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HOUSE BILL 1015

State of Washington 54th Legislature 1995 Regular Session

By Representatives Padden, Dellwo, Costa, Appelwick and Silver; by request of Statute Law Committee

Prefiled 12/30/94. Read first time 01/09/95. Referred to Committee on Law and Justice.

- 1 AN ACT Relating to correcting double amendments from the 1994
- 2 legislative sessions; reenacting RCW 13.40.020, 30.04.215, 30.08.020,
- 3 30.08.040, 30.08.095, 30.08.190, 32.32.025, 35.23.051, 35.23.101,
- 4 35.23.850, 35A.06.020, 36.21.011, 41.32.500, 84.40.080, and 84.48.050;
- 5 and repealing RCW 35.23.310.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 13.40.020 and 1994 1st sp.s. c 7 s 520, 1994 c 271 s
- 8 803, and 1994 c 261 s 18 are each reenacted to read as follows:
- 9 For the purposes of this chapter:
- 10 (1) "Serious offender" means a person fifteen years of age or older
- 11 who has committed an offense which if committed by an adult would be:
- 12 (a) A class A felony, or an attempt to commit a class A felony;
- 13 (b) Manslaughter in the first degree; or
- 14 (c) Assault in the second degree, extortion in the first degree,
- 15 child molestation in the second degree, kidnapping in the second
- 16 degree, robbery in the second degree, residential burglary, or burglary
- 17 in the second degree, where such offenses include the infliction of
- 18 bodily harm upon another or where during the commission of or immediate

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- withdrawal from such an offense the perpetrator is armed with a deadly
 weapon;
- 3 (2) "Community service" means compulsory service, without 4 compensation, performed for the benefit of the community by the 5 offender as punishment for committing an offense. Community service 6 may be performed through public or private organizations or through 7 work crews;
- 8 (3) "Community supervision" means an order of disposition by the 9 court of an adjudicated youth not committed to the department or an 10 order granting a deferred adjudication pursuant to RCW 13.40.125. A community supervision order for a single offense may be for a period of 11 12 up to two years for a sex offense as defined by RCW 9.94A.030 and up to 13 one year for other offenses. As a mandatory condition of any term of community supervision, the court shall order the juvenile to refrain 14 15 from committing new offenses. As a mandatory condition of community supervision, the court shall order the juvenile to comply with the 16 17 mandatory school attendance provisions of chapter 28A.225 RCW and to inform the school of the existence of this requirement. Community 18 19 supervision is an individualized program comprised of one or more of 20 the following:
- 21 (a) Community-based sanctions;

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- (b) Community-based rehabilitation;
- 23 (c) Monitoring and reporting requirements;
- 24 (4) Community-based sanctions may include one or more of the 25 following:
- 26 (a) A fine, not to exceed one hundred dollars;
- 27 (b) Community service not to exceed one hundred fifty hours of 28 service;
- 29 (5) "Community-based rehabilitation" means one or more of the 30 following: Attendance of information classes; counseling, outpatient 31 substance abuse treatment programs, outpatient mental health programs, anger management classes, education or outpatient treatment programs to 32 33 prevent animal cruelty, or other services; or attendance at school or 34 other educational programs appropriate for the juvenile as determined 35 by the school district. Placement in community-based rehabilitation programs is subject to available funds; 36
- 37 (6) "Monitoring and reporting requirements" means one or more of 38 the following: Curfews; requirements to remain at home, school, work, 39 or court-ordered treatment programs during specified hours;

restrictions from leaving or entering specified geographical areas; requirements to report to the probation officer as directed and to remain under the probation officer's supervision; and other conditions or limitations as the court may require which may not include confinement;

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- (7) "Confinement" means physical custody by the department of social and health services in a facility operated by or pursuant to a contract with the state, or physical custody in a detention facility operated by or pursuant to a contract with any county. The county may operate or contract with vendors to operate county detention facilities. The department may operate or contract to operate detention facilities for juveniles committed to the department. Pretrial confinement or confinement of less than thirty-one days imposed as part of a disposition or modification order may be served consecutively or intermittently, in the discretion of the court;
- 16 (8) "Court", when used without further qualification, means the 17 juvenile court judge(s) or commissioner(s);
- 18 (9) "Criminal history" includes all criminal complaints against the 19 respondent for which, prior to the commission of a current offense:
 - (a) The allegations were found correct by a court. If a respondent is convicted of two or more charges arising out of the same course of conduct, only the highest charge from among these shall count as an offense for the purposes of this chapter; or
 - (b) The criminal complaint was diverted by a prosecutor pursuant to the provisions of this chapter on agreement of the respondent and after an advisement to the respondent that the criminal complaint would be considered as part of the respondent's criminal history. A successfully completed deferred adjudication shall not be considered part of the respondent's criminal history;
- 30 (10) "Department" means the department of social and health 31 services;
- (11) "Detention facility" means a county facility, paid for by the county, for the physical confinement of a juvenile alleged to have committed an offense or an adjudicated offender subject to a disposition or modification order. "Detention facility" includes county group homes, inpatient substance abuse programs, juvenile basic training camps, and electronic monitoring;
- 38 (12) "Diversion unit" means any probation counselor who enters into 39 a diversion agreement with an alleged youthful offender, or any other

