

Public parks
playgrounds
included.

Excess
width of
street pay-
able from
general
fund.

ditches, public squares, public playgrounds, public parks, drives or boulevards or for the purpose of draining swamps, marshes, tide flats, tide lands or ponds or for filling the same: *And It Is Further Provided*, That when a street, avenue, highway or boulevard is established or widened to a width greater than one hundred and fifty feet the excess over and above the one hundred and fifty feet shall be paid out of the general fund of such city without any deduction for benefits of such excess.

Passed the House January 1, 1926.

Passed the Senate January 6, 1926.

Approved by the Governor, with the exception of Section 1, which is vetoed, January 14, 1926.

CHAPTER 129.

[S. B. 55.]

REAL ESTATE BROKERS.

AN ACT defining the term "real estate broker," providing for the regulation, supervision and licensing of real estate brokers, providing for the enforcement of this act and penalties for its violation; establishing the office of real estate director, defining his powers and duties and providing for the maintenance of his office from fees collected and not otherwise.

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

Real estate
director.

SECTION 1. The office of real estate director is hereby created. The director of licenses of the state of Washington shall be real estate director with no additional compensation.

Duties.

SEC. 2. It shall be the duty of the real estate director hereinafter referred to as the "director" to enforce all laws, rules and regulations relating to the licensing of real estate brokers. Subject to the provisions of this act, he shall have full powers to regulate and control the issuing, suspension and re-

Powers.

vocation of licenses to be issued and issued under the provisions of this act and to perform all other acts and duties provided in this act and necessary for its enforcement.

SEC. 3. The director shall have the power to appoint a deputy, whose duties shall be to assist him in administering the provisions of this act. Neither the director nor his deputy shall be interested in any real estate business as director, stockholder, officer, member, agent, employee, or otherwise.

Deputy.

Director and deputy not to have interest in real estate business.

SEC. 4. Within the meaning of this act, a real estate broker is a person who, for a compensation or promise thereof, performs one or more acts of selling or offering for sale, buying or offering to buy, negotiating or offering to negotiate, either directly or indirectly, whether as an employee of another or otherwise, the purchase, sale, exchange, lease or rental of real estate or interest therein for another person. The word "person" as used in this act, shall be construed to mean and include a corporation, co-partnership or unincorporated association. The provisions of this act shall not apply to any person who purchases property for his own use or account, nor to any person who, being the owner of property, sells, exchanges, leases, rents or otherwise disposes of the same for his own account, nor to any person holding a duly executed power of attorney from the owner granting power to consummate the sale, exchange, or leasing of real estate, nor to the services rendered by an attorney-at-law in the performance of his duties as such attorney-at-law, nor to any receiver, trustee in bankruptcy, executor, administrator or guardian, nor to any person acting under the order of any court, nor any person selling under a deed of trust.

Terms defined.

"Real estate broker."

"Person."

Persons to whom act not applicable.

SEC. 5. It shall be unlawful for any person to engage in the business or act in the capacity of real estate broker within this state without first obtain-

Acting without license prohibited.

ing a license therefor and otherwise complying with the provisions of this act.

Fees placed in the general fund.

SEC. 6. All fees under the provisions of this act shall be paid to the state treasurer and shall be placed by him in the general fund of the state of Washington. The state treasurer shall give his duplicate receipt to the director for all moneys so collected.

Seal adopted.

SEC. 7. The director shall adopt a seal with the words "real estate director, state of Washington," and such other device as he may approve engraved thereon, by which he shall authenticate the proceedings of his office. Copies of all records and papers in the office of the director certified to be a true copy under the hand and seal of the director shall be received in evidence in all cases equally and with like effect as the originals.

Copies of records as evidence.

Attorney general legal advisor.

SEC. 8. The attorney general shall render to the director opinions upon all questions of law relating to the construction or interpretation of this act, or arising in the administration thereof, that may be submitted to him by the director, and shall act as attorney for the director in all actions and proceedings brought by or against him under or pursuant to any of the provisions of this act.

License not transferable.

SEC. 9. No license issued hereunder shall give authority to do any act mentioned in section 5 of this act to any person other than him to whom said license is issued: *Provided, however,* That whenever a license is issued under the provisions of this act to a corporation, said license shall entitle one officer of said corporation to be named by said corporation in its application for said license who shall qualify the same as any other agent, to act as a real estate broker on behalf of said corporation without the payment of additional fees: *And providing further,* That, whenever a license is issued under the provisions of this act to a co-partnership or unincorpor-

License to corporation; only one officer may act as broker.

Co-partnership; only one may act.

ated association said license shall entitle one member of said co-partnership to be named by said co-partnership in its application for said license who shall qualify the same as any other agent to act as a real estate broker on behalf of said co-partnership without the payment of additional license fees.

