuming on store premises prohibited.

SEC. 10. No employee in a state liquor store shall open or consume, or allow to be opened or consumed any liquor on the store premises.

Stores closed on Sundays.

SEC. 11. No sale or delivery of liquor shall be made on or from the premises of any state liquor store, nor shall any store be open for the sale of liquor, on Sunday.

Permits classified.

SEC. 12. Upon application in the prescribed form being made to any employee authorized by the board to issue permits, accompanied by payment of the prescribed fee, and upon the employee being satisfied that the applicant should be granted such permit for the purchase of liquor under this act, the employee shall issue to the applicant a permit of the class applied for, as follows:

Applications.

Employee may issue.

Individual permit.

a. Where the application is for an individual permit and is made by an individual of the full age of twenty-one years, an individual permit in the prescribed form entitling the applicant to purchase liquor for beverage purposes; the fee for such permit to be fifty cents;

Special permits for physicians, etc.

b. Where the application is for a special permit and is made by a physician or dentist, or by any person in charge of an institution regularly conducted as a hospital or sanatorium for the care of persons in ill health or as a home devoted exclusively to the care of aged people; the fee for such permit to be fifty cents;

Special permits manufacturers, etc.

b.b. Where the application is for a special permit by a person engaged within the state in mechanical or manufacturing business or in scientific pursuits requiring alcohol for use therein, or by a natural person, a special permit in the prescribed form entitling the applicant to purchase alcohol for the purpose named in the permit, at such fee as may be fixed by the board.

Special permits for banquets.

c. Where the application is for a special permit to consume liquor at a banquet, at a specified date and place, a special permit in the prescribed form entitling the applicant to purchase liquor for consumption at such banquet, to such applicants and at such fee and under such regulations as may be fixed by the board.

Special permits to import.

d. Where the application is for a special permit by a manufacturer to import alcohol, malt and other materials containing alcohol to be used in the manufacture of liquor, or other products, under the regulations, as [at] such fee as may be fixed by the board;

Special permits to druggists.

e. Where the application is for a special permit by a person operating a drug store to purchase liquor at retail prices only, to be thereafter sold by such person on the prescription of a physician, under the regulations, at such fee as may be fixed by the board.

Permits non-transferable.

SEC. 13. 1. Every permit shall be issued in the name of the applicant therefor, and no permit shall be transferable, nor shall the holder of any permit allow any other person to use the permit.

Fictitious names.

2. No person shall apply in any false or fictitious name for the issuance to him of a permit, and no person shall furnish a false or fictitious address in his application for a permit.

Wine for sacramental purposes.

3. Nothing in this act shall be construed as limiting the right of any minister, priest or rabbi, or religious organization from obtaining wine for sacramental purposes directly from any source what-

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soever, whether from within the limits of the State of Washington or from outside the state; nor shall any fee be charged, directly or indirectly, for the exercise of this right. The board shall have the power and authority to make reasonable rules and regulations concerning the importing of any such liquor or wine, for the purpose of preventing any unlawful use of such right.

Holder must sign permit.

SEC. 14. No permit shall be valid or be accepted or used for the purchase of liquor until the applicant for the permit has written his signature thereon in the prescribed manner, for the purposes of identification as the holder thereof, in the presence of the employee to whom the application is made.

Individual permits not issued to corporations, etc.

SEC. 15. No individual permit shall be issued to any corporation, partnership, or other unincorporated association of individuals.

Expiration of permit.

SEC. 16. Except in the case of special permits issued under clauses (b) and (c) of section 12, which shall expire in accordance with the terms contained therein, every permit shall expire at midnight on the thirty-first day of December of the year for which the permit was issued.

Cancellation or suspension of permit.

SEC. 17. Where the holder of any permit issued under this act violates any provision of this act or of the regulations, or is an interdicted person, or is otherwise disqualified from holding a permit, the board, upon proof to its satisfaction of the fact or existence of such violation, interdiction, or disqualification, and in its discretion, may with or without any hearing, suspend the permit and all rights of the holder thereunder for such period as the board sees fit, or may cancel the permit.

Surrender of cancelled or suspended permit.

SEC. 18. Upon receipt of notice of the suspension or cancellation of his permit, the holder of the permit shall forthwith deliver up the permit to the board. Where the permit has been suspended only,

the board shall return the permit to the holder at the expiration or termination of the period of suspension. Where the permit has been suspended or cancelled, no employee shall knowingly issue to the person whose permit is suspended or cancelled a permit under this act until the end of the period of suspension or within the period of one year from the date of cancellation.

Permit may be seized by employees.

SEC. 19. Where any permit is presented to an employee by a person who is not the holder of the permit, or where any permit which is suspended or cancelled is presented to an employee, the employee shall retain the permit in his custody and shall forthwith notify the board of the fact of its retention.

Physicians may prescribe and administer liquor.

SEC. 20. Any physician who deems liquor necessary for the health of a patient, whether an interdicted person or not, whom he has seen or visited professionally may give to the patient a prescription therefor, signed by the physician, or the physician may administer the liquor to the patient, for which purpose the physician may administer the liquor purchased by him under special permit and may charge for the liquor so administered; but no prescription shall be given or liquor be administered by a physician except to bona fide patients in cases of actual need, and when in the judgment of the physician the use of liquor as medicine in the quantity prescribed or administered is necessary; and any physician who administers liquor in evasion or violation of this act shall be guilty of a violation of this act.

Dentists may administer liquor.

SEC. 21. Any dentist who deems it necessary that any patient then under treatment by him should be supplied with liquor as a stimulant or restorative may administer to the patient the liquor so needed, and for that purpose the dentist shall administer liquor obtained by him under special permit pursu-

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ant to this act, and may charge for the liquor so administered; but no liquor shall be administered by a dentist except to bona fide patients in cases of actual need; and every dentist who administers liquor in evasion or violation of this act shall be guilty of a violation of this act.

Institutions.

SEC. 22. Any person in charge of an institution regularly conducted as a hospital or sanatorium for the care of persons in ill health, or as a home devoted exclusively to the care of aged people, may, if he holds a special permit under this act for that purpose, administer liquor purchased by him under his special permit to any patient or inmate of the institution who is in need of the same, either by way of external application or otherwise for medicinal purposes, and may charge for the liquor so administered; but no liquor shall be administered by any person under this section except to bona fide patients or inmates of the institution of which he is in charge and in cases of actual need and every person in charge of an institution who administers liquor in evasion or violation of this act shall be guilty of a violation of this act.

Licenses classified.

SEC. 23. There shall be the following classes of licenses, at the annual license fees hereinafter set forth:

Fees:

Manufacturers;

1. License to manufacturers of liquor, including all kinds of manufacturers except distillers, and wineries and farmers' wineries; fee: $250.00;

Wineries;

1½. License to wineries; fee: $25.00; License to farmers' wineries; fee: $10.00;

Distillers;

2. License to distillers; fee: $2500.00: *Provided,* That the board shall license stills used and to be used solely and only by a commercial chemist for laboratory purposes, and not for the manufacture of liquor for sale, at a fee of $10.00: *Provided, further,* That the board shall license stills used and to be

used solely and only for laboratory purposes in any school, college or educational institution in the state, without fee: *Provided, further,* That the board shall license stills which shall have been duly licensed as fruit and/or wine distilleries by the Federal Government, used and to be used solely as fruit and/or wine distilleries in the production of fruit brandy and wine spirits, at a fee of $50.00;

Stills, laboratory purposes;

Stills licensed by Federal Government;

3. License to brewers and beer wholesalers to sell beer, manufactured within or without the state, to licensed wholesalers and/or to holders of retail licenses under subsections 3½, 4, 5 and 6 hereof; fee: $100.00; for each distributing unit.

