1973 act shall not apply to any development where either:

(1) Each lot contained in the development is included in a final plat approved prior to January 1, 1974, pursuant to chapter 58.17 RCW or any platting and subdivision ordinance of any Washington county, city, or town; or

(2) The development is registered with the federal government pursuant to the Interstate Land Sales Full Disclosure Act (82 Stat. 590-599; 15 U.S.C. Sec. 1701-1720) and such registration was granted prior to January 1, 1974.

NEW SECTION. Sec. 33. The provisions of this chapter shall be construed liberally so as to give effect to the purposes stated in section 1 of this 1973 act.

<u>NEW SECTION.</u> Sec. 34. This chapter shall become effective January 1, 1974: PROVIDED, That prior to January 1, 1974, the director is authorized and empowered to undertake and perform duties and conduct activities necessary for the implementation of this chapter upon its becoming effective.

NEW SECTION. Sec. 35. This chapter may be cited as the Land Development Act of 1973.

<u>NEW SECTION.</u> Sec. 36. If any provision of this 1973 act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application, and to this end the provisions of this 1973 act are severable.

<u>NEW SECTION.</u> Sec. 37. Sections 1 through 36 of this act shall constitute a new chapter in Title 58 RCW.

Passed the Senate March 2C, 1973. Passed the House March 3C, 1973. Approved by the Governor April 9, 1973. Filed in Office of Secretary of State April 9, 1973.

> CHAPTER 13 [Engrossed Senate Bill No. 2525] CHARITABLE FUND SOLICITATION--REGULATION

AN ACT Relating to the solicitation of funds for charity; adding a new chapter to Title 19 RCW; providing penalties; and prescribing effective dates.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. The purpose of this chapter is to protect the general public and public charity in the state of Washington; to require full public disclosure of facts relating to persons and organizations who solicit funds from the public for public charitable purposes, the purposes for which such funds are solicited, and their actual uses; and to prevent deceptive and dishonest statements and conduct in the solicitation of funds for or in the name of charity.

<u>NEW SECTION.</u> Sec. 2. When used in this chapter, unless the context otherwise requires:

(1) "Charitable organization" means: (a) Any benevolent, philanthropic, patriotic, eleemosynary, education, social, recreation, fraternal organization, or any other person having or purporting to have a charitable nature; and (b) which solicits or solicits and collects contributions for any charitable purpose. "Charitable" shall have its common law meaning unless the context in which it is used clearly requires a narrower or a broader meaning.

(2) "Contribution" means the donation, promise or grant, for consideration or otherwise, of any money or property of any kind or value which contribution is wholly or partly induced by a solicitation. Reference to dollar amounts of "contributions" or "solicitations" in this chapter means in the case of payments or promises to pay for merchandise or rights of any description, the value of the total amount paid or promised to be paid for such merchandise or rights, and not merely that portion of the purchase price to be applied to a charitable purpose.

(3) "Compensation" means salaries, wages, fees, commissions, or any other remuneration or valuable consideration.

(4) "Director" means the director of the department of motor vehicles.

(5) "Direct gift" shall mean and include an outright contribution of food, clothing, money, credit, property, financial assistance or other thing of value to be used for a charitable or religious purpose and for which the donor receives no consideration or thing of value in return.

(6) "Parent organization" means that part of a charitable organization which coordinates, supervises, or exercises control over policy, fund raising, or expenditures, or assists or advises one or more chapters, branches, or affiliates of such organization in the state of Washington.

(7) "Person" means an individual, organization, group, association, partnership, corporation, or any combination thereof.

(8) "Professional fund raiser" means any person who, for compensation, plans, conducts, or manages any drive or campaign in this state for the purpose of soliciting contributions for or on

behalf of any charitable organization or charitable purpose, or who engages in the business of or holds himself out to persons in this state as independently engaged in the business of soliciting contributions for such purposes, or the business of planning, conducting, managing, or carrying on any drive or campaign in this state for such solicitations: PROVIDED, That the following persons shall not be deemed professional fund raisers or professional Bona fide officer or employee of a charitable solicitors: (a) organization which maintains a permanent establishment in the state of Washington; who is employed and engaged as such officer or employee principally in connection with activities other than soliciting contributions or managing the solicitation of contributions and whose salary or other compensation is not computed on funds raised or to be raised; (b) a clergyman of a religious corporation exempt under the provisions of section 3 of this 1973 act.

