

STATE OF WASHINGTON

FIRST REPORT

OF THE

Department of Licenses

April 1, 1921, to December 31, 1922



FRED J. DIBBLE, Director

PERCY F. THOMAS, Assistant Director

R. FRANKLIN HART, Supervisor Motor Vehicle Division

WILLIAM MELVILLE, Secretary

OLYMPIA

FRANK M. LAMBORN,  PUBLIC PRINTER,

1922

TO THE GOVERNOR.

Office of the Department of Licenses.

Olympia, Wash., Dec. 31, 1922.

To his Excellency Louis F. Hart,

Governor of the State of Washington.

Sir: I have the honor to submit herewith my report of the operation of this Department for the period from April 1st, 1921, to December 31st, 1922, inclusive, showing the amount of business handled by the License Department during that period, and including some recommendations.

Yours very truly,

FRED J. DIBBLE,

Director of Licenses.

INTRODUCTION.

The License Department was organized on April 1st, 1921, into two divisions, namely, the Motor Vehicle and the General License Division.

The Motor Vehicle Division performs the following functions:

Issuance of Motor Vehicle Licenses.

Issuance of Motor Vehicle Operators Licenses.

Permits for business of transporting passengers for hire in motor propelled vehicles.

The General License Division issues licenses and administers laws as follows:

Accountancy	Medicine and Surgery	Commercial Fishing
Architecture	Midwifery	Game Farm etc.
Barbering	Mining	Peddling drugs and medicines
Chiropody	Nursing	Shopkeepers
Chiropractic	Optometry	Alien Firearms
Dentistry	Osteopathy	Corporations
Drugless Healing	Pharmacy	Electricians
Embalming	Veterinary	Liquid Fuel Tax Collection

The consolidation of the powers and duties formerly exercised by the Secretary of State under the Motor Vehicle Law with those formerly belonging to a large number of professional boards and other officials has made it possible to effect a considerable saving in salary expense because of the fact that while a peak load is being carried in one division of the Department, a smaller volume of work in the other has permitted a transfer of clerical assistance from one to the other. The duties of bookkeeper and cashier were consolidated as were those of inspector and auditor. These and similar consolidations together with a rearrangement of work in a number of instances has reduced the total number of employees in the past year about forty per cent. A fair comparison is the month of December, 1921, with the month of December, 1922. In the former month there were thirty-five regular employees on the pay roll and twenty-four extra. In December, 1922, there were but twenty-two regular employees and twenty-four extra. The extra employees in each instance were added in order that the issuance of motor vehicle licenses for the next year, applications for which began to come in during the month of December, might not be delayed.

MOTOR VEHICLE DIVISION.

The Motor Vehicle Division became part of the Department of Licenses on April 1, 1921, in accordance with the provisions of Chapter 7, Laws of 1921.

The number of motor vehicle licenses issued shows a steady increase from year to year. The increase for the two license years 1921-1922 over the two license years preceeding was about 11%. However, the increase for the 18 months of this report, viz. April 1, 1921, to September 30th, 1922, was very much larger owing partly to the change of license year to conform to the calendar year. The increase for the 18 months April 1,

1921, to September 30th, 1922, over the corresponding 18 months April 1, 1919, to September 30th, 1920, was 23%.

This Division has also had charge of the issuing of operator's licenses in accordance with Chapter 108, Laws of 1921, which became effective on June 10th, 1921. From that date until September 30th, 1922, a total of 264,085 operator's licenses was issued.

In addition to the above indicated increased number of motor vehicle licenses, and the operators licenses, this division has rendered increased service in several particulars. In order to lessen the number of unrecovered stolen vehicles an index to the engine numbers has been made. An additional copy of the license certificate is made and filed numerically by engine numbers. When vehicles are reported as stolen a card is placed in the file, so that if another license is taken out on the same vehicle, it may be discovered. By this service a large number of stolen and embezzled vehicles have been recovered to their rightful owners. This service doubles the quantity of licenses to be filed, and increases the volume of correspondence.

