

REFERENDUM MEASURE 35

(Sec. 3, Chap. 22, Laws of 1967.)

*Official ballot title:**

NON-DISCRIMINATION BY REALTY BROKERS, SALESMEN

AN ACT relating to real estate brokers and salesmen; adding discrimination because of race, creed, color or national origin as a ground for the suspension or revocation of real estate licenses. It provides that prior to taking any action to suspend, revoke or deny a license for discrimination, the state director administering real estate licensing shall order the broker or salesman to stop the discriminatory act or practice. Upon receipt of a written promise to stop the discrimination, the director shall take no further action unless within six months thereafter the broker or salesman engages in further discrimination.

Vote cast by members of the 1967 Legislature on final passage:
SENATE: (49 members) Yeas, 25; Nays, 17; Absent or not voting, 7.
HOUSE: (99 members) Yeas, 83; Nays, 8; Absent or not voting, 8.

*Ballot Title as issued by the Attorney General.

Statement **FOR**

No member of the 1967 Legislature could be enlisted to write a statement for Referendum Measure No. 35 for publication in this pamphlet.

*Explanatory comment issued by the
Attorney General as required by law*

practice, the director shall take no further action unless, within six months thereafter, the broker or salesman engages in further discrimination.

The Law as it now exists:

Persons who act as real estate brokers or salesmen must obtain a real estate license from the State of Washington. These licenses are subject to suspension or revocation for some 17 separate statutory grounds, none of which specifically refer to discriminatory practices.

**Effect of Referendum Measure No. 35
if approved into Law:**

If approved, the act will add discrimination because of race, creed, color or national origin as an additional statutory ground for the suspension or revocation of real estate licenses. The act further provides that before any action to suspend, revoke, or deny a license for discrimination may be taken, the state director administering real estate licensing shall order the broker or salesman to stop the discriminatory act or practice. Upon receipt of a written promise to stop the discrimination from the broker or salesman engaged in a discriminatory

*Note: Complete text of Referendum Measure 35 starts on
Page 39.*

Statement **AGAINST**

No member of the 1967 Legislature could be enlisted to write a statement against Referendum No. 35 for publication in this pamphlet.

(b) You are entitled to a copy of this charge agreement at the time you sign it.

(c) You may at any time pay off the full unpaid balance under this charge agreement.

(d) The monthly service charge may not lawfully exceed the greater of [~~1½%~~] one per cent of the outstanding balance, (~~18%~~) twelve per cent per year computed monthly) or one dollar.

(e) You may cancel any purchases made under this charge agreement and return the goods so purchased, if the seller or his representative solicited in person such purchase, and you sign an agreement for such purchase, at a place other than the seller's business address shown on the charge agreement, by sending notice of such cancellation by certified mail return receipt requested to the seller at his address shown on the charge agreement, which notice shall be posted not later than the next business day following your signing of the purchase agreement: *Provided*, That at the time of sending notice of rescision you have not received and accepted a substantial part of the goods or services which you agreed to purchase."

SECTION 3. Section 13 of chapter 236, Laws of 1963, as last amended by section 8, chapter 234, Laws of 1967, RCW 63.14.130, is hereby amended to read as follows:

The service charge shall be inclusive of all charges incident to investigating and making the retail installment contract or charge agreement and for the privilege of making the installment payments thereunder and no other fee, expense or charge whatsoever shall be taken, received, reserved or contracted therefor from the buyer.

(1) The service charge, in a retail installment contract, shall not exceed the highest of the following:

(a) [~~Five sixths of one per cent of the principal balance multiplied by the number of months, including any fraction of a month in excess of fifteen days as one month, elapsing between the date of such contract and the due date of the last installment; or~~]

[~~(b) Ten dollars per annum per one hundred dollars of the principal balance; or~~

~~(c)~~] One [~~and one half~~] per cent per month on the outstanding unpaid balances; or

[~~(d) Fifteen dollars.~~] (b) Ten dollars.