(9) A "professional solicitor" means a person other than a professional fund raiser who is employed for compensation by any person or charitable organization to solicit contributions for charitable purposes from persons in this state.

(10) "Sale and benefit affair" shall mean and include, but not be limited to, athletic or sports event, bazaar, benefit, campaign, circus, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, social gathering, theater, or variety show which the public is requested to patronize or attend or to which the public is requested to make a contribution for any charitable or religious purpose connected therewith.

(11) "Solicitation" means any oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with which:

(a) Any appeal is made for any charitable purpose; or

(b) The name of any charitable organization is used as an inducement for consummating the sale; or

(c) Any statement is made which implies that the whole or any part of the proceeds from the sale will be applied toward any charitable purpose or donated to any charitable organization.

The solicitation shall be deemed completed when made, whether or not the person making it receives any contribution or makes any sale.

<u>NEW SECTION.</u> Sec. 3. Except as otherwise specifically provided in other sections of this chapter, this chapter shall not apply to the following:

(1) Any organizations which are organized and operated principally for charitable or religious or educational purposes, other than the raising of funds, when the solicitation of

contributions is confined to the membership of the organization and when the solicitation is managed and conducted solely by officers and members of such organizations who are unpaid for such services.

The term "membership" shall not include those persons who are granted membership upon making a contribution as the result of a solicitation.

(2) Persons requesting any contributions for the relief of named individuals:

(a) When the solicitation is managed and conducted solely by persons who are unpaid for such services and;

(b) When the contributions collected do not exceed the two thousand dollars in any six month period; and

(c) When all of the contributions collected, without any deductions whatsoever except for the actual cost of a banquet, dance, or similar social gathering, are turned over to the named beneficiary or beneficiaries.

(3) Any charitable organization which does not solicit and collect contributions in this state in excess of two thousand dollars in any six month period if all such fund raising functions are carried on by persons who are unpaid for their services.

<u>NEW SECTION.</u> Sec. 4. Any charitable organization which ceases to be exempt under the provisions of section 3 of this 1973 act shall register, within thirty days after the date the charitable organization ceases to be exempt, with the director as required under section 6 of this 1973 act.

<u>NEW SECTION.</u> Sec. 5. A professional fund raiser is not exempted from any provision of this chapter solely by reason of his acting for an organization exempted under the provisions of section 3 of this 1973 act.

<u>NEW SECTION.</u> Sec. 6. Except as otherwise provided in this chapter, no person may solicit contributions on behalf of any charitable organization from persons in this state by any means whatsoever prior to the time the charitable organization is registered in accordance with this chapter.

<u>NEW SECTION.</u> Sec. 7. An application for registration of a charitable organization, as provided by section 6 of this 1973 act, shall be filed as prescribed by rules and regulations which the director may adopt and shall contain the following documents and information:

(1) The name of the charitable organization and the name under which it intends to solicit contributions;

(2) The addresses of all offices, if any, maintained by the charitable organization in the state of Washington and the names and addresses of its chapters, branches, and affiliates in this state;

(3) The names and addresses of its directors, trustees, and

other officers and key personnel. The term "key personnel" means: (a) Any officers, employees, or other personnel who are directly in charge of any of the fund-raising activities of the charitable organization; and (b) the officers or individuals maintaining custody of the organization's financial records and the officers or individuals who will have custody of the contributions;

(4) The location of the organization's financial records in the state of Washington;

(5) Methods by which solicitation will be made, including a statement as to whether such solicitation is to be conducted by voluntary unpaid solicitors, by paid solicitors, or both, and a narrative description of the promotional plan together with copies of all advertising material which has been prepared for public distribution by any means of communication and any location of any telephone solicitation facilities;

