

Effective immediately.

SEC. 3. This act is necessary for the immediate preservation of public peace, health and safety, for the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 14, 1935.

Passed the House March 14, 1935.

Approved by the Governor March 25, 1935, with the exception of the items which are vetoed.

---

## CHAPTER 176.

[H. B. 158.]

### DEPARTMENT OF PUBLIC WELFARE, FINANCE, BUSINESS AND BUDGET.

AN ACT relating to, and to promote efficiency, order and economy in the administration of the government of the state, prescribing the powers and duties of certain officers and departments, creating the department of public welfare and the department of finance, budget and business and the offices of director of public welfare and director of finance, budget and business and certain other offices connected therewith, abolishing the emergency relief administration, department of efficiency and department of business control, accepting the provisions of Federal legislation for old-age assistance and for aid in promoting child welfare, amending sections 2 and 3, chapter 7, Laws of 1921, as amended by chapter 18, Laws of 1925, chapter 270, Laws of 1927, chapter 115, Laws of 1929, and chapter 3, Laws of 1933 (secs. 10760 and 10761, Rem. Rev. Stat.), and declaring that the act shall take effect April 1, 1935.

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

SECTION 1. That section 2, chapter 7, Laws of 1921, as amended by chapter 18, Laws of 1925, chapter 270, Laws of 1927, chapter 115, Laws of 1929, and chapter 3, Laws of 1933 (sec. 10760, Rem. Rev. Stat.), be amended to read as follows:

Section 2. There shall be, and are hereby created, departments of the state government which

Amends § 2,  
Laws of  
1921, as  
amended.

shall be known respectively as (1) the department of public service, (2) the department of public welfare, (3) the department of finance, budget and business, (4) the department of health, (5) the department of conservation and development, (6) the department of labor and industries, (7) the department of agriculture, (8) the department of licenses, (9) the department of fisheries, (10) the department of game, and (11) the department of highways, which departments shall be charged respectively with the execution, enforcement, and administration of such laws, and invested with such powers and required to perform such duties, as the legislature may provide.

Creation of new department of state government

SEC. 2. That section 3, chapter 7, Laws of 1921, as amended by chapter 18, Laws of 1925, chapter 270, Laws of 1927, chapter 115, Laws of 1929, and chapter 3, Laws of 1933 (sec. 10761, Rem. Rev. Stat.) be amended to read as follows:

Amends § 3, ch. 7, Laws of 1921, as amended.

Section 3. There shall be a chief executive officer of each of the departments of the state government created by this act, to be known respectively as, (1) the director of public service, (2) the director of public welfare, (3) the director of finance, budget and business, (4) the director of health, (5) the director of conservation and development, (6) the director of labor and industries, (7) the director of agriculture, (8) the director of licenses, (9) the director of fisheries, (10) the director of game, and (11) the director of highways; who, unless otherwise hereinafter specifically provided, shall be appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor: *Provided*, That if the senate be not in session when this act takes effect, and in case a vacancy occurs while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate, when he shall

Department heads.

Appointed by governor with consent of senate.

present to the senate his nomination for the office. The director of public service, the director of public welfare, the director of finance, budget and business, the director of health, the director of conservation and development, the director of labor and industries, the director of agriculture, the director of licenses, the director of fisheries, and the director of highways shall each receive a salary of not to exceed four thousand dollars (\$4,000) per annum.

Compensation.

Dept. of public welfare.

Three divisions.

Director.

Compensation.

Cooperation with federal government.

"Social security."

SEC. 3. The department of public welfare shall be organized into, and consist of, three divisions, to be known respectively, as (1) the division of relief, (2) the division of child welfare and (3) the division of social security. The director of public welfare shall have charge and general supervision of the department, and shall receive a salary of not to exceed four thousand dollars (\$4,000) per annum. He shall have power to appoint and deputize such clerical and other assistants as may be necessary for the general administration of the department at a salary not to exceed two hundred dollars (\$200) per month. So long as provision is made by the Federal government for cooperation between the states and the United States in the administration of public relief and/or social security, no person shall be eligible for appointment to or hold the office of director of public welfare unless his appointment is acceptable to such Federal authority as is charged by law with the administration of, and the allotment of funds for, public relief and/or social security. The term "social security" shall be construed to include old-age assistance, old-age insurance, unemployment compensation, and all other similar methods of providing for economic security through social insurance.