At the request of peace officers of the state, the 1921 legislature included in the appropriation an item for the printing of a numerical list of motor vehicle registrations. The list has been published and has been useful to all law enforcement officials.

The number plates for 1923 have been manufactured at the state penitentiary at a net saving to the state over the lowest price paid by other states. The quality of workmanship compares favorably with the best.

Among the requests which have come to the division are many for information as to the number of new as distinguished from used vehicles. A plan has been worked out whereby this information can be furnished and this plan will be in effect for the 1923 licenses. A variety of statistics relating to motor vehicles is compiled to meet the numerous requests.

Heretofore, additional sets of dealer plates have been ordered from the manufacturer after the applications were received. The procedure entailed a delay of at least ten days. In order to avoid that delay, each dealer was asked in August the quantity he would probably need for the ensuing year, and such quantity was ordered made at that time. The plan, effective for 1923 licenses, will avoid inconvenience to dealers, and will save the cost of temporary licenses, which have heretofore been issued to dealers by this division.

Investigations have been made of various proposals, apparently made in good faith looking toward greater efficiency or economy and changes in procedure have been inaugurated from time to time on account of such suggestions, when no change of the statute was necessary.

Among the proposals recently investigated is one that has received wide publicity that the number plates should be distributed by the county auditors instead of being mailed by this division, as is required by the present law.

The only saving possible by this proposal is in the cost of the postage. The gross postage saving for the years 1921-22 would have been \$22,180 for the two years provided the total cost of postage could be saved by the scheme. As a matter of fact however, a considerable proportion of the

applications are now made to the auditors by mail, and the auditor renders service by mail. It would cost as much for postage for the county auditor to mail the number plates on these applications as it now costs the License Department. The apparent gross savings would therefore be reduced by the cost of mailing the above named number plates.

The statute requires the department to issue a license certificate authorizing the operation of the described vehicle on the assigned number plates. It is by means of these certificates and the copies of them that all the records are made, and all the help in restoring stolen vehicles is possible. If the department issued such license certificates and mailed them, the postage cost would be \$8,316.00 on the basis of the license years 1921-22. This amount should be deducted from the apparent gross postage saving for the reason that it does not now cost additional amount of postage to attach the license certificate to the number plates as is now done.

The law now requires that license plates be issued in any one of eleven classes. If these 11 classes were divided among 39 county auditors according to their estimates an excess number of plates would have to be made involving a waste which would further reduce the apparent gross saving.

The forwarding of the estimated quantity of plates to each county auditor would further reduce the apparent gross saving.

At present many applications accepted by the county auditors are short of the required fee. The licenses and plates are held up until the shortage is paid. If the applicant already had his number plates there would be no means of compelling payment without additional expense for collection. The loss of these shortages would further reduce the apparent gross saving.

There would be further reduction in the amount of saving because of the added cost for inspection of each county auditor's office. In this connection it may be pointed out that very few county buildings have the space available that would be necessary for the storing and mailing of number plates.

After making the deductions from the gross cost of postage it is evident that no saving would result.

The service rendered to motorists is manifestly improved by the fact that licenses and plates are issued together by the state department. Such issue alone makes possible an immediate and complete record, by license number, by engine number, and by name of owner. No like service is rendered by the few states where county authorities issue the number plates.

This department has been in conference with the authorities of other nearby states with the view of securing so far as is practical uniform requirements. It is felt that the motoring public should have the advantages of such uniformity and that the enforcement of the law would be made easier if all such matters as rules of the road and all general regulations were uniform.

The following table gives the number of motor vehicle licenses issued in the various classifications for the years 1921 and 1922.

First Report Department of Licenses

CLASS	Year 1921	Year 1922
Private	154,239	176,074
Truck	27,739	31,941
For Hire	2,454	1,945
Stage	927	756
Trailer	797	980
Exempt	1,891	2,638
Dealer	811	712
Additional Dealer	2,212	2,065
Motorcycle—		
Private	3,763	3,668
Exempt	115	154
Dealers'	35	24
Replaced Number Plates	3,913	3,846
Duplicate Certificates	1,321	1,795
For Hire Permits	2,235	457
Transfers	74	79
	13,233	19,869
Totals.....	211,846	243,157

The following table gives the **estimated** number of new motor vehicle licenses for each county. The estimate is based upon the percentage of fees. The number of vehicles is less than the number of licenses on account of re-registrations.

