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CHAPTER 105 [Senate Bill No. 3147] STATE FERRIES---PUBLIC MASS TRANSPORTATION SYSTEM

AN ACT Relating to Washington state ferries; adding a new section to chapter 47.60 RCW; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> Section 1. There is added to chapter 47.60 RCW a new section to read as follows:

The legislature finds and declares that the state ferry system is a public mass transportation system.

<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

> Passed the Senate February 11, 1974. Passed the House February 7, 1974. Approved by the Governor February 16, 1974. Filed in Office of Secretary of State February 16, 1974.

> > CHAPTER 106 . [Engrossed Senate Bill No. 3206] CHARITABLE ORGANIZATIONS--RELIGIOUS ORGANIZATION EXEMPTION--SOLICITATION COSTS--REPORTING REQUIREMENTS

AN ACT Relating to charitable solicitations; amending section 2, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.020; amending section 3, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.030; amending section 10, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.100; and amending section 12, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.120.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 2, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.020 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

(1) "Charitable organization" means: (a) Any benevolent, philanthropic, patriotic, eleemosynary, education, social, recreation, fraternal organization, or any other person having or purporting to have a charitable nature; and (b) which solicits or solicits and collects contributions for any charitable purpose.

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"Charitable" shall have its common law meaning unless the context in which it is used clearly requires a narrower or a broader meaning.

(2) "Contribution" means the donation, promise or grant, for consideration or otherwise, of any money or property of any kind or value which contribution is wholly or partly induced by a solicitation. Reference to dollar amounts of "contributions" or "solicitations" in this chapter means in the case of payments or promises to pay for merchandise or rights of any description, the value of the total amount paid or promised to be paid for such merchandise or rights, and not merely that portion of the purchase price to be applied to a charitable purpose.

(3) "Compensation" means salaries, wages, fees, commissions, or any other remuneration or valuable consideration.

(4) "Cost of solicitation" means and includes all costs, expenditures, debts, obligations, salaries, wages, commissions, fees, or other money or thing of value paid or incurred in making a solicitation for a direct gift or conducting a sale or benefit affair.

(5) "Director" means the director of the department of motor vehicles.

(((5))) (6) "Direct gift" shall mean and include an outright contribution of food, clothing, money, credit, property, financial assistance or other thing of value to be used for a charitable or religious purpose and for which the donor receives no consideration or thing of value in return.

(((6))) <u>(7)</u> "Parent organization" means that part of a charitable organization which coordinates, supervises, or exercises control over policy, fund raising, or expenditures, or assists or advises one or more chapters, branches, or affiliates of such organization in the state of Washington.

(((7))) <u>(8)</u> "Person" means an individual, organization, group, association, partnership, corporation, or any combination thereof.

 $((\{\theta\}))$ (9) "Professional fund raiser" means any person who, for compensation, plans, conducts, or manages any drive or campaign in this state for the purpose of soliciting contributions for or on behalf of any charitable organization or charitable purpose, or who engages in the business of or holds himself out to persons in this state as independently engaged in the business of soliciting contributions for such purposes, or the business of planning, conducting, managing, or carrying on any drive or campaign in this state for such solicitations: PROVIDED, That the following persons shall not be deemed professional fund raisers or professional solicitors: (a) Bona fide officer or employee of a charitable organization which maintains a permanent establishment in the state

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of Washington; who is employed and engaged as such officer or employee principally in connection with activities other than soliciting contributions or managing the solicitation of contributions and whose salary or other compensation is not computed on funds raised or to be raised; (b) a clergyman of a religious corporation exempt under the provisions of ((ReW 49:09:030)) section 2 of this 1974 amendatory act.

(((9))) (10) A "professional solicitor" means a person other than a professional fund raiser who is employed for compensation by any person or charitable organization to solicit contributions for charitable purposes from persons in this state.

(((40))) (11) "Sale and benefit affair" shall mean and include, but not be limited to, athletic or sports event, bazaar, benefit, campaign, circus, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, social gathering, theater, or variety show which the public is requested to patronize or attend or to which the public is requested to make a contribution for any charitable or religious purpose connected therewith.

(((44))) (12) "Solicitation" means any oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with which:

(a) Any appeal is made for any charitable purpose; or

(b) The name of any charitable organization is used as an inducement for consummating the sale; or

(c) Any statement is made which implies that the whole or any part of the proceeds from the sale will be applied toward any charitable purpose or donated to any charitable organization.

The solicitation shall be deemed completed when made, whether or not the person making it receives any contribution or makes any sale.

Sec. 2. Section 3, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.030 are each amended to read as follows:

Except as otherwise specifically provided in other sections of this chapter, this chapter shall not apply to the following:

(1) Solicitations by religious corporations duly organized and operated in good faith as religious organizations which are entitled to receive a declaration of current tax exempt status from the government of the United States and their duly organized branches or chapters, if the solicitations by such organization are conducted among the members thereof by other members or officers thereof, voluntarily or if the solicitations are in the form of collections or contributions at the regular or special religious assemblies, WASHINGTON LAWS, 1974 1st Ex.Sess. (43rd Legis.3rd Ex.S.) Ch. 106

meetings, or services of any such organization or solicitations by such organizations for evangelical, missionary, or religious purposes.