(2) The service charge in a retail charge agreement, revolving charge agreement or charge agreement, shall not exceed one [~~and one half~~] per cent per month on the outstanding unpaid balances. If the service charge so computed is less than one dollar for any month, then one dollar may be charged.

(3) A service charge may be computed on the median amount within a range which does not exceed ten dollars and which is a part of a published schedule of consecutive ranges applied to an outstanding balance, provided the median amount is used in computing the service charge for all balances within such range.

(4) The service charge in a retail installment contract or charge agreement shall not exceed the rate of [~~eighteen~~] twelve per cent per annum, computed monthly. A service charge computed by one of the foregoing methods, or within the permitted minimum charges, shall be deemed not to be in excess of [~~eighteen~~] twelve per cent per annum computed monthly.

Initiative Measure No. 245 filed in the office of the Secretary of State as of April 4, 1968.

Sponsors filed 143,395 supporting signatures as of July 5, 1968.

Canvass of signatures completed as of September 5, 1968 and petitions found sufficient. Measure

then certified to the November 5, 1968 state general election ballot for approval or rejection by the voters.

COMPLETE TEXT OF

REFERENDUM MEASURE

35

(CHAPTER 22, LAWS OF 1967)

Ballot Title as issued by the Attorney General:

NON-DISCRIMINATION BY REALTY BROKERS, SALESMEN

AN ACT relating to real estate brokers and salesmen; adding discrimination because of race, creed, color or national origin as a ground for the suspension or revocation of real estate licenses. It provides that prior to taking any action to suspend, revoke or deny a license for discrimination, the state director administering real estate licensing shall order the broker or salesman to stop the discriminatory act or practice. Upon receipt of a written promise to stop the discrimination, the director shall take no further action unless within six months thereafter the broker or salesman engages in further discrimination.

LEGISLATIVE TITLE
(Senate Bill No. 378)

REGULATING REAL ESTATE BROKERS AND SALESMEN

AN ACT relating to real estate brokers and salesmen; amending section 7, chapter 252, Laws of 1941 as amended by section 11, chapter 235, Laws of 1953 and RCW 18.85.220; and amending section 16, chapter 235, Laws of 1953 as amended by section 48, chapter 52, Laws of 1957 and RCW 18.85.350; and amending section 19, chapter 252, Laws of 1941, as last amended by section 12, chapter 235, Laws of 1953, and RCW 18.85.230.

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

Section 1. Section 7, chapter 252, Laws of 1941 as amended by section 11, chapter 235, Laws of 1953 and RCW 18.85.220 are each amended to read as follows:

All fees required under the provisions of this chapter shall be paid to the state treasurer. The sum of five dollars from each license fee and each renewal fee received from a broker, associate [~~real estate~~] broker, or salesman, shall be placed in the general fund. The balance of such fees and all other fees paid under the provisions of this

chapter shall be placed in a special fund to be designated the real estate commission fund, [~~at least~~] one-half of which [~~shall~~] may be held and used for the sole purpose of inspecting the books, records and operations of the brokers, associate brokers, and salesmen.

Sec. 2. Section 16, chapter 235, Laws of 1953 as amended by section 48, chapter 52, Laws of 1957 and RCW 18.85.350 are each amended to read as follows:

The director may prefer a complaint for violation of any section of this chapter before any court of competent jurisdiction.

The prosecuting attorney of each county shall prosecute any violation of the provisions of this chapter which occurs in his county, and if the prosecuting attorney fails to act, the director may request the attorney general to take action in lieu of the prosecuting attorney.

Process issued by the director shall extend to all parts of the state, and may be served by any person authorized to serve process of courts of record, or may be mailed by registered mail to the licensee's last business address of record in the office of the director.

Whenever the director believes from evidence satisfactory to him that any person has violated any of the provisions of this chapter, or any order, license, decision, demand or requirement, or any part or provision thereof, he may bring an action, in the superior court in the county wherein such person resides, against such person to enjoin any such person from continuing such violation or engaging therein or doing any act or acts in furtherance thereof. In this action an order or judgment may be entered awarding such preliminary or final injunction as may be proper.