COUNTIES	1921 Estimated Number of Licenses	1922 Estimated Number of Licenses
Adams.....	1,432	1,326
Asotin.....	1,072	1,215
Benton.....	1,891	1,944
Chelan.....	5,479	6,805
Clallam.....	1,774	1,989
Clarke.....	5,031	5,811
Columbia.....	1,014	1,083
Cowlitz.....	1,072	1,414
Douglas.....	994	950
Ferry.....	316	287
Franklin.....	682	796
Garfield.....	826	884
Grant.....	1,111	1,104
Grays Harbor.....	5,655	6,894
Island.....	535	619
Jefferson.....	604	751
King.....	50,910	58,134
Kitsap.....	2,944	3,027
Kittitas.....	2,437	2,535
Klickitat.....	1,540	1,613
Lewis.....	5,109	5,922
Lincoln.....	3,022	2,740
Mason.....	721	818
Okanogan.....	2,028	2,336
Pacific.....	1,404	1,790
Pend Oreille.....	742	884
Pierce.....	19,849	22,052
San Juan.....	234	243
Skagit.....	4,992	5,430
Skamania.....	273	287
Snohomish.....	9,320	10,606
Spokane.....	22,375	24,946
Stevens.....	2,184	3,049
Thurston.....	3,802	3,756
Wahkiakum.....	117	155
Walla Walla.....	4,914	5,303
Whatcom.....	7,058	7,733
Whitman.....	5,694	5,369
Yakima.....	13,005	14,495
Miscellaneous.....	721	3,712
Total.....	194,983	220,957

The following table shows the number of operators licenses cancelled or forfeited on account of convictions for violations of the statute. Very few cancellations or forfeitures were made prior to April, 1922.

MONTH	Number White Licenses Canceled	Number Blue Licenses Canceled	Number of Licenses Forfeited
April.....	108	.....	12
May.....	168	4	16
June.....	247	7	14
July.....	148	3	8
August.....	172	5	8
September.....	142	5	16
October.....	179	5	20
November.....	178	1	18
December.....	150	4	12
Totals.....	1,492	34	124

GENERAL LICENSE DIVISION.

The consolidation of the functions of fifteen examining boards under one head was an experiment which has proven eminently successful. Under the consolidated plan a uniform system of accounting and keeping of records has been installed in place of the former miscellany of systems as various as the number of examining boards and which in some cases were found by the director to be inaccurate and incomplete in their data. These records are now kept in a fireproof building in the Capitol of the state where they are at all times accessible instead of being scattered about the state removed from place to place subject to fire or other loss.

It has been the policy of the director to hold examinations as far as possible in the city of Olympia, exceptions being made in the case of barbers examinations which have been held at numerous points about the state and in the case of architects and pharmacy examinations which must be held at points where special facilities can be secured. The director has sought and received the active assistance and cooperation of the examining committees appointed by the governor and members of these committees have given time and effort to their work beyond any compensation they have received.

The director wishes to express his appreciation and thanks to members of a number of the state boards abolished by the Administrative Code, who assisted him materially in making the change from the old separate board system to that under which the laws are now administered.

The following tabulation is inserted in order that this report may give some idea of the volume of work required of the Department of Licenses in connection with the preparation for and the conduct of examinations. Each examination conducted under the direction of the Department is here listed together with other data as to each of such examinations.