Brewers and beer wholesalers;

3½. License to dining, club, and buffet cars on passenger trains to serve such liquors as may be permitted to be served by the individual glass or opened bottle at retail, for consumption on the premises only, under the provisions of this act, by restaurants, hotels, and others of a similar class; which license shall be issued to any corporation, association or person operating any such car within the state upon payment of a fee of twenty-five dollars ($25), which shall be a master license, and shall permit such sale upon one such car; and upon payment of the additional sum of one dollar ($1) per car, such license shall extend to additional cars operated by the same licensee within the state, and duplicate licenses for such additional cars shall be issued: *Provided,* That such licensee may make such sales upon cars in emergency for not more than five consecutive days without such license.

Dining cars etc., on passenger trains;

Master license.

Emergency sales.

4. License to sell wines and beer by the individual glass or opened bottle at retail, for consumption on the premises only; such license to be issued only to

Wines and beer by glass or opened bottle.

a. Hotels,
b. Restaurants,

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c. Dining places on boats and aeroplanes,

d. Clubs;

fee: $25.00;

Beer by individual glass.

5. License to sell beer by the individual glass or opened bottle at retail, for consumption on the premises only; such license to be issued only to a person operating a tavern, drug store, or soda fountain, or both, fee: $25.00;

Beer at retail.

6. License to sell beer at retail in bottles and original packages, not to be consumed upon the premises where sold, at any store other than the state liquor stores; fee: $10.00 for each store;

Wine in bottles and original packages.

6A. License to sell wine in bottles and original packages, not to be consumed on the premises where sold, at any store other than the state liquor stores: *Provided,* Such licensee shall pay to the state liquor stores for such wines the current retail price: *And provided further,* That such licensee shall not be permitted to sell such wines to any minor; fee: $10.00;

Current retail price.

Minors.

Clubs, provisions.

7. License to clubs, entitling each member of the club to keep on the premises a reasonable quantity of liquor for personal consumption on the premises: *Provided,* That no club shall be entitled to such a license

Operation prior to effective date.

a. Unless such club had been in operation at least three years prior to the effective date of this act, or, the club, being thereafter formed, had been in continuous operation for at least one year immediately prior to the date of its application for such license: *Provided,* That by unanimous vote the board may waive the provisions of this subsection;

Waiver.

Satisfactory management.

b. Unless the club premises be constructed and equipped, conducted, managed and operated to the satisfaction of the board and in accordance with this act and the regulations made thereunder;

Bona fide club.

c. Unless the board shall have determined pursuant to any regulations made by it with respect to clubs, that such club is a bona fide club; fee: $100.00.

Brewer: beer may be sold direct to licensee.

SEC. 24. Any brewer or beer wholesaler licensed under this act may sell and deliver beer to holders of authorized licenses direct, but to no other person, other than the board; and every such brewer or beer wholesaler shall report all sales to the board monthly, pursuant to the regulations, and shall pay to the board as an added tax for the privilege of manufacturing and selling the beer within the state a tax of one dollar per barrel of thirty-one gallons on sales to licensees within the state and on the sale of bottled beer shall pay a tax on the same basis computed in gallons. Each such brewer or wholesaler shall procure from the board revenue stamps representing such tax in form prescribed by the board and shall affix the same to the barrel or package in such manner and in such denominations as required by the board, and shall cancel the same prior to commencing delivery from his place of business or warehouse of such barrels or packages. Beer shall be sold by brewers and wholesalers in sealed barrels or packages. The revenue stamps herein provided for need not be affixed and cancelled in the making of resales of barrels or packages already taxed by the affixation and cancellation of stamps as provided in this section.

Monthly report to board.

Tax.

Revenue stamps.

Sealed barrels or packages.

The above tax shall not apply to "strong beer" as defined in this act.

Strong beer.

Wineries monthly report.

SEC. 25. Every winery licensed under this act shall make monthly reports to the board pursuant to the regulations. Such winery shall make no sales of wine within the State of Washington except to the board, or as otherwise provided in this act.

Distillers monthly report.

SEC. 26. Every distillery licensed under this act shall make monthly reports to the board pursuant to

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the regulations. No such distillery shall make any sale of spirits within the State of Washington except to the board.

Licenses not transferable.

SEC. 27. 1. Every license shall be issued in the name of the applicant and no license shall be transferable, nor shall the holder thereof allow any other person to use the license.

Investigation of applicants and premises.

2. For the purpose of considering any application for a license, the board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the constructiona [construction] and operation of the premises. The board may, in its discretion, grant or refuse the license applied for; and may, from time to time in the exercise of like discretion, after a hearing had and assigning a reason therefor, suspend or cancel any license; and all rights of the licensee to keep or sell beer or other liquors thereunder shall be suspended or terminated as the case may be: *Provided,* That the board shall not sell, or dispose of, nor authorize or license any person to sell or dispose of liquor within 300 feet of a public school.

Board may grant, refuse or cancel licenses.

300 feet of public school.

Notice of suspension.

3. Upon receipt of notice of the suspension or cancellation of a license, the licensee shall forthwith deliver up the license to the board. Where the license has been suspended only, the board shall return the license to the licensee at the expiration or determination of the period of suspension, with a memorandum of the suspension written upon the face thereof in red ink. The board shall notify all vendors in the city or place where the licensee has its premises of the suspension or cancellation of the license; and no employee shall allow or cause any liquor to be delivered to or for any person at the premises of that licensee.

Expiration of licenses.

4. Unless sooner cancelled, every license issued by the board shall expire at midnight of the thirty-

first day of December in the year for which the license was issued.

Subject to restrictions.

5. Every license issued under this section shall be subject to all conditions and restrictions imposed by this act or by the regulations in force from time to time.

Posting.

6. Every licensee shall post and keep posted its license in a conspicuous place on the premises.

Notice of application.

7. Before the board shall issue a license to an applicant it shall give notice of such application to the chief executive officer of the incorporated city or town, if the application be for a license within an incorporated city or town, or to the board of county commissioners, if the application be for a license outside the boundaries of incorporated cities or towns; and such incorporated city or town through the official or employee selected by it, or the board of county commissioners or the official or employee, selected by it, shall have the right to file with the board within one week after receipt of such notice, written objections against the applicant or against the premises for which the license is asked, and shall include with such objections a statement of all facts upon which such objections are based, and in case written objections are filed, may make oral argument in support of such objections at the time fixed by the board, after the board shall have given to the applicant written notice of such oral argument at least five days prior thereto. Upon the granting of a license under this act the board shall cause a duplicate of the license to be transmitted to the chief executive officer of the incorporated city or town in which the license is granted, or to the board of county commissioners if the license is granted outside the boundaries of incorporated cities or towns.

Written objections.

Oral argument.

Granting license.

Duplicate license.

Proximity of schools, churches, etc.

8. Before the board issues any license to any applicant, it shall give due consideration to the location of the business to be conducted under such li-

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cense with respect to the proximity of churches, schools and public institutions.

Acting without license.

SEC. 28. Any person doing any act required to be licensed under this act without having in force a license issued to him under this act shall be guilty of a violation of this act.

Violation.

Municipalities, counties may not license or tax.