SEC. 4. The director of public welfare shall appoint and deputize an assistant director to be known

as the supervisor of relief, who shall have charge and supervision of the division of relief, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor  
of relief.

Personnel.

SEC. 5. The director of public welfare shall appoint and deputize an assistant director to be known as the supervisor of child welfare, who shall have charge and supervision of the division of child welfare, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor  
of child  
welfare.

SEC. 6. The director of public welfare shall appoint and deputize an assistant director to be known as the supervisor of social security, who shall have charge and supervision of the division of social security, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor  
of social  
security.

SEC. 7. The director of public welfare shall have power, with the approval of the governor, to make such rules and regulations as may be necessary to carry out the functions and duties vested in the department of public welfare by this act.

Rules and  
regulations.

He shall have the power and it shall be his duty, through and by means of the division of relief:

Powers and  
duties of  
director.

(1) To exercise all the powers and perform all the duties now vested in, and required to be performed by, the emergency relief administration, the emergency relief commission and the director of emergency relief administration, under chapter 8, Laws of 1933, and such powers and duties as may be conferred in respect of the administration of relief by any amendments, extensions or modifications thereof or substitutions therefor.

Emergency  
relief admin-  
istration.

Supervision  
and control  
of public  
relief.

(2) To supervise and control the administration of public relief and the expenditure of all funds therefor whether derived from state or Federal sources or from any other source whatsoever and to exercise for the state all such powers and perform all such duties as may be devolved upon it by Federal legislation relating to public relief and providing for state and Federal cooperation in respect thereof.

Other  
powers and  
duties.

(3) To exercise such other powers and perform such other duties as may be prescribed by law.

Powers  
through  
division of  
child  
welfare.

SEC. 8. The director of public welfare shall have the power and it shall be his duty, through and by means of the division of child welfare:

Exercise  
powers and  
duties of  
director of  
business  
control.  
Ch. 192,  
Laws of  
1933.

(1) To exercise all the powers and perform all the duties now vested in, and required to be performed by, the director of business control, through and by means of the division of child welfare, under chapter 172, Laws of 1933, and all acts amendatory thereof or supplementary thereto.

Supervision  
and control  
of child wel-  
fare work.

(2) To supervise and control the administration of child welfare work and the expenditure of funds therefor whether derived from state or Federal sources or from any source whatsoever and to exercise for the state all such powers and perform all such duties as may be devolved upon it by Federal legislation relating to maternal aid and aid to dependent, crippled and under-privileged children, except such powers and duties as are vested in the department of health, and providing for state and Federal cooperation in respect thereof.

Federal  
sources.

(3) To exercise such other powers and perform such other duties as may be prescribed by law.

Other  
powers and  
duties.

Division of  
social  
security.

SEC. 9. The director of public welfare shall have the power and it shall be his duty, through and by means of the division of social security:

(1) To exercise all the powers and perform all the duties now vested in, and required to be per-

formed by, any state officer, department or agency in respect of the administration of old-age assistance or old-age insurance, unemployment compensation or other similar form of social security under existing statutes of this state or under any statutes appertaining thereto which may hereafter be enacted, except such duties as are now vested in and required to be performed in relation thereto by the state treasurer, state auditor, state racing commission, state athletic commission and state liquor control board.

Administra-  
tion of old-  
age insur-  
ance, unem-  
ployment  
compensa-  
tion, etc.

(2) To supervise and control the administration of all measures for social security and the expenditure of funds therefor whether derived from state or federal sources or from any other source whatsoever and to exercise for the state all such powers and perform all such duties as may be devolved upon it by federal legislation providing for state and federal cooperation in the administration of means of effectuating social security.

Supervise  
and control  
of measures  
and expendi-  
ture of  
funds.

(3) To exercise such other powers and perform such other duties as may be prescribed by law.

Other  
powers and  
duties.

SEC. 9½. That an annual audit of said department of public welfare shall be made by the state auditor and/or his duly authorized deputies. Upon the completion of said audit by the state auditor, a detailed report of the same shall be printed and made available to any citizen requesting a copy thereof in writing to the state auditor.