(6) The names and addresses of any professional fund raisers and professional solicitors who are acting or who have agreed to act on behalf of the charitable organization together with a statement setting forth the terms of the arrangements for salaries, bonuses, commissions, or other remuneration to be paid the professional fund raisers and professional solicitors;

(7) The general purpose for which the charitable organization is organized;

(8) Where and when the organization was legally established, the form of its organization, and its federal tax exempt status;

(9) The purposes for which the contributions to be solicited will be used, the total amount of funds proposed to be raised thereby, and the use or disposition to be made of any receipts therefrom;

(10) The period of time during which the solicitation will be made and if less than state-wide, the area or areas in which such solicitation will generally take place;

(11) A financial statement of any funds collected for charitable purposes by the applicant for the last preceding fiscal year. Said statement giving the amount of money so raised together with the cost of solicitations and final distribution of the balance. The financial statement shall be submitted on a uniform reporting form provided by the director;

(12) An irrevocable appointment of the director to receive service of any lawful process in any noncriminal proceeding arising under this chapter against the applicant or his personal representative:

(13) Whether the organization is authorized by any other governmental authority to solicit contributions and whether it is or has ever been enjoined by any court from soliciting contributions; (14) Such other information as may be reasonably required, by the director, in the public interest or for the protection of contributors.

If there is any change, while any application is pending, in fact, policy, or method that would alter the information given in the application, the applicant shall notify the director in writing thereof within five days, excluding Saturdays, Sundays and legal holidays after such change.

<u>NEW SECTION.</u> Sec. 8. The registration statement, and any other documents prescribed by the director, shall be signed under oath by the president, or other authorized officer, and the chief fiscal officer of the charitable organization. Such registration shall be effective for the period requested by the charitable organization in its registration statement but such period shall not exceed one year. The director may adopt regulations providing for the annual renewal of registrations by charitable organizations having continuing or annually recurring fund raising campaigns. Renewals shall be accompanied by such information as may be required to bring the registration statement up to date.

NEW SECTION. Sec. 9. Where any chapter, branch, affiliate, or area division of a charitable organization is supervised and controlled by a superior OL parent organization which is incorporated, qualified to do business, or doing business within this state such chapter, branch, affiliate, or area division shall not be required to register under section 6 of this 1973 act if the superior or parent organization files a registration statement, on behalf of its subsidiary, in addition to or as a part of its own registration statement. Where a registration statement has been filed by a superior or parent organization, on behalf of such subsidiary organization, it shall file any reports required of the subsidiary organization, under this chapter, in addition to or as part of its own report, but the accounting information so required shall be set forth separately and not in consolidated form with respect to every such chapter, branch, affiliate, or division which solicits, collects, or expends more than four thousand dollars in any fiscal year.

<u>NEW SECTION.</u> Sec. 10. Upon receipt of an application in the proper form for registration, the director shall immediately initiate an examination to determine that:

(1) The cost of solicitation for direct gifts shall not exceed twenty percent of the total gross amount to be raised or for sale and benefit affairs shall not exceed fifty-five percent of the total gross amount to be raised; and of this fifty-five percent, not more than twenty percent shall be paid for all wages, fees, commissions, salaries, and emoluments paid or to be paid to all salesmen,

solicitors, collectors, and professional fund raisers. If it appears that the cost of soliciting will exceed the percentages listed above, and except for that, the registration would otherwise be granted, the director may enter an order registering the charitable organization, upon a showing that special reasons make a cost higher than twenty percent or said fifty-five percent, or said twenty percent, respectively, reasonable in the particular case;

(2) The charitable organization has complied with all local governmental regulations which apply to soliciting for or on behalf of charitable organizations;

(3) The advertising material and the general promotional plan are not false, misleading, or deceptive and its rules and regulations, which the director may adopt, comply with the standards prescribed by the director and which afford full and fair disclosure;

(4) The charitable organization has not, or if a corporation, its officers, directors, and principals have not, been convicted of a crime involving solicitations for or on behalf of a charitable organization in this state, the United States, or any other state or foreign country within the past ten years and has not been subject to any permanent injunction or administrative order or judgment, under the provisions of RCW 19.86.080 or 19.86.090, involving a violation or violations of the provisions of RCW 19.86.020, within the past ten years, or of restraining a false or misleading promotional plan involving solicitations for charitable organizations.