SEC. 29. No municipality or county shall have power to license the sale of, or impose an excise tax upon, liquor as defined in this act, or to license the sale or distribution thereof in any manner; and any power now conferred by law on any municipality or county to license premises which may be licensed under this section, or to impose an excise tax upon liquor, or to license the sale and distribution thereof, as defined in this act, shall be suspended and shall be of no further effect: *Provided,* That municipalities and counties shall have power to adopt police ordinances and regulations not in conflict with this act or with the regulations made by the board: *Provided further,* That all licenses now in force in the State of Washington for the sale of beer by the authority of any county, city, or other municipal subdivision in the State of Washington, shall continue in force and effect for a period of sixty days after the effective date of this act and no longer: *And provided further,* That all persons lawfully in possession of any intoxicating liquor at the time this act takes effect shall have sixty (60) days from and after the taking effect of this act in which to dispose of the same.

May adopt police ordinances not in conflict.

Licenses in effect may continue for 60 days after effective date of act.

Giving away of liquor restricted.

SEC. 30. No brewer, distiller, or manufacturer of liquor shall, within the state, by himself, his clerk, servant, or agent, give to any person any liquor; but nothing in this section shall prevent the furnishing of samples of liquor to the board for the purpose of negotiating the sale of liquor to the state liquor control board, and nothing in this section shall prevent

a brewer from serving beer without charge on the brewery premises to employees and casual visitors.

Employees may sell only as authorized.

SEC. 31. No employee shall sell liquor in any other place, nor at any other time, nor otherwise than as authorized by the board under this act and the regulations.

Wine or beer manufactured for home consumption exempt.

SEC. 32. Nothing in this act shall apply to wine or beer manufactured in any home for consumption therein, but not for sale; nor to any liquor in the possession of any person, kept for personal use but not for sale, at the effective date of this act.

Unlawful possession of liquor defined.

SEC. 33. 1. No liquor shall be kept or had by any person within the state unless the package in which the liquor was contained had, while containing that liquor, been sealed with the official seal prescribed under this act, except in the case of

a. liquor imported by the liquor control board; or

b. liquor manufactured in the state for sale to the liquor control board or for export; or

c. beer purchased in accordance with the provisions of this act; or

d. wine, beer or liquor exempted in section 32.

Search warrant may issue.

2. To aid in the enforcement of the provisions of this act, search warrants may be issued in connection with violations hereof by any justice of the peace or any superior court judge. A search warrant shall not be issued but upon probable cause, supported by affidavit, naming or describing the person or persons charged with crime and particularly describing the property and the place to be searched. The justice or judge issuing the warrant must, before issuing the same, examine on oath the complainant and any witness he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them. Such affidavits or depositions

Affidavits.

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must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist. If the justice or judge is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he shall issue a search warrant signed by him with his name of office, directed to a civil officer of the State of Washington duly authorized to enforce or assist in enforcing any law thereof, which warrant must state the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding said officer forthwith to search the person or place named, for the property specified, and to bring same before the justice or judge. The officer may break open any outer or inner door or window of a house or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance. The judge or justice must insert a direction in the warrant that it be served in the day time unless the affidavits are positive that the property is on the person or in the place to be searched, in which case he may insert a direction that it be served at any time of the day or night. Any search warrant issued pursuant to this act must be executed and returned to the judge or justice who issued it within ten days after its date; after the expiration of which term the warrant, unless executed, is void. When an officer takes property under any search warrant pursuant to this act he must give a copy of the warrant together with a detailed receipt for the property taken to the person from whom it was taken by him, or in whose possession it was found; or in the absence of any person he must leave a copy of the warrant and such receipt in the place where he found the property.

Search warrant.

Grounds.

Officer may break into buildings.

SEC. 34. Except as permitted by this act, no person shall open the package containing liquor or consume liquor in a public place. Every person who violates any provision of this section shall be guilty of a misdemeanor, and on conviction therefor shall be fined not more than ten dollars ($10).

Misdemeanor to consume liquor in public place.

SEC. 35. No person who is intoxicated shall be or remain in any public place, and every person who violates any provision of this section shall be liable, on conviction for a first offense to a penalty of not more than ten dollars ($10); for a second offense to a penalty of not more than twenty-five dollars ($25); and for a third or subsequent offense to imprisonment for not more than thirty days, with or without hard labor, without the option of a fine.

Intoxicated person subject to fine.

SEC. 36. No person shall sell any liquor to any person apparently under the influence of liquor.

Sale to intoxicated persons.

SEC. 37. 1. Except in the case of liquor given or permitted to be given to a person under the age of twenty-one years by his parent or guardian for beverage or medicinal purposes, or administered to him by his physician or dentist for medicinal purposes, no person shall give, or otherwise supply liquor to any person under the age of twenty-one years, or permit any person under that age to consume liquor on his premises or on any premises under his control.

Sale to minors.

2. Every person under the age of twenty-one years who makes application for a permit shall be guilty of an offense against this act.

Application for permit by minor.

SEC. 38. Except in the case of liquor administered by a physician or dentist or sold upon a prescription in accordance with the provisions of this act, no person shall procure or supply, or assist directly or indirectly in procuring or supplying, liquor for or to any one whose permit is suspended or has been cancelled.

Ineligible persons.

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Interdicted person.

SEC. 39. No permit shall be issued to any interdicted person.

Cancelled permit.

SEC. 40. No person whose permit has been cancelled within the period of twelve months next preceding, or is suspended, shall make application to any employee under this act for another permit.

Suspended permit.

SEC. 41. No person shall purchase or attempt to purchase liquor under a permit which is suspended, or which has been cancelled, or of which he is not the holder.

Canvassing, etc., not permitted.

SEC. 42. No person shall canvass for, solicit, receive, or take orders for the purchase or sale of any liquor, or act as agent for the purchase or sale of liquor: *Provided,* That nothing in this act shall prevent any brewer, brewery, or wholesaler, by his or its authorized agent, from soliciting orders from holders of licenses to sell beer under section 23 of this act. Nothing in this section contained shall apply to agents dealing with the board or to the receipt or transmission of a telegram or letter by any telegraph agent or operator or post office employee in the ordinary course of his employment as such agent, operator or employee.

Board may not advertise liquor.

SEC. 43. The board shall not advertise liquor in any form or through any medium whatsoever. The board shall have power to adopt any and all reasonable regulations as to the kind, character and location of advertising of liquor.

Malt liquor to be labelled.

SEC. 44. Every person manufacturing or distributing malt liquor for sale within the state shall put upon all packages containing malt liquor so manufactured or brewed a distinctive label showing the nature of the contents, the name of the person by whom the malt liquor is manufactured or brewed, the place where the malt liquor was brewed, and showing the maximum alcoholic content of such malt liquor. For the purpose of this section, the contents of packages containing malt liquor shall be shown by the use of the word "beer," "ale," "stout," or "porter," on the outside of all packages.

Wine to be labelled.

SEC. 45. Every person manufacturing or distributing wine, shall put upon all packages a distinctive label showing the nature of the contents and the name of the person by whom the wine was manufactured, the place where the wine was manufactured, showing the maximum alcoholic content of such wine.

Spirits to be labelled.

SEC. 46. Every person manufacturing spirits as defined in this act shall put upon all packages containing spirits so manufactured a distinctive label, showing the nature of the contents, the name of the person by whom the spirits were manufactured, the place where the spirits were manufactured, and showing the alcoholic content of such spirits. For the purpose of this section the contents of packages containing spirits shall be shown by the use of the words "whiskey," "rum," "brandy," and the like, on the outside of such packages.

Use or imitation of official seal punishable.