Annual audit  
by state  
auditor.

SEC. 10. The state hereby accepts the provisions of such legislation as may be enacted by the Congress of the United States providing for the allotment of funds to the state for old-age assistance, and aid to dependent children, and if the legislature shall not be in session when such legislation is finally enacted by Congress acceptance of the provisions thereof may be made by the governor to

State accepts  
provisions  
of congress  
enactments.

be effective until the close of the next succeeding session of the legislature.

Dept. of finance, budget, business.

Five divisions.

Director.

Salary.

Assistants.

SEC. 11. The department of finance, budget and business shall be organized into, and consist of, five divisions, to be known respectively as, (1) the division of banking, (2) the division of savings and loan associations, (3) the division of budget, (4) the division of public institutions and (5) the division of purchasing. The director of finance, budget and business shall have charge and general supervision of the department, and shall receive a salary of not to exceed four thousand dollars (\$4,000) per annum. He shall have power to appoint and deputize such clerical and other assistants as may be necessary for the general administration of the department.

Supervisor of banking.

Eligibility for appointment.

SEC. 12. The director of finance, budget and business shall appoint and deputize an assistant director to be known as the supervisor of banking, who shall have charge and supervision of the division of banking, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division. No person shall be eligible for appointment as supervisor of banking unless he is, and for at least two years prior to his appointment has been, a citizen of the United States and a resident of this state, and has had at least two years' practical experience in banking or trust company business; nor if he is interested in any bank or trust company as director, officer or stockholder.

Supervisor of savings and loan associations.

SEC. 13. The director of finance, budget and business shall appoint and deputize an assistant director to be known as the supervisor of savings and loan associations, who shall have charge and supervision of the division of savings and loan associations, and have power, with the approval of the

director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division. No person shall be eligible for appointment as supervisor of savings and loan associations unless he is, and for at least two years prior to his appointment has been, a citizen of the United States and a resident of this state, and has had at least two years' practical experience in savings and loan employment, examination or supervision.

Personnel.

Eligibility.

SEC. 14. The director of finance, budget and business shall appoint and deputize an assistant director to be known as the supervisor of budget, who shall have charge and supervision of the division of budget, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor of budget.

Personnel.

SEC. 15. The director of finance, budget and business shall appoint and deputize an assistant director to be known as the supervisor of public institutions, who shall have charge and supervision of the division of public institutions, and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor of public institutions.

SEC. 16. The director of finance, budget and business shall appoint and deputize an assistant director to be known as the supervisor of purchasing, who shall have charge and supervision of the division of purchasing and have power, with the approval of the director, to appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Supervisor of purchasing.

SEC. 17. The director of finance, budget and business shall have the power and it shall be his duty, through and by means of the division of banking:

Powers and duties through division of banking.

(1) To exercise all the powers and perform all



Taking over of director of efficiency's duties.

the duties relating to banks and banking now vested in, and required to be performed by the director of efficiency, through and by means of the division of banking.

Other powers and duties.

(2) To exercise such other powers and perform such other duties as may be prescribed by law.

Powers and duties through division of savings and loan associations.

SEC. 18. The director of finance, budget and business shall have the power and it shall be his duty, through and by means of the division of savings and loan associations:

Director of efficiency.

(1) To exercise all the powers and perform all the duties relating to savings and loan associations now vested in, and required to be performed by, the director of efficiency, through and by means of the division of banking, and to exercise all the powers and perform all the duties now vested in, and required to be performed by, the supervisor of savings and loan associations as constituted under chapter 183, Laws of 1933.

Ch. 183, Laws of 1933.

Other powers and duties.

(2) To exercise such other powers and perform such other duties as may be prescribed by law.

Powers and duties through division of budget.

SEC. 19. The director of finance, budget and business shall have the power and it shall be his duty, through and by means of the division of budget:

Director of efficiency.

(1) To exercise all the powers and perform all the duties now vested in, and required to be performed by, the director of efficiency, except those relating to banks and banking, to savings and loan associations and to the sale or exchange of personal property belonging to the state or any office, department or institution thereof.

Other powers and duties.

(2) To exercise such other powers and perform such other duties as may be prescribed by law.