(2) Any organizations which are organized and operated principally for charitable or religious or educational purposes, other than the raising of funds, when the solicitation of contributions is confined to the membership of the organization and when the solicitation is managed and conducted solely by officers and members of such organizations who are unpaid for such services.

The term "membership" shall not include those persons who are granted membership upon making a contribution as the result of a solicitation.

 $((\{2\}))$ <u>(3)</u> Persons requesting any contributions for the relief of named individuals:

 (a) When the solicitation is managed and conducted solely by persons who are unpaid for such services and;

(b) When the contributions collected do not exceed the ((two)) <u>five</u> thousand dollars in any six month period; and

(c) When all of the contributions collected, without any deductions whatsoever except for the actual cost of a banquet, dance, or similar social gathering, are turned over to the named beneficiary or beneficiaries.

 $((\{3\}))$ (4) Any charitable organization which does not solicit and collect contributions in this state in excess of ((two)) five thousand dollars in any six month period if all such fund raising functions are carried on by persons who are unpaid for their services.

Sec. 3. Section 10, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.100 are each amended to read as follows:

Upon receipt of an application in the proper form for registration, the director shall immediately initiate an examination to determine that:

The cost of solicitation for direct gifts shall not (1) twenty percent of the total gross amount to be raised or for exceed sale and benefit affairs shall not exceed fifty-five percent of the total gross amount to be raised; and of this fifty-five percent, not more than twenty percent shall be paid for all wages, fees, commissions, salaries, and emoluments paid or to be paid to all salesmen, solicitors, collectors, and professional fund raisers. Τf appears that the cost of soliciting will exceed the percentages it listed above, and except for that, the registration would otherwise granted, the director may enter an order registering the he charitable organization, upon a showing that special reasons make a cost higher than twenty percent or said fifty-five percent, or said

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twenty percent, respectively, reasonable in the particular case. When such an order is entered, the amount, stated as a percentage of the total purchase price, that will be given to the charitable organization or purpose shall be disclosed to each person being solicited at the time of each solicitation by conspicuously setting out such cost upon the item of goods, or upon its package, or by conspicuously setting out such cost upon a sign posted at each location where such solicitation occurs;

(2) The charitable organization has complied with all local governmental regulations which apply to soliciting for or on behalf of charitable organizations;

(3) The advertising material and the general promotional plan are not false, misleading, or deceptive and its rules and regulations, which the director may adopt, comply with the standards prescribed by the director and which afford full and fair disclosure;

(4) The charitable organization has not, or if a corporation, its officers, directors, and principals have not, been convicted of a crime involving solicitations for or on behalf of a charitable organization in this state, the United States, or any other state or foreign country within the past ten years and has not been subject to any permanent injunction or administrative order or judgment, under the provisions of RCW 19.86.080 or 19.86.090, involving a violation or violations of the provisions of RCW 19.86.020, within the past ten years, or of restraining a false or misleading promotional plan involving solicitations for charitable organizations.

Sec. 4. Section 12, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.120 are each amended to read as follows:

(1) Any charitable organization mentioned under ((REW 49:99:036 (3))) section 2 (4) of this 1974 amendatory act:

(a) Before conducting any solicitation give written notice to the director stating its intention to solicit funds, the basis of its exemption, the purpose of such solicitation, the approximate percentage of collections, after deductions for expenses, to be actually devoted to that purpose, and when and in what area or areas such solicitation will be conducted. Written notice shall be given to the director by the organization, or by someone in its behalf, at least three days in advance of such solicitation, and if it is sent by registered or certified mail such notice shall be deemed given when deposited in the United States mail. The notice requirement of this section shall constitute a registration statement which shall be construed as registration under the provisions of this chapter.

(b) In the event that any organization, under this section, solicits and collects funds in excess of ((five)) <u>fifteen</u> hundred dollars during any year, such organization shall file a short form

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report conforming to the provisions of RCW 19.09.130. The director may require the furnishing of any further details as may be necessary for complete reporting and disclosure within the purposes of this section.

(2) No fees shall be collected in connection with any notice, registration, or report filed under this section.

Passed the Senate February 11, 1974. Passed the House February 7, 1974. Approved by the Governor February 16, 1974. Filed in Office of Secretary of State February 16, 1974.

AN ACT Relating to minimum wages; amending section 1, chapter 294, Laws of 1959 as amended by section 2, chapter 18, Laws of 1961 ex. sess. and RCW 49.46.010.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 1, chapter 294, Laws of 1959 as amended by section 2, chapter 18, Laws of 1961 ex. sess. and RCW 49.46.010 are each amended to read as follows:

As used in this chapter:

(1) "Director" means the director of labor and industries;

(2) "Wage" means compensation due to an employee by reason of his employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by regulations of the director under RCW 49.46.050((;));

(3) "Employ" includes to suffer or to permit to work;

(4) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee;

(5) "Employee" includes any individual employed by an employer but shall not include:

(a) <u>Any</u> individual employed (i) on a farm, in the employ of any person, in connection with the cultivation of the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife, or in the employ of the owner or tenant or other operator of a farm in connection with the operation,