SEC. 47. No person other than an employee of the board shall keep or have in his possession any official seal prescribed under this act, unless the same is attached to a package which has been purchased from a vendor or store employee; nor shall any person keep or have in his possession any design in imitation of any official seal prescribed under this act, or calculated to deceive by its resemblance thereto, or any paper upon which any design in imitation thereof, or calculated to deceive as aforesaid, is stamped, engraved, lithographed, printed or otherwise marked.

Penalty.

Every person who wilfully violates any provision of this section shall be guilty of a gross misdemeanor and shall be liable on conviction thereof for a first offense to imprisonment in the county jail

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for a period of not less than three months nor more than six months, without the option of the payment of a fine; for a second offense, to imprisonment in the county jail for not less than six months nor more than one year, without the option of the payment of a fine; for a third offense or subsequent offenses to imprisonment in the state penitentiary for not less than one year nor more than two years.

Sale to board.

SEC. 48. Nothing in this act shall apply to or prevent the sale of liquor by any person to the board.

Licensed manufacturer may store liquor.

SEC. 49. 1. Nothing in this act shall prevent any person licensed to manufacture liquor from keeping liquor in his warehouse or place of business.

Interstate transactions protected.

2. Nothing in this act shall prevent the transshipment of liquor in interstate and foreign commerce; but no person shall import liquor into the state from any other state or country, except, as herein otherwise provided, for use or sale in the state, except the board.

Legislative power.

3. Every provision of this act which may affect transactions in liquor between a person in this state and a person in another state or in a foreign country shall be construed to affect such transactions so far only as the legislature has power to make laws in relation thereto.

Certain preparations exempted.

SEC. 50. 1. Nothing in this act shall apply to or prevent the sale, purchase or consumption

a. of any pharmaceutical preparation containing liquor which is prepared by a druggist according to a formula of the Pharmacopeia of the United States, or the Dispensatory of the United States; or

b. of any proprietary or patent medicine; or

c. of wood alcohol or denatured alcohol, except in the case of the sale, purchase, or consumption of wood alcohol or denatured alcohol for beverage purposes, either alone or combined with any other liquid or substance.

Preparations not usable as beverages excepted.

SEC. 51. 1. Where a medicinal preparation contains liquor as one of the necessary ingredients thereof, and also contains sufficient medication to prevent its use as an alcoholic beverage, nothing in this act shall apply to or prevent its composition or sale by a druggist when compounded from liquor purchased by the druggist under a special permit held by him, nor apply to or prevent the purchase or consumption of the preparation by any person for strictly medicinal purposes.

Medicinal.

Toilet or culinary.

2. Where a toilet or culinary preparation, that is to say, any perfume, lotion, or flavoring extract or essence, contains liquor and also contains sufficient ingredient or medication to prevent its use as a beverage, nothing in this act shall apply to or prevent the sale or purchase of that preparation by any druggist or other person who manufactures or deals in the preparation, nor apply to or prevent the purchase or consumption of the preparation by any person who purchases or consumes it for any toilet or culinary purpose.

Analysis.

3. In order to determine whether any particular medicinal, toilet, or culinary preparation referred to in this section contains sufficient ingredient or medication to prevent its use as an alcoholic beverage, the board may cause a sample of the preparation, purchased or obtained from any person whomsoever, to be analyzed by an analyst appointed or designated by the board; and if it appears from a certificate signed by the analyst that he finds the sample so analyzed by him did not contain sufficient ingredient or medication to prevent its use as an alcoholic beverage, the certificate shall be conclusive evidence that the preparation, the sample of which was so analyzed, is not a preparation the sale or purchase of which is permitted by this section.

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Licensed premises shall be open to inspection.

SEC. 52. 1. All licensed premises used in the manufacture, storage, or sale of liquor shall at all times be open to inspection by any inspector or peace officer in order to ascertain whether any infraction of any of the provisions of this act or the regulations has taken place or is taking place therein.

Failure to permit inspection.

2. Every person, being on any such licensed premises and having charge thereof, who refuses or fails to admit an inspector or peace officer demanding to enter therein in pursuance of this section in the execution of his duty, or who obstructs or attempts to obstruct the entry of such inspector or officer of the peace, or who refuses to allow an inspector to examine the books of the licensee, or who refuses or neglects to make any return required by this act or the regulations, shall be guilty of a violation of this act.

Habitual drunkards may be interdicted.

SEC. 53. Whenever any person shall have been declared an habitual drunkard by virtue of sections 1708-1715, Rem. Rev. Stat., the court declaring such person an habitual drunkard shall, at the same time, make an order directing the cancellation of any permit held by that person and prohibiting the sale of liquor to him until further order; and the court shall cause a certified copy of the order to be forthwith filed with the board, and the officer making and transmitting such certified copy shall make no charge therefor. Upon receipt of the order of interdiction, the board shall cancel any permit held by the interdicted person.

Interdiction may be revoked.

SEC. 54. Whenever any order declaring a person to be an habitual drunkard shall have been annulled and vacated by the court by virtue of section 1715, Rem. Rev. Stat., the judge of said court shall also file an order with the board revoking the former order of interdiction; and upon the filing of the

order of revocation, the interdicted person shall be restored to all his rights under this act.

Seized illegal liquor.

SEC. 55. In every case in which liquor is seized by a sheriff or constable of any county or by a police officer of any municipality or by a member of the Washington state patrol, or any other authorized peace officer or inspector, it shall be the duty of the sheriff of the county or chief of police of the municipality, or the chief of the Washington state patrol, as the case may be, to forthwith report in writing to the board the particulars of such seizure, and to immediately deliver over such liquor to the board at such place as may be designated by it.

Board has power to inspect books and records.

SEC. 56. 1. For the purpose of obtaining information concerning any matter relating to the administration or enforcement of this act, the board, or any person appointed by it in writing for the purpose, may inspect the books and records of

a. any manufacturer;

b. any license holder;

c. any drug store holding a permit to sell on prescriptions;

Records of common carriers.

d. the freight and express books and records and all waybills, bills of lading, receipts and documents in the possession of any common carrier doing business within the state, containing any information or record relating to any goods shipped or carried, or consigned or received for shipment or carriage within the state. Every common carrier, and every owner or officer or employee of such common carrier, who neglects or refuses to produce and submit for inspection any book, record or document referred to in this section when requested to do so by the board or by a person so appointed by it shall be guilty of a violation of this act.

Describing offenses.

SEC. 57. In describing the offense respecting the sale, or keeping for sale or other disposal, of liquor, or the having, keeping, giving, purchasing or con-

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sumption of liquor in any information, summons, conviction, warrant, or proceeding under this act, it shall be sufficient to simply state the sale, or keeping for sale or disposal, having, keeping, giving, purchasing, or consumption of liquor, without stating the name or kind of such liquor or the price thereof, or to whom it was sold or disposed of, or by whom consumed, or from whom it was purchased or received; and it shall not be necessary to state the quantity of liquor so sold, kept for sale, disposed of, had, kept, given, purchased, or consumed, except in the case of offenses where the quantity is essential, and then it shall be sufficient to allege the sale or disposal of more or less than such quantity.

Description of offense in words of act sufficient.

SEC. 58. The description of any offense under this act, in the words of this act, or in any words of like effect, shall be sufficient in law; and any exception, exemption, provision, excuse, or qualification, whether it occurs by way of proviso or in the description of the offense in this act, may be proved by the defendant, but need not be specified or negatived in the information; but if it is so specified or negatived, no proof in relation to the matter so specified or negatived shall be required on the part of the informant or complainant.

Proof of one unlawful sale sufficient.

SEC. 59. In any proceeding under this act, proof of one unlawful sale of liquor shall suffice to establish prima facie the intent or purpose of unlawfully keeping liquor for sale in violation of this act.

