conviction thereof in any court of competent jurisdiction shall be fined in any sum not exceeding one hundred dollars, and adjudged to pay the cost of prosecution.

Passed the House February 10, 1947. Passed the Senate February 15, 1947. Approved by the Governor February 20, 1947.

CHAPTER 36.

STATE LEGISLATIVE COUNCIL.

An Acr relating to the Legislature; creating and establishing a State Legislative Council from the members thereof; providing for their selection, terms, powers, duties, rules, findings and reports; and regulating the functions, expenditures and other activities of said council.

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

Legislative Council created.

Section 1. There is hereby created a "State Legislative Council" hereinafter referred to as the council, which shall consist of ten senators and eleven representatives from the Legislature of the State of Washington, including the President pro tem of the Senate and the Speaker of the House of Representatives, said council to be appointed by the President of the Senate and the Speaker of the House of Representatives at least ten days before the close of the 1947 session of the Legislature, and at least ten days before the close of each regular session thereafter. The President of the Senate and the Speaker of the House of Representatives shall prepare their lists of appointees so that the whole membership of the council shall include at least one individual from each United States Congressional District within the state and so that not more than twelve of the council members shall be members of any one political party. The said lists

Membership.

of appointees shall be subject to confirmation as to the senate members by the Senate and as to the house members by the House of Representatives. In the event of a failure to appoint council members within the time above stated, or in the event of a refusal by either Senate or House of Representatives to confirm appointments on the council, then the members on the council from either house in which there is a failure to appoint or confirm shall be elected forthwith by the members of such house.

SEC. 2. The council shall have the following powers and duties of powers and duties: (1) To perform, either through interim committees. the council as a whole or through subcommittees thereof, all duties and functions customarily delegated to special interim legislative committees;

(2) To examine and study the administrative or- Study state government. ganization and procedures of the state government, its offices, boards, committees, commissions, institutions and other state agencies and to make recommendations, where found advisable, directed to the elimination of unnecessary overlapping or duplication of functions, procedures and expenditures, and to the promotion of economy and efficiency in state government;

(3) To make current examination and reports Examine expenditures. concerning the current condition of all state funds, appropriations and other state moneys; concerning whether or not such appropriations are being currently expended for the purposes and within the statutory restrictions provided by the Legislature; and concerning the current availability of revenue to meet expenditures under appropriations;

(4) To make such other studies and examinations hearings. of the state government and its state agencies as it may find advisable and to hear complaints, hold hearings, gather information and make findings of fact with respect thereto;

(5) To receive messages and reports in person or

Receive messages from executive branch.

in writing from the Governor or any other state officials and to attend generally to any and all business addressed to or affecting the Legislature during the interim between regular legislative sessions; and

Keep minutes.

Make reports.

(6) To make reports from time to time to the members of the Legislature and to the public with respect to any of its findings or recommendations. The council shall keep complete minutes of its meetings. The council shall make and distribute its final report to the members of the ensuing Legislature at least ten days prior to the convening of the Legislature.

Cooperate with other states.

(7) To cooperate, act and function with similar councils or committees of other states, with the Council of State Governments, and with other interstate research organizations.

Inspect records.

Issue subpoenas.

Bring contempt proceedings.

SEC. 3. In the discharge of any duty herein imposed, the council and its subcommittees shall have the authority to examine and inspect all files, records and accounts of any state office, department, institution, board, commission or agency, and to administer oaths, issue subpoenas, compel the attendance of witnesses and the production of any papers, books, accounts, documents and testimony, and to cause the deposition of witnesses, either residing within or without the state, to be taken in the manner prescribed by law for taking depositions in civil actions in the superior courts. In case of disobedience on the part of any person to comply with any subpoena issued in behalf of the council, or on the refusal of any witness to testify to any matters regarding which he may be lawfully interrogated, it shall be the duty of the superior court of any county, or of the judge thereof, on application of the council, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein. Each witness who appears before the State Legislative Council by its witness order, other than a state official or employee, shall receive for his attendance the fees and mileage provided for witnesses in civil cases in courts of record, which shall be audited and paid upon the presentation of proper vouchers signed by such witness and approved by the secretary and chairman of the council.

