

(7) Eighty-five percent of such other available revenues as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support.

Emergency.

Sec. 4. This 1967 amendatory act is necessary for the support of the state government and its existing institutions and shall take effect on July 1, 1967: *Provided*, That year-end adjustments in state support at the close of the 1966-67 school year shall be made under the provisions of chapter 28.41 RCW as such chapter existed immediately prior to the effective date of this 1967 amendatory act.

Severability.

Sec. 5. If any provision of this 1967 amendatory act, or its application to any persons or circumstance is held invalid, the remainder of this 1967 amendatory act, or the application of the provision to other persons or circumstances is not affected.

Passed the House April 27, 1967.

Passed the Senate April 27, 1967.

Approved by the Governor May 11, 1967.

CHAPTER 141.

[House Bill No. 980.]

DEBT ADJUSTING.

AN ACT relating to debt adjusting; amending sections 6 and 8, chapter 201, Laws of 1967; and declaring an emergency and making an effective date.

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

New section.

Section 1. Section 6, chapter 201, Laws of 1967 is amended to read as follows:

Debt adjusting
—Licensing.

The director shall issue a license to an applicant if the following requirements are met:

(1) The application is complete and the applicant has complied with section 3 of this act.

(2) Neither an individual applicant, nor any of the applicant's members if the applicant is a partnership or association, nor any of the applicant's officers or directors if the applicant is a corporation:

(a) Has ever been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any other like offense, or has been disbarred from the practice of law; (b) has participated in a violation of this act or of any valid rules, orders or decisions of the director promulgated under this act; (c) has had a license to engage in the business of debt adjusting revoked or removed for any reason other than for failure to pay licensing fees in this or any other state; or (d) is an employee or owner of a collection agency, or process serving business.

(3) An individual applicant is at least twenty-one years of age, a citizen of the United States, and a resident of this state for at least one year.

(4) An applicant which is a partnership, corporation, or association is authorized to do business in this state.

(5) An individual applicant for an original license as a debt adjuster has passed an examination administered by the director, which examination may be oral or written, or partly oral and partly written, and shall be practical in nature and sufficiently thorough to ascertain the applicant's fitness. Questions on bookkeeping, credit adjusting, business ethics, agency, contracts, debtor and creditor relationships, trust funds and the provisions of this act may be included in the examination.

Sec. 2. Section 8, chapter 201, Laws of 1967 is New section.
amended to read as follows:

By contract a licensee may charge a reasonable Fees—
Limitations—
Refunds.
fee for debt adjusting services, which fee may not

Debt adjusting
—License
fees.

exceed fifteen percent of the total debts reported to and listed with the licensee by the debtor and/or the debtor's listed creditors. The licensee may require an initial payment by the debtor of an amount not to exceed twenty-five dollars which initial payment shall be part of the total allowable fee contracted for, and may not otherwise take or receive for services performed for any one person more than fifteen percent of the amount received by it at any one time from or on behalf of that person.

In the event of cancellation or default on performance of the contract by the debtor prior to its successful completion, the licensee may collect in addition to fees previously received, six percent of that portion of the remaining indebtedness listed on said contract which was due when the contract was entered into, but not to exceed seventy-five dollars.

A licensee shall not be entitled to retain any fee until notifying all creditors listed by the debtor that the debtor has engaged the licensee in a program of debt adjusting.

Emergency.

Sec. 3. This 1967 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect June 8th, 1967.

Passed the House April 27, 1967.

Passed the Senate April 28, 1967.

Approved by the Governor May 11, 1967.