

mortgages upon leasehold estates shall not exceed seventy percent of its funds.

New section.

SEC. 7. Chapter 32.20, RCW, as derived from chapter 74, Laws of 1929, as amended, is amended by adding thereto a new section to read as follows:

Investment in loans.

A mutual savings bank may invest in loans secured by first mortgages which are eligible for investment by such banks, the making or holding of which is participated in by others. The note, mortgage and insurance may run to the participants as their interests may appear and may be held by any one of the participants.

Passed the House February 17, 1953.

Passed the Senate March 10, 1953.

Approved by the Governor March 20, 1953.

CHAPTER 239.

[H. B. 295.]

AUCTION SALES—JEWELRY—APPLIANCES.

AN ACT relating to sales of jewelry and appliances at auction; defining terms; providing for the issuance of licenses; prescribing fees therefor; and providing penalties.

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

Definitions.

SECTION 1. When used herein the following terms shall have the following meanings:

"Jewelry."

"Jewelry" includes gold, silver, plated ware, precious or semiprecious stones, mounted or unmounted, watches, clocks, and goods, wares and merchandise commonly classified as jewelry and commonly offered for sale in jewelry stores.

"Appliances."

"Appliances" means new, as distinguished from used, radios, television sets, washing machines, refrigerators, toasters, food mixers, waffle irons, and similar items commonly sold in retail jewelry stores.

“Auction” means the sale of jewelry and appliances at either private or public sale, upon oral or written bids, to the highest bidder, and shall include all such sales although denominated as “action” sales, or by any similar words. “Auction.”

SEC. 2. It shall be unlawful to sell, offer for sale, or attempt to sell at auction any jewelry or appliances unless a license has been obtained as hereinafter provided. License:
required.

SEC. 3. The county commissioners, in the county in which the auction sale is to be held, shall grant licenses for jewelry and appliance auctions only when the application therefor indicates: Application
require-
ments.

(1) The sale is to be held at the applicant’s regularly established place of business, or at the place wherein his regular business has been operated for a period of at least one year prior to the application.

(2) The applicant has not been convicted of violating this act within a period of six years just prior to the date of application.

SEC. 4. The application shall also indicate the name, residence, address and business address of the applicant; the purpose for which the sale is to be held; the type of business engaged in during the prior two years, if any, and its location; whether the proposed sale is to be held at the applicant’s existing regularly established place of business; whether the applicant will personally participate at the auction sale; whether any additions to the stock to be sold at auction have been made within sixty days prior thereto; the name, address and occupational history for the preceding two years of any person who will participate in conducting the sale. Same.

SEC. 5. The application shall also indicate whether the applicant will make or permit additions to be made to the stock described in the inventory, hereinafter referred to, after his filing the said inventory; Same.

whether he has conducted any auction of jewelry or appliances within a period of five years prior thereto, and if so, a statement when and where it occurred.

Same. SEC. 6. The application shall have attached thereto a detailed inventory listing each article to be sold, together with an inventory number for each article. Prior to the auction, the applicant shall cause to be attached to each article the inventory number, and this marking or tag must be attached to the article at all times during the duration of the auction sale.

Same. SEC. 7. The application shall indicate that no person will be employed in any manner in the conduct of the auction sale who has been convicted of any violation of this act within a period of six years prior thereto.

Same. SEC. 8. The applicant shall verify under oath or affirmation that all the data and statements in the application and the inventory are true and correct.

Articles that may be sold. SEC. 9. No articles shall be sold at the auction for which the application was obtained unless it was listed in the inventory accompanying the application, except that such articles may be sold if listed on a supplemental inventory subsequently approved by a majority of the board of county commissioners of the county in which such auction is held.

Articles purchased or stocked within 60 days prior to application. SEC. 10. No article shall be listed in the inventory or sold at the auction which was purchased or stocked by the applicant within sixty days prior to the application for auction, except that such articles may be sold if listed on a supplemental inventory subsequently approved by a majority of the board of county commissioners of the county in which such auction is held.

Conduct of auction; representations. SEC. 11. At all such auctions the applicant, and his employees and agents, shall represent to the public the true manufacture, quality and kind of said arti-

cles. If requested by anyone, a copy of the inventory will be shown. Copy of inventory to be shown.

SEC. 12. No article shall be sold at auction which has been falsely described or concerning which any false statement has been made by the applicant or his employees or agents. Effect of misrepresentation.