Division of public institutions.

SEC. 20. The director of finance, budget and business shall have the power and it shall be his

duty, through and by means of the division of public institutions:

(1) To exercise all the powers and perform all the duties now vested in, and required to be performed by, the director of business control, except those which are by this act vested in, and required to be performed by, the division of child welfare of the department of public welfare and by the division of purchasing of the department of finance, budget and business.

Director of business control.

SEC. 21. The director of finance, budget and business shall have the power and it shall be his duty, through and by means of the division of purchasing:

Division of purchasing.

(1) To exercise all the powers and perform all the duties now vested in, and required to be performed by, the division of purchasing of the department of business control.

Exercise of duties now in department of business control.

(2) To exercise all the powers and perform all the duties relating to the sale or exchange of personal property belonging to the state or any office, department or institution thereof, now vested in, and required to be performed by, the department of business control and the department of efficiency.

Sale and exchange of personal property.

(3) To exercise such other powers and perform such other duties as may be prescribed by law.

Other powers and duties.

SEC. 22. This act is necessary for the immediate support of the state government and its existing public institutions and shall take effect on April 1, 1935, on which date all duties heretofore performed and all powers vested in the emergency relief administration, the department of efficiency and the department of business control, through and by means of the various officers, agencies or divisions thereof, shall devolve, through and by means of the respective divisions thereof, upon the departments created by this act.

Date of effect.

Abolishment  
of existing  
departments.

SEC. 23. As of April 1, 1935, the emergency relief administration, the emergency relief commission, the office of director of emergency relief administration and the department of efficiency and department of business control, together with all divisions thereof, are hereby abolished but the abolishment of such offices, commissions, departments and divisions shall not in any way affect the character or scope of the powers and duties conferred by the statutes whereby such offices, commissions, departments and divisions were created; nor shall the abolishment of said offices, commissions, departments and divisions affect the validity of any act done or performed by any officer thereof prior to April 1, 1935: *Provided*, That the incumbents of the offices, commissions, departments and divisions affected by this act may after said date continue to hold office and validly perform any act required of them by law pending the organization of the departments and divisions created by this act, and the appointment and qualification of officers thereof.

Validity of  
acts prior  
to April 1,  
1935.

Holding of  
office by in-  
cumbents.

Surrender of  
files to new  
divisions.

SEC. 24. Upon the organization of the departments and divisions created by this act, and the appointment and qualification of officers thereof, all books, papers, documents, records, data, files, all other equipment and property belonging to the offices, commissions, departments and divisions abolished by this act, together with pending business in any way pertaining to such offices, commissions, departments and divisions, shall be delivered, transferred and surrendered to the proper department and division as provided in this act. If any question shall arise as to the proper disposition of such books, papers, documents, records, data, files, equipment, property or pending business, the matter shall be referred to the governor for determination.

Determina-  
tion of ques-  
tions by  
governor.

Partial  
invalidity.

SEC. 25. If any section, clause or part of this act shall be adjudged to be invalid or unconstitu-

tional for any reason, such adjudication shall not affect the remaining portions of the act.

SEC. 26. All acts and parts of acts in conflict herewith are hereby repealed.

Repeal of  
conflicting  
acts.

Passed the House February 28, 1935.

Passed the Senate March 8, 1935.

Approved by the Governor March 25, 1935.

---

## CHAPTER 177.

[H. B. 231.]

### FAIR BUSINESS COMPETITION.

AN ACT relating to the sale of certain articles and commodities, providing protection for trade mark owners, distributors and the public against injurious and uneconomic practices in the distribution of articles and commodities of standard quality under a distinguished trade mark, brand or name, prescribing penalties, and declaring that this act shall take effect immediately.

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

SECTION 1. The purpose of this act is to assist in the establishment of fair business competition and the elimination of certain misleading and unsound business practices which have lowered wages and placed thousands of small dealers and shopkeepers in a precarious financial condition. It is enacted as a means of affording some relief to storekeepers and their employees during the prevalent economic depression, to assist in preventing bankruptcies with their incidental economic losses and to enable such storekeepers to increase the wages of their employees in such a manner as will reflect an equitable adjustment to variations in the costs of living.

Purpose  
of act.