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- 1 person, community accountability board, or other entity except a law
- 2 enforcement official or entity, with whom the juvenile court
- 3 administrator has contracted to arrange and supervise such agreements
- 4 pursuant to RCW 13.40.080, or any person, community accountability
- 5 board, or other entity specially funded by the legislature to arrange
- 6 and supervise diversion agreements in accordance with the requirements
- 7 of this chapter. For purposes of this subsection, "community
- 8 accountability board" means a board comprised of members of the local
- 9 community in which the juvenile offender resides. The superior court
- 10 shall appoint the members. The boards shall consist of at least three
- 11 and not more than seven members. If possible, the board should include
- 12 a variety of representatives from the community, such as a law
- 13 enforcement officer, teacher or school administrator, high school
- 14 student, parent, and business owner, and should represent the cultural
- 15 diversity of the local community;
- 16 (13) "Institution" means a juvenile facility established pursuant
- 17 to chapters 72.05 and 72.16 through 72.20 RCW;
- 18 (14) "Juvenile," "youth," and "child" mean any individual who is
- 19 under the chronological age of eighteen years and who has not been
- 20 previously transferred to adult court pursuant to RCW 13.40.110 or who
- 21 is otherwise under adult court jurisdiction;
- 22 (15) "Juvenile offender" means any juvenile who has been found by
- 23 the juvenile court to have committed an offense, including a person
- 24 eighteen years of age or older over whom jurisdiction has been extended
- 25 under RCW 13.40.300;
- 26 (16) "Manifest injustice" means a disposition that would either
- 27 impose an excessive penalty on the juvenile or would impose a serious,
- 28 and clear danger to society in light of the purposes of this chapter;
- 29 (17) "Middle offender" means a person who has committed an offense
- 30 and who is neither a minor or first offender nor a serious offender;
- 31 (18) "Minor or first offender" means a person whose current
- 32 offense(s) and criminal history fall entirely within one of the
- 33 following categories:
- 34 (a) Four misdemeanors;
- 35 (b) Two misdemeanors and one gross misdemeanor;
- 36 (c) One misdemeanor and two gross misdemeanors; and
- 37 (d) Three gross misdemeanors.
- 38 For purposes of this definition, current violations shall be
- 39 counted as misdemeanors;

- (19) "Offense" means an act designated a violation or a crime if 1 committed by an adult under the law of this state, under any ordinance 2 of any city or county of this state, under any federal law, or under 3 4 the law of another state if the act occurred in that state;
- (20) "Respondent" means a juvenile who is alleged or proven to have 5 committed an offense; 6
- 7 (21) "Restitution" means financial reimbursement by the offender to 8 the victim, and shall be limited to easily ascertainable damages for 9 injury to or loss of property, actual expenses incurred for medical treatment for physical injury to persons, lost wages resulting from 10 physical injury, and costs of the victim's counseling reasonably 11 related to the offense if the offense is a sex offense. Restitution 12 13 shall not include reimbursement for damages for mental anguish, pain and suffering, or other intangible losses. Nothing in this chapter 14 15 shall limit or replace civil remedies or defenses available to the victim or offender; 16
- 17 (22) "Secretary" means the secretary of the department of social and health services. "Assistant secretary" means the assistant 18 19 secretary for juvenile rehabilitation for the department;
- "Services" mean services which provide alternatives to 20 incarceration for those juveniles who have pleaded or been adjudicated 21 guilty of an offense or have signed a diversion agreement pursuant to 22 23 this chapter;
- 24 (24) "Sex offense" means an offense defined as a sex offense in RCW 25 9.94A.030;
- (25) "Sexual motivation" means that one of the purposes for which 26 27 the respondent committed the offense was for the purpose of his or her sexual gratification; 28
- 29 (26) "Foster care" means temporary physical care in a foster family home or group care facility as defined in RCW 74.15.020 and licensed by 30 the department, or other legally authorized care; 31
- (27) "Violation" means an act or omission, which if committed by an 32 33 adult, must be proven beyond a reasonable doubt, and is punishable by sanctions which do not include incarceration; 34
- 35 (28) "Violent offense" means a violent offense as defined in RCW 36 9.94A.030.