SEC. 4. The first meeting of the State Legislative Meetings. Council shall be held on the third Monday in June, 1947, and thereafter meetings shall be held throughout the legislative interim at such times and at such places as the council may determine. Subcommittees of the council may meet at such additional times and in such places as may be convenient or necessary in carrying out their delegated duties.

SEC. 5. The council shall have authority to select select employees. and employ an executive secretary, together with such other clerical, legal, accounting, research, and other assistants as it may deem desirable, whose compensation and salaries shall be fixed by the council.

Sec. 6. The members of the council shall be re- Expenses. imbursed for their expenses incurred while attending sessions of the State Legislative Council or meetings of any subcommittees of the council or while engaged on other council business authorized by the council to the extent of fifteen dollars (\$15) per day plus five cents (5¢) per mile in going and coming from State Legislative Council sessions or subcommittee meetings or for travel on other council business authorized by the council. All expenses incurred by the council, including salaries of employees, shall be paid upon voucher forms as provided by the State Auditor and signed by the chairman or vice-chairman of the council and attested by the secretary of said council, and the authority

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of said chairman and secretary to sign vouchers shall continue until their successors are selected in each ensuing session of the Legislature. Vouchers may be drawn upon funds appropriated generally by the Legislature for legislative expenses or upon any special appropriation which may be provided by the Legislature for the expenses of the council.

May make rules.

Terms of

Vacancies.

Delivery of records.

Sec. 7. The State Legislative Council shall have authority to make its own rules and regulations governing the conduct of its business not otherwise prescribed in this act. The term of office of all council members shall be from time of confirmation or election until the convening of the next session of the Legislature. Vacancies on the council among the senate members of the council may be filled by appointment by the remaining senate members. Vacancies on the council from among the members of the House of Representatives may be filled by appointment by the remaining house members. All such vacancies shall be filled from the same political party as that of the member whose seat was vacated. All of the minutes, records and files of the council and its subcommittees shall be delivered over by the council to the Speaker of the House of Representatives or to the President of the Senate at the convening of each new session of the Legislature, which minutes, records and files shall be held subject to the order of the Senate and House of Representatives, and shall thereafter be delivered over to the members of the succeeding legislative council as soon as the newly constituted council has been appointed and organized in each ensuing session of the Legislature.

Severability.

Sec. 8. If any section, subsection, paragraph or provision of this act shall be held invalid by any court for any reason, such invalidity shall not in

any way affect the validity of the remainder of this act.

Passed the House February 6, 1947.

Passed the Senate February 12, 1947.

Permitted to become a law without the signature of the Governor.

> Belle Reeves. Secretary of State.

CHAPTER 37. TH. B. 183. 1

COOPERATIVE ASSOCIATIONS.

An Act relating to cooperative associations and amending section 13, chapter 19, Laws of 1913, as last amended by section 3, chapter 99, Laws of 1943 (sec. 3916, Rem. Rev. Stat.; sec. 454-25, PPC).

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

Section 1. Section 13, chapter 19, Laws of 1913, as last amended by section 3, chapter 99, Laws of 1943 (sec. 3916, Rem. Rev. Stat.; sec. 454-25, PPC), is amended to read as follows:

Section 13. The trustees may apportion the net Payment of dividends. earnings by paying dividends upon the paid-up capital stock at a rate not exceeding eight per cent per annum. They may set aside reasonable reserves Reserves. out of such net earnings for any association purpose. The trustees may, however, distribute all or any portion of the net earnings to stockholders in proportion to the business of each with the association: Provided, That they may include nonstockholders at a rate not exceeding that paid to stockholders: Provided further, That the trustees may distribute, on a patronage basis, such net earnings at different rates on different classes, kinds, or varieties of products handled. All dividends declared or other distributions made under this section may, in the discretion of the trustees, be in the form of capital