The director may petition the superior court in any county in the state for the immediate appointment of a receiver to take over, operate or close any real estate office in this state which is found, upon inspection of its books and records to be operating in violation of the provisions of this chapter, pending a hearing as herein provided.

Sec. 3. Section 19, chapter 252, Laws of 1941, as last amended by section 12, chapter 235, Laws of 1953, and RCW 18.85.230 are each amended to read as follows:

The director may, upon his own motion, and shall upon verified complaint in writing by any person, investigate the actions of any person engaged in the business or acting in the capacity of a real estate broker, associate real estate broker, or real estate salesman, regardless of whether the transaction was for his own account or in his capacity as broker, and may temporarily suspend or permanently revoke or deny the license of any holder who is guilty of:

(1) Obtaining a license by means of fraud, misrepresentation, concealment, or through the mistake or inadvertence of the director;

(2) Violating any of the provisions of this chapter or any lawful rules or regulations made by the director pursuant thereto;

(3) A crime against the laws of this or any other state or government, involving moral turpitude or dishonest dealings;

(4) Making, printing, publishing, distributing, or causing, authorizing, or knowingly permitting the making, printing, publication or distribution of false statements, descriptions or promises of such character as to reasonably induce any person to act thereon to his damage or injury, if the statements, descriptions or promises purport to be made or to be performed by either the licensee or his principal

and the licensee then knew or, by the exercise of reasonable care and inquiry, could have known, of the falsity of the statements, descriptions or promises;

(5) Knowingly committing, or being a party to, any material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme or device whereby any other person lawfully relying upon the word, representation or conduct of the licensee acts to his injury or damage;

(6) Accepting the services of, or continuing in a representative capacity, any salesman who has not been granted a license, or after his license has been revoked or during a suspension thereof;

(7) Conversion of any money, contract, deed, note, mortgage, or abstract or other evidence of title, to his own use or to the use of his principal or of any other person, when delivered to him in trust or on condition, in violation of the trust, or before the happening of the condition; and failure to return any money or contract, deed, note, mortgage, abstract or other evidence of title within thirty days after the owner thereof is entitled thereto, and makes demand therefor, shall be prima facie evidence of such conversion;

(8) Failing, upon demand, to disclose any information within his knowledge to, or to produce any document, book or record in his possession for inspection of the director or his authorized representatives acting by authority of law;

(9) Continuing to sell any real estate, or operating according to a plan of selling, whereby the interests of the public are endangered, after the director has, by order in writing, stated objections thereto;

(10) Committing any act of fraudulent or dishonest dealing and a certified copy of the final holding of any court of competent jurisdiction in such matter shall be conclusive evidence in any hearing under this chapter;

(11) Advertising in any manner without affixing the broker's name as licensed, and in the case of a salesman or associate broker, without affixing the name of the broker as licensed for whom or under whom the salesman or associate broker operates, to the advertisement;

(12) Accepting other than cash or its equivalent as earnest money unless that fact is communicated to the owner prior to his acceptance of the other to purchase, and such fact is shown in the earnest money receipt;

(13) Charging or accepting compensation from more than one party in any one transaction without first making full disclosure of all the facts to all the parties interested in the transaction.

(14) Accepting, taking or charging any undisclosed commission, rebate or direct profit on expenditures made for the principal;

(15) Accepting employment or compensation for appraisal of real property contingent upon reporting a predetermined value;

(16) Issuing an appraisal report on any real property in which the broker or salesman has an interest unless his interest is clearly stated in the appraisal report;

(17) Misrepresentation of his membership in any state or national real estate association;

*** (18) Discriminating against any person or persons because of race, creed, color or national origin while acting in the capacity of a real estate broker, associate real estate broker, or real estate salesman: PROVIDED, That prior to taking any action to suspend, revoke or deny the license of any broker or salesman upon grounds specified in this subsection, the director shall issue an order to any such broker or salesman to cease and desist in such act or practice of discrimination and upon receipt of an assurance in writing of discontinuance thereof shall take no further action to suspend, revoke or deny**

the license of such broker or salesman unless within six months thereafter such broker or salesman engages in a further act or practice of discrimination. Such assurance of discontinuance shall not be considered an admission of a violation for any purpose.