Prima facie evidence.

SEC. 60. A certificate, signed by any person appointed or designated by the board in writing as an analyst, as to the percentage of alcohol contained in any liquid, drink, liquor, or combination of liquors, when produced in any court or before any court shall be prima facie evidence of the percentage of alcohol contained therein.

Processes as in civil actions.

SEC. 61. In all prosecutions, actions, or proceedings under the provisions of this act against a corporation, every summons, warrant, order, writ or other proceeding may be served on the corporation in the same manner as is now provided by law for service of civil process.

Action of board final.

SEC. 62. Save as in this act otherwise provided the action, order or decision of the board as to any permit or license shall be final and shall not be reviewed or restrained by injunction, prohibition or other process or proceeding in any court or be removed by certiorari or otherwise into any court.

"Washington State Liquor Board."

SEC. 63. There shall be a board, known as the "Washington State Liquor Control Board," consisting of three members, to be appointed by the Governor, who shall each be paid an annual salary, to be fixed by the Governor, not to exceed $4,500.00; not more than two of whom shall belong to any one political party. The Governor may, in his discretion, appoint one of the members as chairman of the board, and a majority of the members shall constitute a quorum of the board.

Members.

Salaries.

Board nonpartisan.

Quorum.

Terms vary.

SEC. 64. 1. The members of the first board to be appointed after the taking effect of this act shall be appointed for terms beginning at the effective date of this act and expiring as follows: One member of the board for a term of three years from the date of his appointment; one member of the board for a term of six years from the date of his appointment; and one member of the board for a term of nine years from the date of his appointment. Each of the members of the first board appointed shall hold office until his successor is appointed and qualified. Upon the expiration of the term of any of the three members of the board first to be appointed as aforesaid, each succeeding member of the board shall be appointed and hold office for the term of

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Vacancy.

nine years and until his successor shall have been appointed and qualified. In case of a vacancy, it shall be filled by appointment by the Governor for the unexpired portion of the term in which said vacancy occurs. No vacancy in the membership of the board shall impair the right of the remaining member or members to act, except as herein otherwise provided.

Board office at state capital.

2. The principal office of the board shall be at the state capital, and it may establish such other offices as it may deem necessary.

Vetoed.

3. Any member of the board may be removed for inefficiency, malfeasance or misfeasance in office, upon specific written charges filed by the Governor, who shall transmit such written charges to the member accused and to the chief justice of the supreme court. The chief justice shall thereupon designate a tribunal composed of three judges of the superior court to hear and adjudicate the charges. Such tribunal shall fix the time of the hearing, which shall be public, and the procedure for the hearing, and the decision of such tribunal shall be final and not subject to review by the supreme court. Removal of any member of the board by the tribunal shall disqualify such member for reappointment.

Member shall not hold other public office.

4. Each member of the board shall devote his entire time to the duties of his office and no member of the board shall hold any other public office. Before entering upon the duties of his office each of said members of the board shall enter into a surety bond executed by a surety company authorized to do business in this state, payable to the State of Washington, to be approved by the Governor, in the penal sum of fifty thousand dollars ($50,000.00) conditioned upon the faithful performance of his duties, and shall take and subscribe to the oath of office prescribed for elective

Bond.

state officers, which oath and bond shall be filed with the secretary of state. The premium for said bond shall be paid by the board.

Board m employ others.

SEC. 65. The board may employ such number of employes as in its judgment are required from time to time for the purposes of this act, at such rates of salaries or wages as are fixed by the regulations; and any employee so employed may be dismissed or removed by the board at its pleasure; honorably discharged union soldiers and sailors, and honorably discharged soldiers and sailors of any war between this country and any foreign country shall be given preference for the appointment and employment.

Fix salar

Attorney general legal adv of board.

SEC. 66. The attorney general shall be the general counsel of the liquor control board and it shall be his duty to institute and prosecute all actions and proceedings which may be necessary in the enforcement and carrying out of the provisions of this act, and it shall be the duty of the attorney general to assign such assistants as may be necessary to the exclusive duty of assisting the liquor control board in the enforcement of this act. The salaries of said assistants shall be paid out of the liquor control revolving fund.

Liquor orders m be signed members

SEC. 67. 1. Every order for the purchase of liquor shall be authorized by the board, and no order for liquor shall be valid or binding unless it is so authorized and signed by any two members of the board.

Duplicate orders.

2. A duplicate of every such order shall be kept on file in the office of the board.

Cancellat of orders.

3. All cancellations of such orders made by the board shall be signed in the same manner and duplicates thereof kept on file in the office of the board. Nothing in this act shall be construed as preventing the board from accepting liquor on consignment.

Liquor on consignm

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Board members and employees may not have interest in liquor.

SEC. 68. No member of the board and no employee of the board shall have any interest, directly or indirectly, in the manufacture of liquor or in any liquor sold under this act, or derive any profit or remuneration from the sale of liquor, other than the salary or wages payable to him in respect of his office or position, and shall receive no gratuity from any person in connection with such business.

Board given specific powers to determine localities.

SEC. 69. 1. The board, subject to the provisions of this act and the regulations, shall

a. determine the localities within which state liquor stores shall be established throughout the state, and the number and situation of the stores within each locality;

Appoint liquor vendors.

aa. to appoint in incorporated cities and towns, in which no state liquor store is located, liquor vendors. Such liquor vendors shall be agents of the board and be authorized to sell liquor to such persons, firms or corporations as provided for the sale of liquor from a state liquor store, and such vendors shall be subject to such additional rules and regulations consistent with this act as the board may require;

Establish warehouses.

b. establish all necessary warehouses for the storing and bottling, diluting and rectifying of stocks of liquors for the purposes of this act;

Lease premises for conduct of business.

c. provide for the leasing for one year, subject to right of renewal for not more than five years, in the name and on behalf of the state, of all premises required for the conduct of the business; and for remodeling the same, and the procuring of their furnishings, fixtures, and supplies; and for obtaining options of renewal of such leases by the lessee. The terms of such leases in all other respects shall be subject to the direction of the board;

Select packages used for liquor.

d. determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this act;

Execute contracts.

e. execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

Pay custo duties.

f. pay all customs duties, excises, charges and obligations whatsoever relating to the business of the board;

Require bonds.

g. require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

h. perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this act, and shall have full power to do each and every act necessary to the conduct of its business, including all buying, selling, preparation and approval of forms, and every other function of the business whatsoever, subject only to audit by the state auditor.

Subject to audit by state audit

SEC. 70. 1. The board may, in its discretion, secure the assistance of the Washington state patrol in the enforcement of the penal provisions of this act and the regulations of the board; and the Washington state patrol is authorized and directed to give such assistance to such board. The costs and expenses, including salaries, of such members of said patrol during such period of service shall be paid by the board.

Enforcem

Washingto state patro

2. Where any action or proceedings are brought or taken by the board, or by any of its employes, or by any officer of the Washington state patrol for the enforcement of any of the provisions of this act within the state, the board may pay such amount of costs and expenses necessarily incurred therein as it determines. All state, county and municipal peace officers are hereby charged with the duty of investigating and prosecuting all violations of this act, and all fines imposed for violations of this act shall belong to the county, city or town wherein the court imposing the fine is located.

Costs and expenses.

Fines.

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State auditor to audit books of board.

SEC. 71. The state auditor shall, at least twice each year, audit the books, records and affairs of the board, and such audits shall be construed a public record of the State of Washington.

Board shall report to Governor.

