

CHAPTER 174.

[S. S. B. 87.]

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 amending sections 16, 23, 27, 30, 33, 37, 52, 55, 62, 69, 70, 71, 72, 90, 92, and 93 of chapter 62 of the Laws of the Extraordinary Session of 1933 of the State of Washington, the same being sections 7306-16, 7306-23, 7306-27, 7306-30, 7306-33, 7306-37, 7306-52, 7306-55, 7306-62, 7306-69, 7306-70, 7306-71, 7306-72, 7306-90, 7306-92, and 7306-93 of Remington's Revised Statutes, and declaring this act shall take effect immediately.

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

Amends § 16,
ch. 62, Laws
Ex. Sess.
1933.

SECTION 1. That section 16 of chapter 62 of the Laws of the Extraordinary Session of 1933 of the State of Washington, the same being section 7306-16 of Remington's Revised Statutes, be amended to read as follows:

Expiration
of permits.

Section 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 30th day of September of the fiscal year for which the permit was issued.

SEC. 2. That section 23 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-23 of Remington's Revised Statutes, be amended and the subsections thereof renumbered to read as follows:

Vetoed.

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

1. License to manufacturers of liquor, including all kinds of manufacturers except distillers, brew-

ers, and wineries and farmers' wineries; fee: \$1,000.00.

2. License to manufacturers of malt liquor; fee based on the preceding calendar year's production, at the rate of \$50.00 per thousand barrels annual production or fraction thereof, with a minimum fee of \$250.00.

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

4. License to distillers, including blending, rectifying and bottling; 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.

Vetoed.

5. 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 6, 7, 8, 11, 12, and 14 hereof; fee: \$250.00; for each distributing unit.

For the purposes of this act brewers and beer wholesalers whose products are sold by licensees in this state, but whose plant or principal place of business is located elsewhere, shall be deemed to be beer wholesalers within the provisions of this act and shall obtain wholesalers' licenses and appoint statutory agents in this state, upon whom process may be served.

6. 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 one hundred fifty dollars (\$150.00), which shall be a master license, and shall permit such sale upon one such car; and upon payment of the additional sum of five dollars (\$5.00) 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.

Vetoed.

7. Retailer's license, class A. 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 hotels, restaurants, drug stores or soda fountains, dining places on boats and aeroplanes, and to clubs.

8. Retailer's license, class B. 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.

9. Retailer's license, class C. License to sell wine by the individual glass or opened bottle at retail, for consumption on the premises only; such license to be issued to hotels, restaurants, dining places on boats and aeroplanes, clubs, and to taverns.

10. Classification—The fees for class A and B retail licenses issued under subsections 7 and 8

hereof, in cities and towns, shall be graduated according to the population thereof, as follows:

Cities and towns of less than 10,000; fee: \$50.00;

Cities and towns of 10,000 and less than 100,000; fee: \$100.00;

Cities and towns of 100,000 or over; fee: \$150.00.

Fees for licenses issued under subsections 7 and 8 hereof, outside the limits of cities and towns shall be \$150.00.

The fee for class C retail license issued under subsection 9 hereof, in cities and towns, shall be graduated according to the population thereof, as follows:

Cities and towns of less than 10,000; fee: \$37.50;

Cities and towns of 10,000 and less than 100,000; fee: \$75.00;

Cities and towns of 100,000 or over; fee: \$112.50;

Fees for licenses issued under subsection 9 hereof, outside the limits of cities or towns shall be \$112.50.

Vetoed.

11. Retailer's license, class D. License to sell pasteurized beer by the opened bottle at retail, for consumption upon the premises only, such license to be issued to hotels, restaurants, dining places on boats and aeroplanes, clubs, drug stores, or soda fountains, and such other places where the sale of beer is not the principal business conducted; fee: \$50.00.

12. Retailer's license, class E. License to sell pasteurized 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.

13. Retailer's license, class F. 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; fee: \$10.00.

14. Retailer's license, class G. Special license to a society or organization to sell beer at picnics or other special occasions at a specified date and place; fee: \$5.00 per day.

15. 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:

Vetoed.

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;

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;

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.

Amends § 27, ch. 62, Laws Ex. Sess., 1933.

SEC. 3. That section 27 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-27 Remington's Revised Statutes, be amended to read as follows:

Licenses not transferable.

Section 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 construction and operation of the premises. The board may, in its

discretion, grant or refuse the license applied for: Board may grant, refuse, or cancel licenses.
Provided, That no retail license of any kind shall be issued to:

1. A person who is not a citizen of the United States, except when in contravention of treaty; Persons not entitled to license.
Aliens.

2. A person who has not resided in the State of Washington for at least one year prior to making application, except in cases of licenses issued to dining places on railroads, boats or aeroplanes; Residents less than one year.