*NOTE: Only new subdivision (18) of Section 3, Chapter 22, Laws of 1967 (which originated as Senate Bill 378) is being subjected to referendum. For quick reference, the subdivision being referred is set in boldface. This referendum will not repeal any existing law prior to the passage of Senate Bill 378.

Passed the Senate March 9, 1967.

Passed the House March 7, 1967.

Approved by the Governor March 10, 1967.

Referendum filed March 22, 1967.

Signature petitions found to be sufficient June 27, 1967 and measure certified to voters for approval or rejection at the November 5, 1968 state general election.

COMPLETE TEXT OF

REFERENDUM BILL NUMBER

17

(CHAPTER 106, LAWS OF 1967)

Ballot Title as issued by the Attorney General:

WATER POLLUTION CONTROL FACILITIES BONDS

AN ACT providing for the issuance and sale of state general obligation bonds in an amount not exceeding \$25,000,000 to finance grants by the pollution control commission to public bodies, in conjunction with federal grants authorized pursuant to the federal water pollution control act, for the purpose of aiding in the construction and improvement of water pollution control facilities; providing for payment of the bonds from unpledged retail sales tax revenue or other means authorized by the legislature; and appropriating \$9,000,000 to the pollution control commission for the above described purposes during the present biennium.

LEGISLATIVE TITLE
(Substitute Senate Bill No. 405)

BONDS—WATER POLLUTION CONTROL FACILITIES

AN ACT relating to state government and the support thereof; authorizing the issuance and sale of state general obligation bonds to assist public bodies in the construction and improvement of water pollution control facilities; providing ways and means to pay said bonds; making an appropriation; and providing for submission of this act to a vote of the people.

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

NEW SECTION. Section 1. For the purpose of providing state matching funds to assist public bodies in the construction and improvement of water pollution control facilities the state finance committee is hereby authorized to issue any time prior to January 1, 1971 general obligation bonds of the state of Washington in the sum of twenty-five million dollars to be paid and discharged within twenty years of the date of issuance.

The state finance committee is authorized to prescribe the form of such bonds, and the time of sale of all or any portion or portions of such bonds, and the conditions of sale and issuance thereof: *Provided*, That none of the bonds herein authorized shall be sold for less than the par value thereof, nor shall they bear interest at a rate in excess of six percent per annum.

The bonds shall pledge the full faith and credit of the state of Washington and contain an unconditional promise to pay the interest and principal when due. The committee may provide that the bonds, or any of them, may be called prior to the due date thereof under such terms and conditions as it may determine. The state finance committee may authorize the use of facsimile signatures in the issuance of the bonds.

NEW SECTION. Sec. 2. The pollution control commission is authorized to make and administer grants to any public bodies for the purpose of aiding in the construction and improvement of water pollution control facilities in conjunction with federal grants authorized pursuant to the Federal Water Pollution Control Act.

NEW SECTION. Sec. 3. The proceeds from the sale of the bonds authorized herein, together with all grants, donations, transferred funds and all other moneys which the state finance committee may direct the state treasurer to deposit therein shall be deposited in the water pollution control facilities account hereby created in the state general fund, and shall be administered by the pollution control commission under the authority granted by section 2 of this act.

NEW SECTION. Sec. 4. The water pollution control facilities bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by this act. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and on July 1st of each year the state treasurer shall deposit such amount in said water pollution control facilities redemption fund from moneys transmitted to the state treasurer by the tax commission and certified by the tax commission to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

NEW SECTION. Sec. 5. The legislature may provide additional means for raising moneys for the payment of the interest and principal of the bonds authorized herein and this shall not be deemed to provide an exclusive method for such payment.