SEC. 72. The board shall, from time to time, make reports to the Governor covering such matters in connection with the administration and enforcement of this act as he may require, and the board shall prepare and forward to the Governor annually, to be laid before the legislature, a report for the twelve months ending on the 31st day of December of the year with respect to which the report is made, which report shall be a public document, and contain

Financial statement.

a. A detailed financial statement and balance sheet showing the condition of the business and its operation during the year; such statement shall show in detail the price paid for all liquor purchased, showing the amount of each purchase and the price thereof;

b. A statement of the nature and amount of the business transacted by each vendor under this act during the year covered by this report;

c. A summary of all prosecutions for infractions of this act, and the results of the same;

d. General information and remarks as to the working of the act within the state; and

e. Any further information requested by the Governor.

"Liquor revolving fund."

SEC. 73. For the purpose of carrying out the provisions of this act, there is hereby created a fund, to be known as the "liquor revolving fund," which shall consist of all license fees, permit fees, penalties, forfeitures and all other moneys, income or revenue received under this act. None of the provisions of section 5501, Rem. Rev. Stat., shall be applicable to such fund nor to any of the moneys received or collected by the board.

Expenses to be certified by auditor.

SEC. 74. All expense whatsoever arising under the administration of this act, including the payment of the salaries of the members of the board and its employees, such sums as shall be certified by the state auditor in respect of the auditing of the accounts of the board and the certification of its balance sheets, customs duties, excises and all expenditures incurred in establishing, maintaining and operating state liquor stores, and of conducting the business of the board shall be paid from said liquor revolving fund.

Payment.

All moneys shall be paid from the liquor revolving fund by check or voucher in such form and in such manner as shall be prescribed in the regulations.

Revolving fund depositaries.

SEC. 75. The liquor revolving fund shall be deposited by the board in such banks and financial institutions as it may select throughout the State of Washington, which banks and financial institutions shall give to the board surety bonds executed by surety companies authorized to do business in the State of Washington, or collateral eligible as security for deposit of state funds, in at least the full amount of the deposit in each such bank or financial institution.

Depositary bond.

Daily receipts.

All moneys received by the board or any employee under this act, except an amount of petty cash for each day's needs as fixed by the regulations, shall be each day and as often during such day as advisable, deposited in the nearest authorized depositary selected by the board under the terms of this section.

Board may issue bonds.

SEC. 76. For the purpose of providing the necessary moneys to carry this act into effect the board is authorized to issue and sell bonds of the board, payable only out of the liquor revolving fund, in the amount of one million five hundred thousand dollars ($1,500,000.00). The terms, issuance, sale and retirement of such bonds shall be under the general

Amount $1,500,000.00.

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Control of joint committee.

supervision and control of the board and the state finance committee and the membership of such two boards shall constitute a joint committee and the majority of the membership of such joint committees shall control; such bonds to be known as "Liquor Revenue Bonds of the Washington State Liquor Control Board." The board may in its discretion provide for the issuance of coupons or registered bonds. The bonds shall be signed by the chairman and the secretary of the board, under seal of the board, and any coupons attached to such bonds shall be signed by the facsimile signature of the secretary. Each such bond may be made payable at any time not exceeding five years from the date of its issuance, with such reserved rights of prior redemption as the board may prescribe, to be specified therein. Such bonds shall be sold so as to yield a rate of interest of not more than 6½ per cent per annum, as computed by standard bond tables commonly in use by insurance companies, banks and other financial institutions. Any bond may be registered, as to principal only, in the name of the holder, on presentation to the board, under such regulations as the board may prescribe. Each bond and interest coupon attached shall show upon its face that it is payable solely from the liquor revolving fund and not otherwise, and that neither the State of Washington nor the board nor any member thereof shall incur any liability or obligation by reason of the authority granted in this section. The bonds shall be payable at such place or places as the board may provide, and shall be in such denominations as may be prescribed by the board. All bonds issued under the provisions of this act may be sold in such manner and in such amounts and at such times and on such terms and conditions as the board may prescribe.

Title of bonds.

Method of payment.

6½% interest.

Registered.

Sale.

Bonds legal investment for banks.

Bonds issued under the provisions of this act shall be a legal investment for any of the funds of

savings banks, mutual savings banks, savings and loan associations and insurance companies, and shall be accepted at par as collateral security by all public depositaries of the state, or of any of the subdivisions thereof. Bonds issued under the provisions of this act shall be exempt from all taxes levied by the state and any municipal subdivision thereof.

Bonds exempt from tax levy.

Said bonds shall be retired as to principal in an amount of not less than three hundred thousand dollars ($300,000.00) per year and shall be redeemable, under regulations prescribed by the board, on any interest payment date prior to maturity, upon payment of the principal thereof, plus accrued interest and a premium of $3.00 on each $100.00 thereof.

Retirement.

No distribution of any sums from the liquor revolving fund shall be made to the state and the municipalities thereof as provided in sections 77 and 78 unless there shall be moneys in said liquor revolving fund after setting aside and reserving the following:

a. An amount sufficient to pay the principal and interest to become payable on said bonds during the then current year;

b. A cash reserve of $500,000.00 over and above all other assets.

Reserve set up.

If, while any of the said bonds remain outstanding, the state shall determine to abandon the operation of state stores as in this act provided, the proceeds of the sale of its entire stock of liquors and all assets under the control of said board shall be first applied to the retirement of the bonds then outstanding, with accrued interest and premium thereon as above provided, before any of such proceeds are distributed as otherwise fixed in this act.

Abandonment of state stores.

SEC. 77. Whenever there shall be in the liquor revolving fund moneys in excess of the amount specified in section 76 hereof, such moneys shall, from time to time and at least once every three months,

Board may distribute excess funds.

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be distributed by said board in accordance with section 78 hereof.

Basis of distribution fixed.

SEC. 78. 1. When said funds are distributed as provided in section 77 hereof all moneys subject to distribution shall be disbursed as follows:

General fund.

Thirty per cent (30%) to the general fund of the state;

Twenty per cent (20%) to the several counties of the state, ratably, on the basis of the population, according to the latest federal census, said twenty per cent (20%) to be placed in the county old age pension fund and used exclusively for payment of old age pensions; and fifty per cent (50%) to the counties and incorporated cities and towns of the state, distributed among them pursuant to the provisions hereafter made in this section.

Old age pension.

Counties, cities and towns.

Apportionment.

2. With respect to the share coming to the counties and incorporated cities and towns under the preceding subsection, the distribution shall be among them in accordance with the following computations:

a. First, the share coming to each county as a whole shall be determined by a division among the counties entitled to distribution hereunder according to the population of the areas in such counties allowing the sale of liquor under this act as shown by the last federal census; that is to say, the share coming to each county entitled to distribution hereunder shall be in the proportion which the population of the areas allowing the sale of liquor under this act in such county bears to the aggregate population of all the counties entitled to distribution hereunder.

b. Second, the share coming to each county as a whole, as the result of the foregoing computation, shall then be divided between each county government and the incorporated cities and towns located in such county according to the population shown by the last federal census; that is to say, the share

coming to each incorporated city or town shall be in the proportion which the population in such incorporated city or town, as shown by the last federal census, bears to the total population within the county, as shown by the last federal census; and the county government's share shall be based upon that proportion of the population within such county as is not included in the incorporated cities and towns located in such county: *Provided,* That no incorporated city or town in which the sale of liquor as authorized under this act is forbidden under sections 82 to 88 inclusive of this act shall be entitled to any share in such distribution: *Provided, further,* That if in any county the area outside of the cities and towns therein shall vote not to allow the sale of liquor under this act in such area, then the population of such area shall not be included in the computation of the population for distribution purposes.