NEW SECTION. Sec. 11. (1) Upon receipt of the application for registration, in proper form, the director shall issue a notice of filing to the applicant. Within thirty days from the date of the notice of filing, the director shall enter an order registering the charitable organization or rejecting the registration. If no order of rejection is entered within thirty days from the date of notice of filing, the charitable organization shall be deemed registered unless the applicant has consented, in writing, to a delay.

(2) If the director affirmatively determines, upon inquiry and examination that the requirements of section 10 of this 1973 act have been met he shall enter an order registering the charitable organization.

(3) If the director determines, upon inquiry and examination, that any of the requirements of section 10 of this 1973 act have not been met, the director shall notify the applicant that the application for registration must be corrected in the deficiencies specified. If the requested corrections are not complied with, the director shall enter an order rejecting the registration, such order shall include the findings of fact upon which the order is based. The order rejecting the registration shall not become effective for twenty days during which time the applicant may petition for reconsideration and shall be entitled to a hearing.

NEW SECTION. Sec. 12. (1) Any charitable organization mentioned under section 3(3) of this 1973 act:

(a) Before conducting any solicitation give written notice to the director stating its intention to solicit funds, the basis of its exemption, the purpose of such solicitation, the approximate percentage of collections, after deductions for expenses, to be actually devoted to that purpose, and when and in what area or areas such solicitation will be conducted. Written notice shall be given to the director by the organization, or by someone in its behalf, at least three days in advance of such solicitation, and if it is sent by registered or certified mail such notice shall be deemed given when deposited in the United States mail. The notice requirement of this section shall constitute a registration statement which shall be construed as registration under the provisions of this chapter.

(b) In the event that any organization, under this section, solicits and collects funds in excess of five hundred dollars during any year, such organization shall file a short form report conforming to the provisions of section 13 of this 1973 act. The director may require the furnishing of any further details as may be necessary for complete reporting and disclosure within the purposes of this section.

(2) No fees shall be collected in connection with any notice, registration, or report filed under this section.

NEW SECTION. Sec. 13. (1) When the filing of a short form report is required, the form of the report shall be substantially as follows:

CHARITABLE SOLICITATIONS SHORT FORM REPORT

Name of Organization..... Period Covered by This Report..... Gross Amount of Funds Collected for Each Purpose (list each purpose and amount separately)..... Gross Amount of Additional Funds Pledged for Each purpose..... Amount Applied to Each Purpose for Which Collected..... Additional Amount (if any) to be Applied for Each Purpose..... Amount Expended and to be Expended for Expenses of Solicitation...

(Signature and business address of party signing)

(2) The short form report shall be signed by the officer or employee who regularly keeps the books or records of the organization. The signature shall be a certification of the correctness of the report. The report shall be filed with the director by the organization required to file the same within ninety

days after the close of its fiscal year.

<u>NEW SECTION.</u> Sec. 14. A registration filed with the director by a charitable organization, under the provisions of this chapter, shall be kept current during its effective term by the charitable organization, professional fund raiser, or professional solicitor. Such current status shall be maintained by the filing of amendments with the director, in the form prescribed by him, within ten days after any material change in the information previously furnished to the director.

The following changes shall be construed as material for the purposes of this section:

(1) Any change in the name of the organization.

(2) Any addition or substitution in the names of its salaried or otherwise compensated directors, trustees, other officers, key personnel, or professional fund raisers; or any change in the reported addresses or duties of the officers or individuals who keep the records or are in custody of the contributions.

(3) Any change, amounting to five percent or more, in the remuneration to be paid to any professional fund raisers or professional solicitors.

(4) Any change in the general purposes of the organization, intended use of the contributions, or period of time for solicitation, or general areas in which such solicitation was to take place or telephone solicitation facilities.

(5) Any change in other facts which are declared material by rule or regulation of the director.

<u>NEW SECTION.</u> Sec. 15. The director shall establish and maintain a register or registers of charitable organizations and persons who have registered under this chapter.