3. A person who has been convicted of a felony within 5 years prior to filing his application; Convicted of a felony.

4. A co-partnership, unless all of the members of such co-partnership shall be qualified to obtain a license, as provided in this section; Copartner-ships.

5. A person whose place of business is conducted by a manager or agent, unless such manager or agent possesses the same qualifications required of the licensee; Businesses conducted by manager or agent.

6. A person who has been convicted of a violation of any Federal or state law concerning the manufacture, possession, or sale of alcoholic liquor subsequent to the passage of this act or shall have forfeited his bond to appear in court to answer charges for any such violation; Violation of former prohibition laws.

7. A corporation, unless all of the officers thereof are citizens of the United States; Corporations.

8. Any law enforcement official, any mayor, member of the city council or commission, or any member of the board of county commissioners; and no such official shall be financially interested in any way, either directly or indirectly, in the manufacture, sale or distribution of alcoholic liquor. Vetoed.

2. A. The board may, in its discretion, with or without hearing, 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. In any case where the board in its discretion grants a hearing, said hearing shall Board may suspend or cancel licenses with or without hearing.
Hearings.

May issue
subpoenas.

be summary and upon oral or written testimony. The board may appoint examiners, who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under such rules and regulations as the board may adopt.

Witness fees.

Witnesses may, in the discretion of the board, be allowed fees at the rate of two dollars (\$2.00) per day, plus five cents per mile each way. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

May call on
superior
court to
enforce
subpoenas.

In case of disobedience of any person to comply with the order of the board or a subpoena issued by the board, or any of its members or examiners, or on the refusal of a witness to testify to any matter regarding which he may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or examiner, shall compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

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 termination of the period of suspension, with a memorandum of the suspension written or stamped 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.

4. Unless sooner cancelled, every license issued by the board shall expire at midnight of the 30th day of September of the fiscal year for which the license was issued. Expiration of licenses.

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. Subject to restrictions.

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

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 ten days after date of transmittal 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 Notice of application.

Written objections.

Oral argument.

Duplicate license.

is granted, or to the board of county commissioners if the license is granted outside the boundaries of incorporated cities or towns.

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

Amends § 30,
ch. 62, Laws
Ex. Sess.,
1933.

SEC. 4. That section 30 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-30 Remington's Revised Statutes, be amended to read as follows:

Giving away
of liquor
restricted.

Section 30. No brewer, wholesaler, distiller, winery, or other 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.

Amends § 33,
ch. 62, Laws
Ex. Sess.,
1933.

SEC. 5. That section 33 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-33 Remington's Revised Statutes, be amended to read as follows:

Unlawful
possession
of liquor
defined.

Section 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.

2. If, upon the sworn complaint of any person, it shall be made to appear to any judge of the superior court, justice of the peace or magistrate, that there is probable cause to believe that intoxicating liquor is being manufactured, sold, bartered, exchanged, given away, furnished or otherwise disposed of or kept in violation of the provisions of this act, such judge, justice of the peace or magistrate shall, with or without the approval of the prosecuting attorney, issue a warrant directed to a civil officer of the State of Washington duly authorized to enforce or assist in enforcing any law thereof, or to an inspector of the Washington state liquor control board, commanding him to search the premises designated and described in such complaint and warrant, and to seize all intoxicating liquor there found, together with the vessels in which it is contained, and all implements, furniture and fixtures used or kept for the illegal manufacture, sale, barter, exchange, giving away, furnishing or otherwise disposing of such liquor, and to safely keep the same, and to make a return of said warrant within ten days, showing all acts and things done thereunder, with a particular statement of all articles seized and the name of the person or persons in whose possession the same were found, if any, and if no person be found in the possession of said articles, the returns shall so state. A copy of said warrant, together with a detailed receipt for the property taken shall be served upon the person or persons found in possession of any such intoxicating liquor, furniture or fixtures so seized, and if no person be found in the possession thereof, a copy of said warrant and receipt shall be left in a conspicuous place upon the premises wherein the same are found; and all liquor seized pursuant to the authority of such warrant shall, upon adjudication

Sworn
complaint of
person.

May issue
search
warrant.

Return of
warrant
within 10
days.

Service of
warrant.

that it was kept in violation of this act, be ipso facto forfeited and upon such forfeiture be delivered to the Washington state liquor control board.

Hearing.