Exception to apportionment.

3. The computations under subsection 2 of this section shall be made by the state auditor, who shall, immediately after the effective date of this act and immediately following the official publication of every federal census and so often as necessary by reason of elections held under sections 82 to 88 of this act, file with the board a list certified by him showing the fractional proportions, in terms of per cent or otherwise, coming to each county government and incorporated city and town in the state pursuant to this section; and the board shall make payment to each of said counties and incorporated cities and towns in the proportions shown on the certified list last filed with it by the state auditor under this section.

Computations made by state auditor.

SEC. 79. 1. For the purpose of carrying into effect the provisions of this act according to their true intent or of supplying any deficiency therein, the board may make such regulations not inconsistent

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Board has power to make regulations as to.

with the spirit of this act as are deemed necessary or advisable. All regulations so made shall be a public record and filed in the office of the secretary of state, together with a copy of this act, shall forthwith be published in pamphlets, which pamphlets shall be distributed free at all liquor stores and as otherwise directed by the board, and thereupon shall have the same force and effect as if incorporated in this act.

2. Without thereby limiting the generality of the provisions contained in subsection (1), it is declared that the power of the board to make regulations in the manner set out in that subsection shall extend to

Equipment and management of stores and warehouses.

a. regulating the equipment and management of stores and warehouses in which state liquor is sold or kept, and prescribing the books and records to be kept therein and the reports to be made thereon to the board;

Duties of employees.

b. prescribing the duties of the employes of the board, and regulating their conduct in the discharge of their duties;

Purchase of liquor.

c. governing the purchase of liquor by the state and the furnishing of liquor to stores established under this act;

Brands of liquor.

d. determining the classes, varieties, and brands of liquor to be kept for sale at any store;

Store hours.

e. prescribing, subject to section 11, the hours during which the state liquor stores shall be kept open for the sale of liquor;

Price lists.

f. providing for the issuing and distributing of price lists showing the price to be paid by purchasers for each variety of liquor kept for sale under this act;

Official seals and labels.

g. prescribing an official seal and official labels and stamps and determining the manner in which they shall be attached to every package of liquor sold or sealed under this act, including the prescribing of different official seals or different official labels for different classes of liquor;

Payment of freight charges.

h. providing for the payment by the board in whole or in part of the carrying charges on liquor shipped by freight or express;

Forms.

i. prescribing forms to be used for purposes of this act or the regulations, and the terms and conditions to be contained in permits and licenses issued under this act;

Licenses and permit fees.

j. prescribing the fees payable in respect of permits and licenses issued under this act for which no fees are prescribed in this act, and prescribing the fees for anything done or permitted to be done under the regulations;

Quantities of liquor.

k. prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same shall be kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;

Sale of liquor by licensee.

l. regulating the sale of liquor kept by the holders of licenses which entitle the holder to purchase and keep liquor for sale;

Sales records.

m. prescribing the records of purchases or sales of liquor kept by the holders of licenses, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

Prescriptions.

n. prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

Serving notice.

o. prescribing the manner of giving and serving notices required by this act or the regulations, where not otherwise provided for in this act;

Exportation.

p. regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the board, and providing for the inspection of the

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premises and the books, records and the liquor so kept;

Club licenses.

q. prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;

License to sell beer and wines.

r. prescribing the conditions, accommodations and qualifications requisite for the obtaining of licenses to sell beer and wines, and regulating the sale of beer and wines thereunder;

Regulating delivery.

s. specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers shall deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;

Brewers' returns.

t. providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;

Returns of wholesalers of beer.

u. providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;

Returns by manufacturers.

v. providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

Employees' bonds.

w. providing for the giving of fidelity bonds by any or all of the employes of the board: *Provided,*

That the premiums therefor shall be paid by the board;

Shipment by mail to permit holder.

x. providing for the shipment by mail or common carrier of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this act, prohibited the sale of liquor therein.

Administration of oath.

SEC. 80. Every member of the board, and every employee authorized by the board to issue permits under this act may administer any oath and take and receive any affidavit or declaration required under this act or the regulations.

Prosecutions to be reported.

SEC. 81. The prosecuting attorney in each county shall send to the board, at the end of each year, a written report of all prosecutions brought under this act in the county during the preceding year, showing in each case the date of trial, name of accused, nature of charges, disposition of case, and the name of the judge presiding.

In each municipality having a police court, the judge of said court shall send to the board a like annual report in respect of prosecutions brought under this act therein.

Election to vote on local option.

SEC. 82. For the purpose of an election upon the question of whether the sale of liquors shall be permitted as hereinafter provided, the election unit shall be any incorporated city or town, or all that portion of any county not included within the limits of incorporated cities and towns.

Unit election.

Unit election to be held at general election.

SEC. 83. Within any unit referred to in section 82, upon compliance with the conditions hereinafter prescribed, there may be held, at the time and as a part of any general election, an election upon the question of whether the sale of liquor shall be permitted within such unit; and in the event that any such election is held in any such unit, no other elec-

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tion under this section shall be held prior to the next succeeding general election.

Election on petition.

SEC. 84. Any unit referred to in section 82 may hold such election upon the question of whether the sale of liquor shall be permitted within the boundaries of such unit, upon the filing with the county auditor of the county within which such unit is located, of a petition subscribed by qualified electors of the unit equal in number to at least thirty per cent of the electors voting at the last general election within such unit. Such petition shall designate the unit in which the election is desired to be had, the date upon which the election is desired to be held, and the question that is desired to be submitted. The persons signing such a petition shall state their post office address, the name or number of the precinct in which they reside, and in case the subscriber be a resident of a city, the street and house number, if any, of his residence, and the date of signature. Said petition shall be filed not less than sixty days nor more than ninety days prior to the date upon which the election is to be held. No signature shall be valid unless the above requirements are complied with, and unless the date of signing the same is less than ninety days preceding the date of filing. No signature shall be withdrawn after the filing of such petition. Such petition may consist of one or more sheets and shall be fastened together as one document, filed as a whole, and when filed shall not be withdrawn or added to. Such petition shall be a public document and shall be subject to the inspection of the public. Upon the request of anyone filing such a petition and paying, or tendering to the county auditor one dollar for each hundred names, or fraction thereof, signed thereto, together with a copy thereof, said county auditor shall immediately compare the original and copy and attach to such copy and deliver to such person his official certificate

that such copy is a true copy of the original, stating the date when such original was filed in his office; and said officer shall furnish, upon the demand of any person, a copy of said petition, upon payment of the same fee required for the filing of original petitions.

Check of petitions by county auditor.

SEC. 85. Upon the filing of a petition as hereinbefore provided, the county auditor with whom it is filed shall cause the names on said petition to be compared with the names on the voters' official registration records provided for by law with respect to such unit. The officer or deputy making the comparison shall place his initials in ink opposite the signatures of those persons who are shown by such registration records to be legal voters and shall certify that the signatures so initialed are the signatures of legal voters of the State of Washington and of said unit, and shall sign such certificate. In the event that said petition, after such comparison, shall be found to have been signed by the percentage of legal voters of said unit referred to in section 84, the question shall be placed upon the ballot at the next general election.

Form of ballot prescribed.

SEC. 86. Upon the ballot to be used at such general election the question shall be submitted in the following form:

"Shall the sale of liquor be permitted within .....(here specify the unit in which election is to be held)." Immediately below said question shall be placed the alternative answers, as follows:

"For sale of liquor.....( )
"Against sale of liquor.....( )."