SEC. 13. The applicant shall cause to be displayed in a prominent place on the premises where the auction is being conducted a notice that all merchandise purchased may be returned, if it is at the time in the same condition as when purchased, for the amount paid, if returned within forty-eight hours from time of purchase. The said notice shall be of sufficient size as to be readily discernible by the bidders. Notice that purchased articles may be returned.

SEC. 14. No auction sale of jewelry or appliances shall be licensed for a period of more than thirty consecutive days, legal holidays excepted. Duration of license.

SEC. 15. The applicant will be responsible for compliance with this act whether he is present at or absent from the auction sale. Liability of applicant.

SEC. 16. In addition to the foregoing requirements, before issuance of a license for an auction of jewelry or appliances, the applicant shall pay therefor a fee of \$250.00, and shall file with the county commissioners a bond in a form approved by the county commissioners, executed by a surety company authorized to do business in this state, in an amount equal to one-half of the cost value of the articles inventoried for sale, said bond shall be approved by the county commissioners. Said bond shall run to the state of Washington and shall be conditioned that it is for the use or benefit of the person who may be damaged by the violation of this act by the licensee, his employees or agents, or who may have the cause of action against said licensee, his employees or agents, by reason of any matters arising out of the License; fee. Bond.

conduct of said auction sale. Any such person shall have, in addition to any other right of action which he may have, a right of action on such bond for all damages not exceeding \$1,000.00, and the aggregate liability of the surety upon said bond for all claims which may arise thereunder shall not exceed the sums specified in said bond. The county commissioners shall, upon compliance with all the above requirements, issue a license to hold an auction for the sale of jewelry and appliances.

County commissioners to issue, when.

Suspension and restoration of licenses.

Appeals.

SEC. 17. The County Commissioners may suspend and restore licenses as they deem reasonable or necessary to assure compliance with the provisions of this act. Appeal from such decision of County Commissioners may be made within ten days from date of filing of said decision of said County Commissioners, to the Superior Court by the applicant or any aggrieved person. Said appeal may be taken by the issuance of an order to show cause directed to said County Commissioners or by any other appropriate legal remedy afforded by law. Said appeal shall be speedily heard by said Superior Court under the rules of said Superior Court.

Exempt from act.

SEC. 18. This act shall not apply to any sale of second-hand jewelry or appliances, judicial sales or government sales, or sales by any executor, administrator, guardian, receiver, or trustee in bankruptcy so authorized by any court of competent jurisdiction.

License in addition to municipal licenses.

SEC. 19. Any such license shall be in addition to a license required by the ordinance of any municipality in which said sale is to be held.

Penalty.

SEC. 20. Any violation of this act is punishable, upon conviction, by a fine not exceeding five hundred dollars or by confinement in the county jail for not exceeding six months, or both.

Severability clause.

SEC. 21. If any section, subsection, phrase or provision of this act should be held invalid by any court

for any reason, such invalidity shall in no way affect the validity of the remainder of the act.

Passed the House March 5, 1953.

Passed the Senate March 10, 1953.

Approved by the Governor March 20, 1953.

CHAPTER 240.

[H. B. 306.]

CIGARETTE TAX—FUND—COMPENSATION TO DEALERS.

AN ACT relating to certain excise taxes on cigarettes, allowing certain dealers compensation for affixing stamps; and amending section 73.32.130, RCW, and section 82.24.070, RCW.

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

SECTION 1. Section 73.32.130, RCW, as derived from section 9, chapter 180, Laws of 1949, is amended to read as follows: Amendment.

For the purpose of creating the fund for the retirement of such bonds upon maturity and the payment of interest thereon as it falls due, all proceeds hereafter received from the excise tax on cigarettes imposed by chapter 82.24 as now or hereafter amended, shall, so long as any part of principal or interest of the bonds herein provided for remains outstanding, be paid into the war veterans' compensation bond retirement fund hereinafter provided for. Cigarette excise tax; disposition of proceeds.

In addition thereto, there is hereby levied and there shall be collected by the tax commission from the persons mentioned in and in the manner provided by chapter 82.24, as now or hereafter amended, an excise tax upon the sale, use, consumption, handling or distribution of cigarettes in an amount equal to one cent upon each ten cents or fraction of the intended retail selling price thereof, but the provisions of RCW 82.24.070 allowing dealers' compensa- Additional cigarette excise tax; levy.