NEW SECTION. Sec. 16. Registration under this chapter shall not be deemed to constitute endorsement, by the state of Washington, of any charitable organization so registered and no person or charitable organization shall intentionally claim or infer, directly or indirectly any such endorsement by reason of its registration.

<u>NEW SECTION</u>. Sec. 17. The registration and all information, documents, and reports filed with the director under this chapter are matters of public record and shall be, subject to reasonable regulation, open to public inspection.

NEW SECTION. Sec. 18. Every person soliciting contributions for or on behalf of a charitable organization which is required to file or have filed in its behalf a registration statement, under this chapter, shall have readily available for prospective contributors an identification card which shall include the following information in legible form:

(1) The name of the charitable organization for which the

contributions are solicited.

(2) A statement that the charitable organization has filed a registration statement with the director and the date such registration was filed.

(3) Such other information, from the registration statement, as may be required by reasonable rule or regulation of the director for the protection of the public.

The director may prescribe the form of such identification card. The card shall be exhibited to any person from whom a contribution is requested or, on demand, to any police or law enforcement officer.

NEW SECTION. Sec. 19. Every person employed or retained as a professional fund raiser or professional solicitor by or for a organization shall file with the director a valid charitable registration or renewal of such registration. Applications for such and in the form registration shall be in writing, under oath, prescribed by the director. The form shall require information as to the identity and previous related activities of the registrant as may be necessary or appropriate for the public interest or for the protection of contributors. In addition, a professional fund raiser shall file, at the time of making application, with and have approved by the director a surety bond executed by the applicant as principal in the amount of five thousand dollars with one or more sureties whose liability in the aggregate as such sureties will at least equal the said sum. The bond shall run to the director for the use of the state and to any person who may have a cause of action against the obligor of said bond for any malfeasance or misfeasance in the conduct of such solicitation. Registration, when effected, shall be for a period of one year, or any part thereof, expiring on the last day of December and may be renewed for additional periods unless rejected for legally sufficient cause or for failure to file the bond prescribed in this section. The additional periods shall be for not more than one calendar year or such shorter period as the director. may prescribe by regulation.

NEW SECTION. Sec. 20. Charitable organizations and professional fund raisers, required to be registered under this chapter, shall maintain accurate, current, and readily available books and records at their usual business locations, as designated in the registration statement filed with the director, until at least three years shall have elapsed following the effective period to which they relate.

All contracts between professional fund raisers and charitable organizations shall be in writing and true and correct copies of such contracts or records thereof shall be kept on file in the various offices of the charitable organization and/or professional fund

raiser for a three-year period as provided in this section. Such records and contracts shall be available for inspection and examination by the director. A copy of such contract or record shall be mailed to or filed with the director by the charitable organization or professional fund raiser, within ten days, following receipt of a written demand therefor from the director.

<u>NEW SECTION.</u> Sec. 21. (a) Within ninety days following the close of its fiscal year every charitable organization which is required to file a registration statement under section 6 of this 1973 act and which has received contributions during the previous fiscal year shall file with the director a financial statement, verified by an independent public accountant, containing, but not limited to, the following information:

(1) The gross amount of the contributions pledged and the gross amount collected.

(2) The amount thereof, given or to be given to charitable purposes represented together with details as to the manner of distribution as may be required either by general rule or by specific written request of the director.

(3) The aggregate amount paid and to be paid for the expenses of such solicitation.

(4) The amounts paid to and to be paid to professional fund raisers and solicitors.

(5) Copies of any annual or periodic reports furnished by the charitable organization, of its activities during or for the same fiscal period, to its parent organization, subsidiaries, or affiliates, if any.

(b) The director may prescribe such forms as may be necessary or convenient for the furnishing of such information. In addition, the director may require that within thirty days after the close of any special period of solicitation the charitable organization conducting such solicitation shall file a special report containing the information specified in this section for such special period of solicitation.

NEW SECTION. Sec. 22. (1) If it appears to the director, at any time, that any organization has failed to comply with any requirement of section 21 of this 1973 act or failed to file any required report, the director following notice, and after an opportunity for a hearing (at a time fixed by the director) within fifteen days after such notice, shall issue an order suspending the registration. When such requirement has been fulfilled or the information has been filed in accordance with such order, the director shall so declare and thereupon the order shall cease to be effective.