DATE	Form of License applied for	Place of Examination	Number Applied	Number Passed	Number Failed	WITHOUT EXAMINATION		
						Number Applied	Number Accepted	Number Rejected
1921								
May... 2	Miners	Olympia	4	4	.....	.....	.....	.....
May... 18	C. P. A.	Olympia	23	5	18	.....	.....	.....
June... 6	Dentist	Olympia	49	37	12	.....	.....	.....
June... 15	Nurse	Seattle and Spokane...	214	213	1	34	31	3
June... 17	Veterinary	Spokane	9	9	.....	.....	.....	.....
June... 28	Chiropractic	Olympia	18	17	1	2	2	.....
July... 7	Architects	Seattle	2	1	1	.....	.....	.....
July... 11	Midwives'	Olympia	3	3	.....	.....	.....	.....
July... 12	Medical	Olympia	21	16	5	50	40	10
July... 19	Pharmacy	Seattle	*20	18	2	5	3	2
July... 26	Osteopathy	Olympia	2	2	.....	.....	.....	.....
Aug... 9	Optometry	Olympia	3	3	.....	.....	.....	.....
Aug... 16	Drugless Physicians...	Olympia	10	10	.....	.....	.....	.....
Sept... 16	Embalmer	Walla Walla	11	8	3	1	1	.....
Sept... 26	Barber	Seattle	33	31	2	.....	.....	.....
Oct... 17	Barber	Spokane	22	14	8	.....	.....	.....
Nov... 18	Medical	Olympia .....	.....	.....	.....	22	17	5
Nov... 21	C. P. A.	Olympia	25	5	20	.....	.....	.....
Nov... 28	Barber	Aberdeen	8	8	.....	.....	.....	.....
Nov... 29	Barber	Centralia	7	7	.....	.....	.....	.....
Dec... 6	Chiropractic	Olympia	34	21	13	3	3	.....
Dec... 13	Dentist	Olympia	21	17	4	.....	.....	.....
Dec... 20	Nurse	Seattle and Spokane...	144	114	30	11	11	.....
1922								
Jan... 10	Medical	Olympia	6	2	4	34	34	.....
Jan... 17	Pharmacy	Seattle	8	8	.....	12	11	1
Jan... 24	Osteopathy	Olympia .....	.....	.....	.....	12	12	.....
Feb... 6	Barber	Tacoma	20	16	4	.....	.....	.....
Feb... 7	Barber	Seattle	36	30	6	.....	.....	.....
Feb... 8	Barber	Bellingham	20	17	3	.....	.....	.....
Feb... 9	Barber	Everett	10	8	2	.....	.....	.....
March 6	Barber	Vancouver	9	6	3	.....	.....	.....
April... 18	Drugless Physicians...	Olympia	12	12	.....	.....	.....	.....
May... 2	Barber	Seattle	54	46	8	.....	.....	.....
May... 8	Miners	Olympia	45	36	9	.....	.....	.....
May... 18	C. P. A.	Olympia and Spokane..	36	7	29	.....	.....	.....
June... 3	Dentist	Olympia	64	44	20	.....	.....	.....
June... 15	Nurse	Seattle and Spokane...	154	144	10	9	9	.....
June... 17	Veterinary	Spokane	6	5	1	.....	.....	.....
June... 17	Barber	Spokane	23	15	8	.....	.....	.....
June... 20	Pharmacy	Seattle	*50	48	2	8	8	.....
July... 6	Medical	Spokane	7	4	3	45	43	2
Aug... 30	Embalmer	Tacoma	25	13	12	9	9	.....
Sept... 19	Optometry	Olympia	35	34	1	.....	.....	.....
Nov... 2	Miners	Tacoma	49	37	12	.....	.....	.....
Nov... 16	C. P. A.	Olympia and Spokane..	48	5	43	.....	.....	.....
Nov... 16	Barber	Spokane	32	30	2	.....	.....	.....
Dec... 5	Chiropractic	Olympia	46	37	9	4	4	.....
Dec... 12	Nurse	Seattle and Spokane...	59	50	9	20	20	.....
Dec... 12	Drugless Physicians...	Olympia	42	34	8	.....	.....	.....
Dec... 18	Dentist	Olympia	26	11	15	.....	.....	.....
Dec... 26	Barber	Seattle	36	32	4	.....	.....	.....
Dec... 27	Architect	Seattle	5	3	2	6	6	.....
Totals.....			1,646	1,297	349	287	264	23

*By graduation, 23.

