

## CHAPTER 172.

[H. B. 209.]

## DEPARTMENT OF BUSINESS CONTROL.

AN ACT relating to the administration of the state government, organizing the department of business control and defining the powers and duties of the director thereof, creating a division of child welfare, amending section 29 of chapter 7 of the Laws of 1921, adding new sections, defining offenses, and providing penalties.

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

SECTION 1. That section 29 of chapter VII of the Laws of 1921 be amended to read as follows: Amends  
§ 29, ch. 7,  
Laws of 1921.

The department of business control shall be organized into, and consist of six divisions, to be known respectively as, (1) the division of administration, (2) the division of purchasing, (3) the division of farm management, (4) the division of industrial management, (5) the division of public buildings and grounds, (6) the division of child welfare. The director of business control shall have charge and general supervision of the department, and shall receive a salary of not to exceed six thousand dollars per annum. Organiza-  
tion.

SEC. 2. The director of business control shall have the power, and it shall be his duty to appoint and to 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 shall 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 this division. No person shall be eligible for appointment as supervisor of the division of child welfare unless he or she is qualified by experience and training in child welfare work. Supervisor  
of child  
welfare.

SEC. 3. The director of business control shall have the power, and it shall be his duty, through the division of child welfare :

Administra-  
tion.

Articles of  
incorpora-  
tion.

Certificate  
of approval :

Require-  
ments for.

(1) To examine and approve all articles of incorporation for agencies, societies, associations, or institutions organized for the rescue and temporary care of dependent and delinquent children and for the placement of such children in family homes or in special institutions, or established as orphanages and homes to provide temporary or continued care for such children ; and no certificate of incorporation or amendment of articles of existing corporations shall hereafter be issued to any such associations or institutions organized for such work except upon the filing with the secretary of state of a certificate of approval, issued by the director of business control. Such certificate shall be issued by said director upon reasonable and satisfactory assurance upon the following points :

(a) The good character and intentions of the applicant ;

(b) The present and prospective need of the service intended by the proposed organization, with no unnecessary duplication of approved existing service ;

(c) Provision for employment of capable, trained or experienced workers ;

(d) Sufficient financial backing to insure effective work ;

(e) The probability of permanence in the proposed organization or institution ;

(f) That the methods used and the disposition made of the children will be in their best interests and that of society ;

(g) Articles of incorporation and related by-laws ;

(h) That in the judgment of the director the establishment of such an organization is necessary and desirable for the public welfare.

(2) To inspect and supervise and to provide rules and regulations for the operation and government of all child caring agencies, societies, associations, institutions, or persons, whether incorporated or not, within the state. Inspection,  
supervision.

(3) To issue certificates of approval annually to all such agencies, societies, associations, institutions or persons, whether now existing or hereafter organized, and whether incorporated or not. Annual  
certificates.

(4) To require regular reports on forms to be provided by him, from all such agencies, societies, associations, institutions or persons at least annually, and oftener in his discretion, concerning their operation and management. Reports.

(5) To suspend or revoke any certificate issued hereunder upon satisfactory evidence that the holder thereof, in his discretion, has failed or refused to comply with the provisions of this act or to furnish proper care or treatment for the children under its control: *Provided*, That before any such certificate is suspended or revoked, the director of business control shall notify the agency, society, association, institution or person, to whom such permit has been granted, that such action is contemplated, and the reason or grounds therefor. Suspension  
or revoca-  
tion.

And such agency, society, association, institution or person shall have, upon being advised, ten (10) days within which to submit evidence to show why such action should not be taken. In the event any such agency, society, association, institution or person shall feel aggrieved at any decision or order of the director of business control relative to the refusal to issue, or to the suspension or revocation of, the certificate of approval herein provided for, it may, within fifteen (15) days, file its notice of appeal from such de- Notice.

Appeal.

cision or order in the superior court of Thurston county, Washington, together with a statement of the grounds of its appeal, and the court shall proceed summarily to hear and determine the questions raised by such appeal and enter such order therein as to the court may seem meet and proper. Either party shall have the right of appeal from such judgment and decision to the supreme court of the State of Washington, the practice and procedure in appeals in civil cases to govern in such appeals.