(2) The director is hereby empowered to make an examination in

any case to determine whether an order should issue under subsection (1) of this section. In making such examination the director, or his designee, shall have access to, and may demand the production of any books and papers of, and may administer oaths and affirmations to, and may examine the charitable organization, any agents, or any other person, in respect to any matter relevant to the examination. If the charitable organization or any agents shall fail to cooperate or shall obstruct or refuse to permit the making of an examination such conduct shall be proper grounds for the issuance of an order suspending the registration.

NEW SECTION. Sec. 23. No person who is required to register under this chapter shall knowingly use the name of any other person for the purpose of soliciting contributions from persons in this state without the written consent of such other person: PROVIDED, That such consent may be deemed to have been given by anyone who is a director, trustee, other officer, employee, agent, professional fund raiser, or professional solicitor of such person registering under this chapter.

A person may be deemed to have used the name of another person for the purpose of soliciting contributions if such latter person's name is listed on any stationery, advertisement, brochure, or correspondence of the charitable organization or person or if such name is listed or represented to any one who has contributed to, sponsored, or endorsed the charitable organization or person, or its or his activities.

<u>NEW SECTION.</u> Sec. 24. No charitable organization, professional fund raiser, or other person soliciting contributions for or on behalf of a charitable organization shall use a name, symbol, or statement so closely related or similar to that used by another charitable organization or governmental agency that the use thereof would tend to confuse or mislead the public.

NEW SECTION. Sec. 25. No person shall publish any advertisement, in this state, with respect to a charity, which is subject to the registration requirements of this chapter, following director's determination that such advertisement contains the statements that are false, misleading, or deceptive and so notifies the person in writing. Such notification may be given summarily without notice or hearing. At any time after the issuance of a notification under this section the person desiring to use the advertisement may, in writing, request the order be rescinded. Upon receipt of a written request the matter shall be set for a hearing to commence within fourteen days following receipt of the request unless the person making the request consents to a later date. Following such hearing, which shall be conducted in accordance with the provisions of the Administrative Procedure Act, chapter 34.04 RCW,

the director shall determine whether to affirm and continue or to rescind such order pursuant to the powers granted under such act.

NEW SECTION. Sec. 26. (1) The director may:

(a) Make necessary public or private investigations within or without the state to determine whether any person has violated or is about to violate this chapter or any rule, regulation, or order hereunder, or to aid in the enforcement of this chapter, or in the prescribing of rules and forms hereunder;

(b) Require or permit any person to file a statement in writing, under oath or otherwise as the director determines, as to all facts and circumstances concerning the matter to be investigated.

(2) For the purpose of any investigation or proceeding under this chapter, the director or any officer designated by rule may administer oaths or affirmations and upon the director's own motion or upon request of any party shall subpoena witnesses, compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things together with the identity and location of persons having knowledge, relevant facts, or any other matter reasonably calculated to lead to the discovery of material evidence:

(3) Upon failure to obey a subpoena or to answer questions propounded by the investigating officer, and upon reasonable notice to all persons affected thereby, the director may apply to the superior court for an order compelling compliance.

(4) Except as otherwise provided in this chapter, all proceedings under this chapter shall be in accordance with the Administrative Procedure Act, chapter 34.04 RCW.

<u>NEW SECTION.</u> Sec. 27. (1) If the director determines following notice and hearing that a person has:

(a) Violated any provision of this chapter;

(b) Directly or through an agent or employee engaged in any false, deceptive, or misleading advertising, promotional, or sales methods in soliciting for a charitable organization;

(c) Made any substantial change in the method of solicitation or promotional plan subsequent to the order of registration without obtaining prior written approval from the director;

(d) Made any solicitation for or on the behalf of any charitable organization required to be registered under this chapter which has not been so registered with the director;

(e) Violated any lawful order, rule, or regulation of the director;

(f) He may issue an order requiring the person to cease and desist from the unlawful practice and take such affirmative action as

in the judgment of the director will carry out the purposes of this chapter.