3. Upon the return of the warrant as provided herein the judge, justice of the peace or magistrate shall fix a time, not less than ten days, and not more than thirty days thereafter, for the hearing of said return, when he shall proceed to hear and determine whether or not the articles so seized, or any part thereof, were used or in any manner kept or possessed by any person with the intention of violating any of the provisions of this act. At such hearing, any person claiming any interest in any of the articles seized may appear and be heard upon filing a written claim setting forth particularly the character and extent of his interest, and the burden shall rest upon the claimant to show, by competent evidence, his property right or interest in the articles claimed and that the same were not used in the violation of any of the provisions of this act, and were not in any manner kept or possessed with the intention of violating any of the provisions of this act. If, upon such hearing, the evidence warrants, or if no person shall appear as claimant, the judge, justice of the peace or magistrate shall thereupon enter a judgment of forfeiture, and order such articles destroyed forthwith: *Provided, however,* That if in the opinion of the judge, justice of the peace or magistrate, any of such forfeited articles other than intoxicating liquor are of value and adapted to any lawful use, such judge, justice of the peace or magistrate shall, as a part of the order and judgment, direct that said articles other than intoxicating liquor shall be sold as upon execution by the officer having them in custody and the proceeds of such sale after payment of all costs in this proceeding shall be paid into the liquor revolving fund. Action under this section and the forfeiture, destruction

Claims on property seized.

Burden of evidence shall rest upon claimant.

Judgment.

May sell property.

or sale of any articles thereunder shall not be a bar to any prosecution under any other provision or provisions of this act.

SEC. 6. That section 37 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-37, Rem. Rev. Stat., be amended to read as follows:

Amends § 37,
ch. 62, Laws
Ex. Sess.,
1933.

Section 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.

3. Every person under the age of twenty-one years who purchases any liquor shall be guilty of a violation of this act.

Purchase of
liquor by a
minor.

SEC. 7. That section 52 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-52, Rem. Rev. Stat., be amended to read as follows:

Amends § 52,
ch. 62, Laws
Ex. Sess.,
1933.

Section 52. 1. All licensed premises used in the manufacture, storage, or sale of liquor, or any premises or parts of premises used or in any way connected, physically or otherwise, with the licensed business, shall at all times be open to inspection by any inspector or peace officer.

Premises
open to
inspection.

2. Every person, being on any such 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

Failure
to permit
inspection.

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.

Amends § 55,
ch. 62, Laws
Ex. Sess.,
1933.

SEC. 8. That section 55 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-55, Rem. Rev. Stat., be amended to read as follows:

Seizure of
illegal liquor.

Section 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 or constable of any 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 of particulars of such seizure, and to immediately deliver over such liquor to the board, or its duly authorized representative, at such place as may be designated by it.

Written
report.
Liquor
delivered.

Amends by
adding to
§ 62, ch. 62,
Laws Ex.
Sess., 1933.

SEC. 9. That section 62 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-62 Rem. Rev. Stat., be amended by adding a new section, to be known as section 62-A, to read as follows:

Jurisdiction
in actions
against
board.

Section 62-A. No court of the State of Washington other than the superior court of Thurston county shall have jurisdiction over any action or proceeding against the board or any member thereof for anything done or omitted to be done in or arising out of the performance of his or their duties under this act. Neither the board nor any member or members thereof shall be personally liable in

Not
personally
liable.

any action at law for damages sustained by any person because of any acts performed or done or omitted to be done by the board or any employee of the board in the performance of his duties and in the administration of this act.

SEC. 10. That section 69 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-69 Rem. Rev. Stat., be amended to read as follows:

Amends § 69,
ch. 62, Laws
Ex. Sess.,
1933.

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

Board given
power to:

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;

Determine
localities.

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;

Appoint
liquor
vendors.

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

Establish
warehouses.

c. provide for the leasing for periods not to exceed five years 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;

Lease
premises for
conduct of
business.

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

Select
containers
for liquor.

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 customs, duties, etc.

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;

Carry out provisions of act.

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 auditor.

Amends § 70, ch. 62, Laws Ex. Sess., 1933.

SEC. 11. That section 70 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-70, Remington's Revised Statutes, be amended to read as follows:

Enforcement.

Section 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.

Washington state patrol.

Costs.

Costs and expenses.

2. Where any action or proceedings are brought or taken by the board, or by any of its employees, 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

Investigation and prosecution of violations.

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, and shall be placed in the general fund for payment of salaries of those engaged in the enforcement of the provisions of this act. Fines.

3. The Washington state patrol, upon request of the Washington state liquor control board, shall make investigations of any lack of enforcement by officials of any city or county of any of the penal provisions of the Washington State Liquor Act and, if the chief of the Washington state patrol shall report that the officials of any city or county, charged with the enforcement of this act, have failed, refused, or neglected, to enforce any of the penal provisions thereof, he shall, upon written approval of the attorney general, notify the city council or the county commissioners in writing of such dereliction of duty, and under the direction of the attorney general shall forthwith proceed to enforce, in such localities, the penal provisions of this act.