Scope of act.

SEC. 4. All agencies, societies, associations, institutions, or persons now engaged in caring for children or children and adults, or placing children for care, within this state, shall report to said division and shall be subject to all the provisions of this act, except as to incorporation, and no agency, society, association, institution or person shall hereafter carry on the work of caring for children or children and adults, or of placing children for care, without first procuring the certificate of approval provided for herein, and complying with the provisions thereof.

Non-compliance.

SEC. 5. Any agency, society, association, institution or person, whether incorporated or unincorporated, and the individual or individuals acting for or in its name, who shall hereafter carry on the work of caring for children, or children and adults, or of placing children for care, without a certificate of approval from the director of business control, or who shall wilfully fail or refuse to report as required by said director, or shall wilfully obstruct or hinder him or his agents in inspection or investigation of the agencies, societies, associations, institutions, or persons under their control or charge, shall be guilty of a misdemeanor.

SEC. 6. All files, reports, documents and information pertaining to a neglected, dependent, or de-

linquent child or children required by the director of business control to be furnished by any of the agencies, societies, associations, institutions or persons, pursuant to this act, shall be deemed confidential and privileged and no disclosure thereof shall be made except where required by order or process of the superior court of Thurston county in any suit therein pending: *Provided*, That all records and information of any agency, society, association, institution or person with respect to any neglected, dependent or delinquent child shall be the property of the said agency, society, association, institution or person and when furnished to the director of business control, in pursuance to this act, shall, as soon as they have served their purpose, be returnable to such agency, society, association, institution or person for permanent record: *Provided, further*, That at any hearing held pursuant to this act either by the director of business control or by the superior court of Thurston county, the general public shall be excluded from the room where the hearing is had, admitting thereto only such persons as may have a direct interest in the case. The records of the agency, society, association, institution or person concerned and the records of any neglected, dependent or delinquent child or children concerned, shall be confidential and privileged, but such records shall be open to the inspection of the child, its parents, guardian or its attorney, and to such other persons as may secure a special order of the court therefor. Such records shall be kept as unofficial records of the department or the court pending the proceedings, and at the conclusion of the same shall be returned to the agency, society, association, institution or person from which they originated.

Records:  
confidential.

Property of  
agency.

Private  
hearing.

SEC. 7. *Definitions.* The term "agency" or "child welfare agency," as used herein, is defined

Definitions:  
"Agency."  
"Child  
welfare  
agency."

as any person, firm, association or corporation, and any private institution which receives for control, care and maintenance more than two (2) children under eighteen (18) years of age, but not counting, in the case of an individual, children related to such persons or under guardianship. This term shall not apply to any boarding school which is essentially and primarily engaged in educational work.

"Neglected,"  
"Dependent,"  
"Delin-  
quent."

The term "neglected," "dependent" and "delinquent" children shall be construed in the common and accepted sense given them in ordinary usage, including the definitions set forth in the juvenile court act of this state.

Adds § 44a,  
44b, 44c, 44d,  
44e, 44f, to  
ch. 7, Laws  
of 1921.

SEC. 8. Sections 2, 3, 4, 5, 6 and 7 of this act shall be numbered and designated as sections 44a, 44b, 44c, 44d, 44e, and 44f, respectively of chapter 7 of the Session Laws of 1921.

Passed the House March 2, 1933.

Passed the Senate March 7, 1933.

Approved by the Governor March 20, 1933.

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## CHAPTER 173.

[H. B. 240.]

### CREDIT UNIONS.

AN ACT to provide for the organization, incorporation, operation, supervision, dissolution and/or merger of cooperative savings and credit associations to be termed "Credit Unions" and to define their powers, duties, privileges and scope of undertakings, including penalties for the violation of any provisions.

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

Credit  
union.

SECTION 1. A corporation organized under this act shall include in its corporate name the words "credit union." Other distinguishing words may be used. The words "credit union" shall mean a corporation organized under this act. No person,