(2) If the director makes a finding of fact, in writing, that the public interest will be irreparably harmed by delay in issuing an order, he may issue a temporary cease and desist order. Prior to issuing the temporary cease and desist order, the director whenever possible shall give notice, by telephone or otherwise, of the proposal to issue a temporary cease and desist order to the person to whom it should be directed. Every temporary cease and desist order shall include in its terms a provision that upon request a hearing will be held to determine whether or not the order becomes permanent.

(3) If it appears that a person has engaged or is about to engage in an act or practice constituting a violation of a provision of this chapter, or a rule or order hereunder, the director, with or without prior administrative proceedings, may bring an action in the superior court to enjoin the acts or practices and to enforce compliance with this chapter or any rule, regulation, or order hereunder. Upon proper showing injunctive relief or temporary restraining orders shall be granted and a receiver or conservator may be appointed. The director is not required to post a bond in any court proceedings.

<u>NEW SECTION.</u> Sec. 28. (1) A registration may be revoked, following notice and hearing, upon a written finding of fact that the charitable organization, professional fund raiser or professional solicitor has:

(a) Failed to comply with the terms of a cease and desist order;

(b) Been convicted in any court, subsequent to the filing of the application for registration, for a crime involving fraud, deception, false pretense, misrepresentation, false advertising, or dishonest dealing in charity solicitation;

(c) Failed to faithfully perform any stipulation or agreement made with the director as an inducement to grant any registration or to reinstate any registration or to approve any promotional plan or method of solicitation;

(d) Made intentional misrepresentations or concealed material facts in an application for registration.

Findings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings.

(2) If the director finds, following notice and hearing, that the charitable organization, professional fund raiser or professional solicitor has been guilty of a violation for which revocation could be ordered, he may issue a cease and desist order instead.

NEW SECTION. Sec. 29. In any suit by or against a charitable

organization such charitable organization shall promptly furnish the director notice of the suit and copies of all pleadings. This section shall not apply where the director is a party to the suit.

<u>NEW SECTION</u>. Sec. 30. Proceedings for judicial review shall be in accordance with the provisions of the Administrative Procedure Act, chapter 34.04. RCW.

NEW SECTION. Sec. 31. The director shall prescribe reasonable rules and regulations in order to implement this chapter and such rules and regulations shall be adopted, amended, or repealed in compliance with the Administrative Procedure Act, chapter 34.04 RCW.

<u>NEW SECTION.</u> Sec. 32. In addition to the powers granted the director under other sections of this chapter, the director shall have the powers prescribed under this section. The director may:

(1) Intervene in a suit involving a charitable organization registered under this chapter;

(2) Bring legal action in the superior court to recover any money collected in violation of this chapter. In the event the director recovers any amount under this section, the court shall as part of its judgment direct the manner in which the amount shall be applied. In so doing the court shall order the director to pay such amount to a reputable charitable organization, which in the court's opinion has charitable purposes similar to or identical with the proclaimed purposes of the organization or person which had solicited and collected the amount. The court may in its discretion award reasonable attorney's fees to the state out of any funds so recovered.

(3) Accept information contained in registrations filed in other states;

(4) Contract with similar agencies in this state, any other state, or with the federal government to perform investigative functions:

(5) Accept grants-in-aid from any source;

(6) Cooperate with similar agencies in this state, any other state, and with the federal government to establish, insofar as practical, uniform filing procedures and forms, uniform public offering statements, advertising standards, rules, and common administrative practices.

<u>NEW SECTION.</u> Sec. 33. This chapter does not annul, alter, affect, or exempt any person from complying with the applicable provisions of all municipal and county codes, ordinances, and regulations except to the extent that those municipal and county codes, ordinances, and regulations are inconsistent with any provision of this chapter and then only to the extent of the inconsistency.

NEW SECTION. Sec. 34. (1) The commission by any person of an act or practice prohibited by this chapter is hereby declared to be an unfair act or practice or unfair method of competition in the conduct of trade or commerce for the purpose of application of the Consumer Protection Act, chapter 19.86 RCW.