SEC. 10. Any person desiring to carry on the business of real estate broker in this state shall make application to the director for license therefor upon a form to be prescribed and furnished by the director giving his full name and business address. With this application to the director, the applicant shall (a) pay a license fee of five dollars (\$5.00) to the state treasurer, who shall immediately transmit his duplicate receipt therefor to the director; (b) deliver to the director a bond to the state of Washington in a form approved by the director in the sum of one thousand dollars (\$1,000.00), executed by a surety company duly authorized to do business in this state, or by two good and sufficient sureties, not connected in business with the applicant, and to be approved by the director guaranteeing the faithful accounting of all funds entrusted to such real estate broker; (c) a recommendation, signed by at least ten free-holders of the county in which the applicant intends to carry on his principal business as a real estate broker, certifying that they are each acquainted with the applicant and that they each believe the applicant to be honest, truthful, and of good moral character; (d) if the applicant is a corporation, a list of its officers and directors and their addresses, and if the applicant is a co-partnership, or unincorporated association, then a list of the members of said co-partnership or association and their addresses; and (e) if the applicant is a non-resident of this state, he shall file an irrevocable consent that suits and actions may be commenced against him in any county of this state in which the

Application
for license.

Form.

Require-
ments.

License fee.

Bond.

Certificate of
character.

Non-
resident
acceptance
of service.

plaintiff having a cause of action or suit against him may reside, and that service of any process or pleadings in said action or suit may be made by delivering same to the director; such service, when so made, shall be held in all courts, as valid and binding upon the applicant who files such "irrevocable consent"; said irrevocable consent shall be in a form prescribed by the director, shall be acknowledged before a notary public and, if the applicant be a corporation, said consent shall be accompanied by a duly certified copy of the resolutions of the board of directors of such corporation authorizing the execution of the same; any process or pleading herein mentioned and so served upon the director shall be served in duplicate copies, one of which shall be filed in the office of the director and the other immediately forwarded by registered mail to the office of the applicant named in his application and service shall be deemed to have been made upon said applicant on the third day following the deposit in the mail of said copy of said process or pleadings. The director may require such other proof as he may deem advisable of the honesty, truthfulness and good reputation of any applicant for a license, or of the officers of a corporation or the members of a partnership or unincorporated association making such application before issuing a license: *Provided, however,* If a real estate broker has once been licensed under this act, upon his application for a renewal of his license for an ensuing year, the director may, in his discretion, waive the filing of new recommendations or references. Every license issued under the provisions of this act shall expire on the thirty-first day of December of the year of its issue.

Duration
of license.

Approval
by director
of bond.

SEC. 11. All bonds given under the provisions of this act, after their approval by the director, shall be filed in his office. Any person who may be dam-

aged by the wrongful conversion of trust funds by such real estate broker, shall, in addition to other legal remedies, have a right of action in his own name on such bond for all damages not exceeding one thousand dollars (\$1,000.00).

Action on bond for damages.

SEC. 12. Each person licensed as a broker under the provisions of this act shall be required to have and maintain a definite place of business in the State of Washington, which shall serve as his office for the transaction of business. The license of said broker shall be prominently displayed in his said office. Notice in writing shall be given the director of any change by the broker of his business location, whereupon the director, upon the surrender of the original license, shall issue a new license covering the new business address, said license to be issued without charge.

Place of business.

Notice of change of address.

New license.

SEC. 13. The director may, upon his own motion, and shall, upon verified complaint in writing by any person, investigate the actions of any person engaged in the business or acting in the capacity of a real estate broker within this state, and shall have the power to temporarily suspend or permanently revoke licenses issued under the provisions of this act at time when the holder thereof in performing or attempting to perform any of the acts mentioned in Section 5 hereof is guilty of:

Investigation by director.

When license may be suspended or revoked.

- (a) Making any substantial misrepresentations; or,
- (b) A continued or flagrant course in misrepresentation or making false promises, whether through agents or salesmen, or otherwise; or,
- (c) Failure to account for or remit any property or moneys coming into his possession which belongs to another; or,
- (d) Any other conduct which constitutes dishonest dealings.

Notice.

Hearing.

Time.

License
revoked or
renewal
refused.When
operative.Court
review.

Proceedings.

SEC. 14. Whenever the director shall determine to suspend or revoke a broker's license theretofore issued, or shall refuse to renew a broker's license or accept an application therefor, he shall notify the holder of or the applicant for such license of his intention in writing, and afford him an opportunity to be heard in person or by counsel and to offer evidence in reference thereto. The director shall set a time not less than fifteen days from the date of such notice, and shall designate the time and place when the holder of or applicant for such license may be heard in his own behalf. If the director shall decide, after such hearing, that the license under question shall be revoked; or if he shall determine to withhold the renewal of any such license, he shall enter an order to that effect, setting forth his reasons in writing, and shall file the same in his office and mail a copy thereof to the affected party at the address given in his application. Such order shall not be operative for a period of ten days from the date thereof; and if the broker or applicant shall feel aggrieved by the decision of the director revoking or withholding the license, he may appeal to the superior court in the county in which he has his principal place of business by giving notice of such appeal to the director and giving a bond to the State of Washington which shall be filed with the clerk of court of said county in the sum of two hundred dollars (\$200.00) to be approved by the judge of said superior court, conditioned to pay all costs that may be awarded against such applicant in the event of an adverse decision, said bond and notice to be filed within ten days from the date of the director's decision. The filing of such notice and bond shall supersede the order of the director until the final determination of such appeal. Within fifteen days from the date of filing said notice and bond, the applicant