In addition to the licenses issued pursuant to examination as shown in the foregoing tabulation, the following licenses have been issued in the period from April 1st, 1921, to December 31st, 1922, inclusive, namely:

Electricians' Licenses	211
Shopkeepers' Licenses	547
Alien Firearm Licenses	107
Corporation	21,169
Commercial Fishing Licenses (to Sept. 30, 1922, only)	5,722
Game Farm and Other Special Game Licenses (to Sept. 30, 1922, only).....	86
Total	<u>27,842</u>
Total Renewal Licenses	11,842

INSPECTION.

The appropriation made for the operation of the Department of Licenses for the current biennium has not been sufficient to enable the director to maintain in the field an inspection force to enforce these professional and occupational licensing laws. During the latter part of 1921 and most of 1922 one or two men were engaged in this service and the results from their work convinced the director that such a force should be maintained continuously in sufficient number to cover the entire state. The laws providing for the licensing of persons practicing particular professions or occupations were passed for the purpose of protecting the public against those who were not competent through lack of education, experience or natural qualifications to perform the services which they claimed to be able to do. If these laws were wise in the first instance then the public has a right to expect that they will be enforced. Some consideration is due moreover to the licensed persons following these professions and occupations who have complied with the law and who for that reason are entitled to protection from unlicensed competitors. Unless the Director of Licenses, who is the officer charged under the Administrative Code with the duty of enforcing these laws, is given a sufficient force to do the work, they will for the most part remain unenforced and violators will practice at will throughout the state without let or hindrance. Such an inspection force as the director desires would probably be able to produce a sufficient revenue through its activities to more than compensate the state for the expense of maintaining it.

RECOMMENDATIONS.

After nearly two years experience in the administration of the various laws regulating professional practice the director recommends certain changes either to correct some deficiency or the enactment of new legislation to take the place of the old which has been found to be so defective or incomplete as to render amendment difficult.

1. Law regulating the practice of barbering. Recent decisions of the federal court have practically nullified the law of this state regulating the practice of barbering. Either the present law should be strengthened or a new one enacted. The director believes that the enactment of an entirely new law will be more satisfactory.

2. Law regulating the practice of dentistry. The present dental law has stood on the statute books with but few amendments since its enactment in 1888. A third of a century of progress in dental science, education and legislation justifies the enactment of a dental law which will correct the numerous points of weakness in the old law and give to the state as good dental regulation as that enjoyed by other states. To this end the department has prepared and will present to the legislature a bill which, it is hoped, may be enacted into law. The fact that there is now pending in the United States supreme court a case involving the very life of the present dental law is another reason for the enactment of the proposed bill. If the case referred to should be decided contrary to the contention of the State, Washington will be practically without dental regulation of any kind.

3. Laws regulating the registration of pharmacists, the practice of pharmacy and the sale of drugs and medicines by shopkeepers and peddlers. A bill similar to the one presented at the last session of the legislature providing for the registration of pharmacists with modifications intended to meet the objections to that measure has been prepared for submission to the legislature at the present session. Another bill regulating the practice of pharmacy and the conduct of drug stores intended to take the place of the present law which was enacted many years ago and which would require many changes to properly meet present day conditions has been prepared and will also be presented together with bills providing for the licensing of shopkeepers and peddlers of drugs and dealers in insecticides.

4. In addition to the foregoing recommendations the director urges that changes as indicated below be made in the laws regulating the practice of various professions so as to provide a desirable uniformity of fees for similar service or to provide a fee commensurate with the service rendered.

Accountancy. An increase in the annual renewal fee to \$2.00.

Architecture. A fee of \$50.00 in the case of applicants registered in another state who seek registration in Washington without examination.

Dentistry. Changes in fees recommended as shown by bill mentioned above.

Drugless Healing. An annual renewal fee of \$2.00.

Embalming. An increase in the annual renewal fee to \$2.00.

Medicine and Surgery. An annual renewal fee of \$2.00 and a fee of \$50.00 in the case of applicants registered in another state who seek registration in Washington without examination.