Each person desiring to vote in favor of permitting the sale of liquor within the unit in which the election is to be held shall designate his choice beside the words "For sale of liquor," and those

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desiring to vote against the permitting of the sale of liquor within such unit shall designate their choice beside the words "Against sale of liquor," and the ballots shall be counted accordingly.

Canvass of election returns.

SEC. 87. The returns of any such election shall be canvassed in the manner provided by law. If the majority of qualified electors voting upon said question at said election shall have voted "For sale of liquor" within the unit in which the election is held, the sale of liquor may be continued in accordance with the provisions of this act. If the majority of the qualified electors voting on such question at any such election shall vote "Against sale of liquor," then, within thirty days after such canvass no sale or purchase of liquor, save as herein provided, shall be made within such unit until such permission so to do be subsequently granted at an election held for that purpose under the provisions of this act.

Majority vote against sale of liquor.

SEC. 88. Whenever a majority of qualified voters voting upon said question in any such unit shall have voted "Against sale of liquor," the county auditor shall file with the liquor control board a certificate showing the result of the canvass at such election; and thereafter, except as hereinafter provided, it shall not be lawful for a liquor store to be operated therein nor for licensees to maintain and operate licensed premises therein except as hereinafter provided:

Stores discontinued within 30 days.

a. As to any stores maintained by the board within any such unit at the time of such licensing, the board shall have a period of thirty days from and after the date of the canvass of the vote upon such election to continue operation of its store or stores therein.

b. As to any premises licensed hereunder within any such unit at the time of such election, such licensee shall have a period of sixty days from and after the date of the canvass of the vote upon such election in which to discontinue operation of its store or stores therein.

Licensees to discontinue operations within 60 days.

c. Nothing herein contained shall prevent any distillery, brewery, rectifying plant or winery or the licensed operators thereof from selling its manufactured product, manufactured within such unit, outside the boundaries thereof.

Brewers and distillers may operate.

d. Nothing herein contained shall prevent any person residing in any unit in which the sale of liquor shall have been forbidden by popular vote as herein provided, who is otherwise qualified to receive and hold a permit under this act, from lawfully purchasing without the unit and transporting into or receiving within the unit, liquor lawfully purchased by him outside the boundaries of such unit.

Person may hold permit.

Record of individual purchases confidential.

SEC. 89. All records whatsoever of the board showing purchases by any individual of liquor shall be deemed confidential, and, except subject to audit by the state auditor, shall not be permitted to be inspected by any person whatsoever, except by employes of the board to the extent permitted by the regulations; and no member of the board and no employee whatsoever shall give out any information concerning such records and neither such records nor any information relative thereto which shall make known the name of any individual purchaser shall be competent to be admitted as evidence in any court or courts except in prosecutions for illegal possession of and/or sale of liquor. Any person violating the provisions of this section shall be guilty of a misdemeanor.

Persons interested in store locations shall have no liquor interests.

SEC. 90. No manufacturer or wholesaler, or person, financially interested, directly or indirectly, in such business, whether resident or nonresident, shall

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have any financial interest, direct or indirect, in any business licensed under section 23, subsections 4, 5 or 6, nor shall any manufacturer own any of the property upon which such licensed persons conduct their business, nor shall any such licensed person, under any arrangement whatsoever, conduct his business upon property in which any manufacturer has any interest, nor shall any manufacturer advance moneys to any such licensed person under any arrangement whatsoever, nor shall any such licensed person receive, under any arrangement whatsoever, any such advance of money. No manufacturer or wholesaler shall be eligible to receive or hold a retail license under this act, nor shall such manufacturer or wholesaler sell at retail any liquor as herein defined.

Manufacturer or wholesaler may not hold retail license.

Violations.

SEC. 91. Every person who violates any provision of this act or the regulations shall be guilty of a violation of this act, whether otherwise declared or not.

Violation of act a misdemeanor.

SEC. 92. 1. Every person who violates the provisions of section 28 shall be guilty of a gross misdemeanor.

2. Every person who shall sell by the drink or bottle, any liquor other than beer and wines as defined in this act, shall be guilty of a gross misdemeanor.

3. Except as otherwise provided in this act, every person who shall sell any liquor, other than beer, by the bottle or package, or who shall own or operate any still shall be guilty of a gross misdemeanor.

4. A gross misdemeanor and the penalty therefor shall be as otherwise provided by the laws of this state.

General penalties prescribed.

SEC. 93. Every person guilty of a violation of this act for which no penalty has been specifically provided shall be liable, on conviction. for a first

offense to a penalty of not more than three hundred dollars, or to imprisonment for not more than two months, with or without hard labor, or both; for a second offense to imprisonment for not more than six months, with or without hard labor; and for a third or subsequent offense to imprisonment for not more than one year, with or without hard labor. If the offender convicted of an offense referred to in this section is a corporation, it shall for a first offense be liable to a penalty of not more than two thousand dollars, and for a second or subsequent offense to a penalty of not more than three thousand dollars, or to forfeiture of its corporate license, or both.

Invalidity of part not to affect balance.

SEC. 94. If any clause, part or section of this act shall be adjudged invalid, such judgment shall not affect nor invalidate the remainder of the act, but shall be confined in its operation to the clause, part or section directly involved in the controversy in which such judgment was rendered. If the operation of any clause, part or section of this act shall be held to impair the obligation of contract, or to deny to any person any right or protection secured to him by the constitution of the United States of America, or by the constitution of the State of Washington, it is hereby declared that, had the invalidity of such clause, part or section been considered at the time of the enactment of this act, the remainder of the act would nevertheless have been adopted without such and any and all such invalid clauses, parts or sections.

Existing law.

SEC. 95. Nothing in this act shall be construed to amend or repeal chapter 2 of the Laws of 1933, or any portion thereof.

Effective immediately.

SEC. 96. This act is necessary for the immediate preservation of the public peace, health and safety,

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support of the state government and its existing public institutions and shall take effect immediately.

Passed the Senate January 12, 1934.
Passed the House January 12, 1934.
Approved by the Governor January 23, 1934, with the exception of item 3, of section 64, which is vetoed.

CHAPTER 63.

[H. B. 57.]

ADDITIONAL JUDGES FOR KING COUNTY.

AN ACT providing for two additional judges of the superior court of the State of Washington, in and for King county, and for their appointment and election and declaring that this act shall take effect immediately.

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

Number of judges.

SECTION 1. That hereafter there shall be fifteen judges of the superior court of the State of Washington, in and for King county.

Additional judges appointed.

SEC. 2. The Governor shall, upon the taking effect of this act, appoint two additional judges for the said superior court of King county, who shall hold their office from the time of their appointment until their successors are elected and qualified, which said successors shall be elected at the general election to be held in November, 1934, to serve until the second Monday in January, 1937: *Provided,* That the successors so elected shall not be entitled to qualify until the second Monday in January, 1935; and, commencing with the second Monday in January, 1937, the succeeding terms of judges under this act shall be four years.

Term.

Successors.

Term.

Chapter 155, Laws of 1927.

SEC. 3. For the purpose of any election provided for in this act and of chapter 155 of the Laws of 1927 relating to the nomination and election of

judges, there shall be definitely numbered positions for the judgeships provided for in this act, which numbers shall run from fourteen (14) upward, and said judgeships shall be thereby distinguished as the judgeships which are created by this act.

Definitely numbered positions.

SEC. 4. This act is necessary for the immediate support of the state government and the existing public institutions of the state, and shall take effect immediately.

Effective immediately.

Passed the House January 4, 1934.
Passed the Senate January 3, 1934.
Approved by the Governor January 24, 1934.

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