(2) The director may refer such evidence, as may be available to him, concerning violations of this chapter, or of any rule or regulation adopted thereof, to the attorney general or the prosecuting attorney of the county wherein the alleged violation arose. In addition to any other action they might commence, the attorney general or the county prosecutor may bring an action in the name of the state, with or without such reference, against any person to restrain and prevent the doing of any act or practice prohibited by this chapter: PROVIDED, That this chapter shall be considered in conjunction with chapters 9.04 and 19.86 RCW, as now or hereafter amended, and the powers and duties of the attorney general and the prosecuting attorney as they may appear in the aforementioned chapters, shall apply against all persons subject to this chapter.

NEW SECTION. Sec. 35. To defray the cost of administering this chapter the director shall collect the following fees: For filing a registration of a charitable organization, fifteen dollars; for renewal of such registration, five dollars; for filing each separate financial statement of the solicitation of funds by a charitable organization, ten dollars; for filing the registration of a professional fund raiser, fifty dollars; for filing the registration of a professional solicitor, five dollars: PROVIDED, That no specific fee provided for under this section shall be collected from any person or organization more than once in any calendar year.

All such fees, when received by the director, shall be transmitted to the state treasurer.

<u>NEW SECTION.</u> Sec. 36. The director shall refuse to accept or file the registration of a charitable organization or of any other person who has not complied with the provisions of this chapter.

NEW SECTION. Sec. 37. Except as provided in this section, this chapter shall not take effect until January 1, 1974. The director may, prior to such date, adopt regulations for the implementation of this chapter, but such regulations shall not take effect until January 1, 1974, or thereafter.

<u>NEW SECTION.</u> Sec. 38. The provisions of this chapter are severable, and if any part or provision hereof shall be void, the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this chapter.

NEW SECTION. Sec. 39. Sections 1 through 39 of this 1973 act shall constitute a new chapter in Title 19 RCW.

Passed the Senate March 23, 1973. Passed the House March 29, 1973. Approved by the Governor April 9, 1973. Filed in Office of Secretary of State April 9, 1973.

CHAPTER 14 [Engrossed Senate Bill No. 2071] JUSTICES OF THE PEACE--NUMBER--QUALIFICATION

AN ACT Relating to justices of the peace; and amending section 10, chapter 299, Laws of 1961 as last amended by section 1, chapter 147, Laws of 1971 ex. sess.; amending section 11, chapter 299, Laws of 1961 as last amended by section 2, chapter 23, Laws of 1976 ex. sess. and RCW 3.34.620; and adding a new section to chapter 3.34 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 10, chapter 299, Laws of 1961 as last amended by section 1, chapter 147, Laws of 1971 ex. sess. and RCW 3.34.010 are each amended to read as follows:

The number of justices of the peace to be elected in each county shall be: Adams, three; Asotin, one; Benton, two; Chelan, one; Clallam, one; Clark, four; Columbia, one; Cowlitz, two; Douglas, one; Ferry, two; Franklin, one; Garfield, one; Grant, one; Grays Harbor, two; Island, three; Jefferson, one; King, twenty; Kitsap, two; Kittitas, two; Klickitat, two; Lewis, ((ene)) <u>two</u>; Lincoln, two; Mason, one; Okanogan, two; Pacific, three; Pend Oreille, two; Pierce, eight; San Juan, one; Skagit, three; Skamania, one; Snohomish, eight; Spokane, eight; Stevens, two; Thurston, one; Wahkiakum, one; Walla Walla, three; Whatcom, two; Whitman, two; Yakima, six: <u>PROVIDED</u>, <u>That this number may be increased in accordance with a resolution of the county commissioners under RCW 3.34.020</u>.

Section 2. Section 11, chapter 299, Laws of 1961 as last amended by section 2, chapter 23, Laws of 1970 ex. sess. and RCW 3.34.020 are each amended to read as follows:

In each justice court district having a population of forty thousand or more but less than sixty thousand, there shall be elected one full time justice of the peace; in each justice court district having a population of sixty thousand but less than one hundred twenty-five thousand, there shall be elected two full time justices; in each justice court district having a population of one hundred