Midwifery. An annual renewal fee of \$1.00.

Nursing. The repeal of that provision of the law with reference to the registration of nurses providing for the payment of a \$1.00 fee every five years.

Veterinary. An annual renewal fee of \$2.00.

LIQUID FUEL TAX LAW.

Chapt. 173, Laws of 1921.

This law has been found to be very simple in its operation. Its administrative cost as compared with revenue produced by it has been exceedingly small. The following tabulation shows the taxable sales in gallons reported by 73 distributors since it became effective.

	1921	1922
January		4,700,337
February		4,854,715
March		5,879,131
April		7,243,057
May		8,568,787
June		9,333,733
July	8,650,317	10,796,728
August	9,835,604	10,522,361
September	8,624,784	9,722,502
October	7,842,563	9,073,534
November	6,440,032	8,138,082
December	5,954,475	*6,500,000
Totals	47,347,775	95,382,967

* Estimated.

The total gallonage reported for the 18 months during which the law has been in effect is 142,730,742.

While the law has operated smoothly and satisfactorily in most respects, certain defects have developed which it is hoped may be cured by amendments as here recommended.

1. Every month a considerable number of distributors fail to remit promptly to the Treasurer or to file with the Director of Licenses the statement provided for in Section 4. Repeated requests from the department for promptness have frequently been disregarded. In the opinion of the director, it would be well to amend the law so as to provide a penalty of ten per cent of the amount due for any particular month for failure to report and remit within the time allowed by the act.

Still more effective would be an amendment under which the sale of liquid fuel by a delinquent distributor might be enjoined pending the payment of the tax and penalty due. This amendment the director recommends also and in doing so calls attention to an existing condition in which a corporation engaged in business as a distributor has failed to pay the tax on more than 100,000 gallons of liquid fuel admitted by it to have been sold. At the instance of the director a civil suit has been brought by the attorney general against this distributor to recover judgment but during the pendency of this suit the distributor continues to sell without paying the tax so that the amount due from it continues to increase rapidly month by month. If an injunction could be issued at the instance of the Director of Licenses enjoining further sales by this distributor until all delinquent payments were made a quick settlement would undoubtedly be effected.

2. In case of an assignment for the benefit of creditors or the appointment of a receiver for a distributor the assignee or receiver should be required to notify the Director of Licenses at once and the assignee or receiver should be held responsible in case of failure to so notify the director.

Under such circumstances where an assignment is made or a receiver appointed, the state should be protected by the further provision that its lien for the amount due under this act should have priority over all other claims except general taxes.

3. Section 2 of the law provides for the payment "on all liquid fuel sold" in the state of Washington. The attorney general has ruled that this language exempts distributors from the payment of the tax on liquid fuel used by themselves in their own equipment on the ground that liquid fuel so consumed is not "sold" within the meaning of the law. As a result the state loses a considerable revenue and while persons or corporations engaged in the sale of liquid fuel pay no tax on the fuel consumed in their own trucks or automobiles, concerns engaged in any other line of business must pay the tax. It is recommended that the law be amended in this particular to cover all liquid fuel "sold or used" in the state.

4. It is recommended that any amendments to this act be made effective July 1st, 1923.

AUDITING DISTRIBUTORS RECORDS.

To insure payment in proper amount by all persons or concerns liable under this act, the director has caused an audit of the books of all distributors to be made by one of the department employees. The results from his audit have been excellent as shown below. This service has been hampered, however, due to the fact that the act, as passed, carried no appropriation for its administration. One audit of the records of all distributors has been made and another was in progress when lack of funds and pressure of other work in the department forced its suspension. The director believes it wise to make such an audit semi-annually.

As a direct result of this audit, which has cost the state in employees salary and traveling expense \$1,695.91, shortages due to various causes have been disclosed and collected amounting to \$5,799.90, while over payments to the state amounting to \$540.42 were discovered. The work of this auditor has resulted further in placing on the books the names of a considerable number of distributors who had not previously reported and who are now rendering statements and making remittances regularly every month.