Whenever it thus becomes necessary for the Washington state patrol to enforce the penal provisions of this act, the costs and necessary expenses of such enforcement, including the salaries of the officers, upon approval of the attorney general, shall be assessed against and retained from that portion of the liquor revolving fund which would otherwise have been distributed to said city or county, and the amount so assessed and retained shall be paid from the liquor revolving fund into the state treasury and credited to the general fund of the state. Vetoed.

4. Whenever the attorney general shall determine that a prosecuting attorney or prosecuting officer of any municipal corporation has failed, refused, or neglected to prosecute any of the penal provisions of this act, the attorney general shall

Vetoed.

prosecute such violations and the costs and expenses necessarily incurred in such prosecutions shall be assessed and retained by the board from that portion of the liquor revolving fund which would otherwise be distributed to the city or county wherein such prosecutions become necessary, and the amount so assessed and retained shall be paid from the liquor revolving fund into the state treasury and credited to the general fund of the state.

Amends § 71,
ch. 62, Laws
Ex. Sess.,
1933.

SEC. 12. That section 71 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-71 Remington's Revised Statutes, be amended to read as follows:

Annual
audit.

Cost not
to exceed
\$5,000.

Section 71. The state auditor shall audit the books, records and affairs of the board annually: *Provided*, That the total annual cost of such audit shall not exceed the sum of \$5,000.00. The board is authorized to provide for additional audits by certified public accountants, the total annual cost of which shall not exceed the sum of \$5,000.00. All such audits shall be construed to be public records of the State of Washington.

Amends § 72,
ch. 62, Laws
Ex. Sess.,
1933.

SEC. 13. That section 72 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-72, Remington's Revised Statutes, be amended to read as follows:

Board shall
report to the
Governor.

Section 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 fiscal year ending on the 30th day of September of the fiscal 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;

Statement of amount of business.

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

Summary of prosecutions.

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

General information.

e. Any further information requested by the governor.

SEC. 14. That section 90 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-90, Remington's Revised Statutes, be amended to read as follows:

Amends § 90, ch. 62, Laws Ex. Sess., 1933.

Section 90. No manufacturer or wholesaler, or person financially interested, directly or indirectly, in such business, whether resident or nonresident, shall have any financial interest, direct or indirect, in any business licensed under section 23, subsections 7, 8, 9, 11, 12, 13, and 14, nor shall any manufacturer or wholesaler 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 or wholesaler has any interest, nor shall any manufacturer or wholesaler advance moneys or money's worth 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 or money's worth. 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.

Persons interested in store locations shall have no liquor interests.

Manufacturer or wholesaler cannot hold retail license.

Financial interest defined.

Financial interest, direct or indirect, as used in this section, shall include any interest, whether by stock ownership, mortgage, lien, or through interlocking directors, or otherwise.

Amends § 92, ch. 62, Laws Ex. Sess., 1933.

SEC. 15. That section 92 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being section 7306-92, Remington's Revised Statutes, be amended to read as follows:

Violation of: gross misdemeanor.

Section 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, including beer and/or wine manufactured under section 32 hereof 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, except that every person guilty of a violation of subsections 2 and 3 of section 92 shall be liable on conviction for a first offense to imprisonment in the county jail for not less than thirty days nor more than one year; for a second offense to imprisonment for not less than ninety days nor more than one year; and for a third or subsequent offense to imprisonment for not less than six months nor more than one year.

5. If any person shall, in this state, buy alcoholic beverages from any person other than the board, a state liquor store or some person authorized under the provisions of this act to sell the same, he shall be guilty of a misdemeanor.

6. Except as otherwise provided in this act, any person who shall have or keep alcoholic beverages

other than that purchased from the board, a state liquor store, or some person authorized under the provisions of this act to sell the same, shall be guilty of a gross misdemeanor.

SEC. 16. That section 93 of chapter 62 of the Laws of the Extraordinary Session of 1933, the same being 7306-93, Remington's Revised Statutes, be amended to read as follows:

Amends § 93,
ch. 62, Laws
Ex. Sess.,
1933.

Section 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.

General
penalties
prescribed.

Every justice of the peace and magistrate shall have concurrent jurisdiction with superior court judges of the State of Washington of all violations of the provisions of this act and may impose any punishment provided therefor.

Concurrent
jurisdiction.

SEC. 17. This act is necessary for the immediate support of the state government and its existing public institutions and shall take effect immediately.

Effective
immediately.

Passed the Senate March 2, 1935.

Passed the House March 12, 1935.

Approved by the Governor March 23, 1935, with the exception of section 2, subdivision 8 of subsection 2 of section 3, and subdivisions 3 and 4 of section 11, which are vetoed.