shall file in said court a transcript of the whole record of the director's office relative to all matters involved in said appeal. The court shall summarily hear and determine the question involved upon said appeal and shall receive and consider any pertinent evidence, whether oral or documentary, concerning the matter. If said aggrieved party shall fail to perfect his appeal or file said transcript as herein provided, said stay of proceedings shall automatically terminate.

SEC. 15. The director shall have the power to administer oaths, certify to all official acts and shall have the power to subpoena and bring before him any person in this state as a witness, to compel the production of books and papers and to take the testimony of any person by deposition within or without the state, in the same manner as is prescribed by law in the procedure of the superior courts of this state in civil cases, in any hearing in any part of the state. Process issued by the director shall extend to all parts of the state and may be served by any person authorized to serve process of courts of record. Each witness, who shall appear by order of the director, shall receive for his attendance the same fees and mileage allowed by law to a witness in civil cases in the superior court which amount shall be paid by the party at whose request such witness is subpoenaed. When any witness, who has not been required to attend at the request of any party, shall be subpoenaed by the director, his fees and mileage shall be paid from funds appropriated for the use of the real estate department in the same manner as other expenses of said department are paid.

Proceedings
upon
hearing.

SEC. 16. The director may prefer a complaint for violation of any section of this act before any court of competent jurisdiction. It shall be the duty of the prosecuting attorney of each county in this

Complaint
of violation
of act.

Duty of prosecuting attorney.

state to prosecute all violations of the aforesaid provisions of this act in their respective counties in which such violations occur.

Acting without license.

SEC. 17. Any person acting as a real estate broker within the meaning of this act without a license as herein provided, or violating any of the provisions of this act, shall be guilty of a misdemeanor.

Penalty.

Sharing commission with unlicensed broker.

SEC. 18. It shall be unlawful for any licensed broker to pay any part or share of a commission or other compensation received in the capacity of a real estate broker to any person who is not a licensed broker.

Penalty.

SEC. 19. For violations of the provisions of Sections 12 and 18 of this Act, the director may temporarily suspend or permanently revoke the license of the holder in accordance with the proceedings set forth in Section 14 of this Act.

License revoked.

Essential that broker allege and prove licensed in action for compensation.

SEC. 20. No suit or action shall be brought in the courts of this state for the collection of compensation for the performance of any of the acts mentioned in Section 5 hereof, without alleging and proving that the plaintiff was a duly licensed real estate broker at the time the alleged cause of action arose.

Employer of salesman—broker to file statement of facts as to dismissal.

SEC. 21. When any real estate broker, who is acting in the capacity of salesman, shall be discharged by his employer for a violation of any of the provisions of Section 13 hereof, a written statement of the facts in reference thereto shall be filed forthwith with the director by the employer.

Annual list of brokers published by director.

SEC. 22. The director shall annually publish a list of names and addresses of all licensed brokers under the provisions of this act, together with such other information relative to the enforcement of the provisions of this Act as he may deem of interest to the public, and he shall mail one of such lists to each licensed broker.

SEC. 23. If any section, subdivision, sentence or clause in this Act shall be held invalid or unconstitutional, such fact shall not affect the validity of the remaining portions of this Act.

Partial
invalidity.

Passed the Senate December 8, 1925.

Passed the House December 30, 1925.

Approved by the Governor January 11, 1926.

CHAPTER 130.

[S. B. 24.]

RELATING TO ASSESSMENT, LEVY AND COLLECTION OF TAXES.

AN ACT relating to taxation, regulating the assessment, levy and collection of taxes, prescribing penalties for violations thereof, establishing rules of evidence in certain cases, and repealing certain acts and parts of acts relating to the assessment, levy and collection of taxes, and declaring that this act shall take effect immediately.

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

SECTION 1. The word "tax" and its derivatives, "taxes," "taxing," "taxed," "taxation" and so forth, as used in this act, shall be held and construed to mean the imposing of burdens upon property in proportion to the value thereof, for the purpose of raising revenue for public purposes.

Terms
defined.

SEC. 2. The term "taxing district" as used in this act shall be held and construed to mean and include the state and any county, city, town, township, port district, school district, road district, metropolitan park district, water district or other municipal corporation, now or hereafter existing, having the power or authorized by law to impose burdens upon property within the district in proportion to the value thereof, for the purpose of obtaining revenue for public purposes, as distinguished from municipal corporations authorized to impose burdens, or for

Taxing
district
defined.