

Appropriation
\$5,000.00.

ated, the sum of five thousand dollars (\$5,000.00) or as much thereof as may be necessary to meet the expenses of the commission.

Passed the Senate February 21, 1913.

Passed the House March 12, 1913.

Approved by the Governor March 24, 1913.

CHAPTER 175

[S. B. 361.]

SALES IN BULK.

AN ACT relating to the purchase, sale, transfer and incumbrance of stocks of goods, wares, merchandise and fixtures and equipment in bulk, providing penalties for the violation thereof, and amending sections 5296, 5297, 5298 and 5299 of Remington & Ballinger's Annotated Codes and Statutes of Washington.

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

SECTION 1. *That section 5296 of Remington and Ballinger's Annotated Codes and Statutes of Washington be amended to read as follows:*

Section 5296. It shall be the duty of every person who shall bargain for or purchase any stock of goods, wares or merchandise, in bulk, or all or substantially all of the fixtures and equipment used in and about the business then carried on by the vendor, for cash or credit, before paying the vendor, or his agent or representative, or delivering to the vendor, or his agent, any of the purchase price thereof, or any promissory note or other evidence of indebtedness therefor, to demand of and receive from such vendor, or agent, or if the vendor or agent be a corporation, then from the president, vice-president, secretary, treasurer or managing agent of such corporation, a written statement, sworn to substantially as hereinafter provided, of the names and addresses of all of the creditors of said vendor, to whom said vendor may be indebted, together with the amount of the indebtedness due and owing, and to become due and owing, by said vendor to each of said creditors;

Vetoed.

and it shall be the duty of said vendor, or agent to furnish such statement, which shall be verified by an oath to the following effect:

State of Washington, County of.....ss.

....., being first duly sworn, on oath, says:
.....of (the name of the vendor);
that the foregoing statement contains the names of all the creditors of said....., (the name of the vendor) together with their addresses, and that the amounts set opposite the names of said creditors are the correct amounts now due or owing and which shall become due or owing by..... (the name of the vendor) to such creditors respectively; that there are no creditors holding claims due, or which shall become due, for or on account of any goods, wares or merchandise or fixtures and equipment used in and about said business, purchased upon credit, for or on account of money borrowed to carry on the business of which said goods, wares, or merchandise, or fixtures and equipment are a part, other than as set forth in said statement; that the matters set forth in said statement and in this affidavit are within the personal knowledge of affiant.

.....
(Name of person making affidavit).

Subscribed and sworn to before me this.....day of.....

.....
(Title of officer taking oath).

SEC. 2. That Section 5297 of Remington and Ballinger's Annotated Codes and Statutes of Washington be amended to read as follows: Vetoed.

Section 5297. Whenever any person shall bargain for, or purchase any stock of goods, wares or merchandise in bulk, or all or substantially all of the fixtures and equipment used in and about said business, for cash or on credit, and shall pay any part of the purchase price, or execute or deliver to the vendor thereof, or to his order, or to any person for his use any promissory note or other evidence of indebtedness for said purchase price, or any part thereof, [without first] having demanded and received from the said vendor or from his agent the statement provided for in section 1 of this act, and verified as there provided, and without applying or causing to be applied such purchase price pro rata to the payment of the bona fide claims of the creditors of the vendor, as shown upon such certified state-

ment, and such supplemental statement as may be received by the vendee from such vendor, or his agent, prior to such distribution, such sale, or transfer, shall be fraudulent and void.

Vetood.

SEC. 3. That Section 5298 of Remington and Ballinger's Annotated Codes and Statutes of Washington be amended to read as follows:

Section 5298. Any vendor of any stock of goods, wares or merchandise, in bulk, or all or substantially all of the fixtures and equipment used in and about the business of the vendor, or any other person who is acting for or on behalf of any vendor, who shall knowingly or wilfully make or deliver, or cause to be made or delivered a statement as provided for in section 1 of this act which shall not include the names of all the creditors of such vendor with the correct amount due, and to become due to each of them, or which shall contain any false or untrue statement, shall be deemed guilty of perjury and upon conviction thereof, shall be punished by imprisonment in the penitentiary for not less than one or more than five years, or shall be fined in any sum not exceeding one thousand dollars (\$1,000). If prior to distribution of the consideration as provided in section 2 of this act, the vendor, or any person acting for him or on his behalf, shall learn that any creditor or creditors have been omitted from the verified statement originally furnished by the vendor to the vendee it shall be the duty of the vendor, or such person acting for or on his behalf, forthwith to furnish the vendee a supplemental verified statement which shall contain a list of such additional creditors, and which shall in all other respects be substantially in the same form and contain the same information as the original verified statement.

[Amends
Rem.-Bal.,
§ 5299;
Pierce's
Code, 1912,
203 § 15.]

SEC. 4. That Section 5299 of Remington and Ballinger's Annotated Codes and Statutes of Washington be amended to read as follows:

Section 5299. Any sale or transfer of a stock of goods, wares or merchandise, or all or substantially all, of the fixtures and equipment used in and about the business of the

vendor, out of the usual or ordinary course of business or trade of the vendor, or whenever substantially the entire business or trade theretofore conducted by the vendor, shall be sold or conveyed or whenever an interest in or to the business or trade of the vendor is sold or conveyed, or attempted to be sold or conveyed, shall be deemed a sale and transfer in bulk in contemplation of this act: *Provided, however,* That if such vendor produces and delivers a written waiver of the provisions of this act from his creditors as shown by such verified statements then and in that case the provisions of this section shall not apply.

"Sale in bulk"
defined.

Passed the Senate February 25, 1913.

Passed the House March 12, 1913.

Vetoed as to Secs. 1, 2, and 3, inc.

Approved as to Sec. 4, by the Governor March 24, 1913.

CHAPTER 176

[S. H. B. 620.]

ESTABLISHING DRAINAGE IMPROVEMENT DISTRICTS.

AN ACT relating to the establishment of drainage improvement districts, providing for the construction, maintenance, extension and protection of drainage systems, the method of apportioning, assessing and collecting funds and paying for the construction and maintenance thereof, repealing chapter LXVI of the Laws of 1901 saving in certain particulars, providing the method of bringing certain existing districts and ditches under the provisions of this act, declaring the Legislative intent as to the effect of adjudications, providing penalties for the violation thereof, and declaring that this is necessary for the immediate preservation of the public health and shall take effect immediately.

(For drainage districts see Rem.-Bal. § 4137 *et seq.*; Pierce's Code, 1912, 155 § 1; as amended by ch. 86, *supra*.)

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

SECTION 1. Whenever one or more persons whose land will be benefited thereby shall desire to have a drainage system established and constructed or any part of an existing drainage system other than those organized under the provisions of chapter 115 of the Laws of 1895 straightened, widened, altered, deepened or otherwise improved,

One or more may petition.

Rem.-Bal., § 4137 *et seq.*; Pierce's Code, 1912, 155 § 1.