RCW 13.40.020 was amended three times by the 1994 legislature. 38 39

Chapter 261 s 18 expanded "community-based rehabilitation" to

include education or outpatient treatment programs to prevent 40

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animal cruelty; chapter 271 s 803 excluded felony stalking from the class C felony offenses included in the "minor or first offender" definition; and chapter 7 1st sp.s. s 520, among other changes, deleted all class C felony offenses from the "minor or first offender" definition. The purpose of this bill is to give effect to all amendments by reenacting the section including all amendments.

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- **Sec. 2.** RCW 30.04.215 and 1994 c 256 s 37 and 1994 c 92 s 20 are each reenacted to read as follows:
- (1) Notwithstanding any other provisions of law, in addition to all powers enumerated by this title, and those necessarily implied therefrom, a bank may engage in other business activities that have been determined by the board of governors of the federal reserve system or by the United States Congress to be closely related to the business of banking, as of December 31, 1993.
- (2) A bank that desires to perform an activity that is not 16 expressly authorized by subsection (1) of this section shall first 17 apply to the director for authorization to conduct such activity. 18 Within thirty days of the receipt of this application, the director 19 20 shall determine whether the activity is closely related to the business 21 of banking, whether the public convenience and advantage will be promoted, whether the activity is apt to create an unsafe or unsound 22 23 practice by the bank and whether the applicant is capable of performing 24 such an activity. If the director finds the activity to be closely 25 related to the business of banking and the bank is otherwise qualified, 26 he or she shall forthwith inform the applicant that the activity is 27 authorized. If the director determines that such activity is not closely related to the business of banking or the bank is not otherwise 28 qualified, he or she shall forthwith inform the applicant in writing. 29 The applicant shall have the right to appeal from an unfavorable 30 31 determination in accordance with the procedures of the Administrative Procedure Act, chapter 34.05 RCW. In determining whether a particular 32 activity is closely related to the business of banking, the director 33 34 shall be guided by the rulings of the board of governors of the federal reserve system and the comptroller of the currency in making 35 36 determinations in connection with the powers exercisable by bank holding companies, and the activities performed by other commercial 37 banks or their holding companies. 38
- 39 (3) In addition to all powers enumerated by this title, and those 40 necessarily implied therefrom, a bank may engage in other business

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- l activities that are determined by the director, by rule adopted
- 2 pursuant to chapter 34.05 RCW, to be closely related to the business of
- 3 banking, or necessary or convenient thereto, and the exercise thereof
- 4 will promote the public convenience and advantage. Provided, however,
- 5 that such other business activities shall also have been determined by
- 6 the board of governors of the federal reserve system or by the United
- 7 States congress to be closely related to the business of banking.
- 8 (4) Any activity which may be performed by a bank, except the
- 9 taking of deposits, may be performed by (a) a corporation or (b)
- 10 another entity approved by the director, which in either case is owned
- 11 in whole or in part by the bank.
- 12 EXPLANATORY NOTE
- 13 RCW 30.04.215 was amended twice by the 1994 legislature.
- 14 Chapter 92 s 20 made technical corrections, and chapter 256 s
- 15 37 made technical corrections and revised regulation of
- financial institutions and securities. The purpose of this
- 17 bill is to give effect to both amendments by reenacting the
- 18 section including both amendments.
- 19 **Sec. 3.** RCW 30.08.020 and 1994 c 256 s 42 and 1994 c 92 s 43 are
- 20 each reenacted to read as follows:
- 21 Persons desiring to incorporate a bank or trust company shall file
- 22 with the director a notice of their intention to organize a bank or
- 23 trust company in such form and containing such information as the
- 24 director shall prescribe by rule, together with proposed articles of
- 25 incorporation, which shall be submitted for examination to the director
- 26 at his or her office in Olympia.
- 27 The proposed articles of incorporation shall state:
- 28 (1) The name of such bank or trust company.
- 29 (2) The city, village or locality and county where the head office
- 30 of such corporation is to be located.
- 31 (3) The nature of its business, whether that of a commercial bank,
- 32 or a trust company.
- 33 (4) The amount of its capital stock, which shall be divided into
- 34 shares of a par or no par value as may be provided in the articles of
- 35 incorporation.
- 36 (5) The names and places of residence and mailing addresses of the
- 37 persons who as directors are to manage the corporation until the first
- 38 annual meeting of its stockholders.
- 39 (6) If there is to be preferred or special classes of stock, a
- 40 statement of preferences, voting rights, if any, limitations and

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- relative rights in respect of the shares of each class; or a statement that the shares of each class shall have the attributes as shall be determined by the bank's board of directors from time to time with the approval of the director.
- 5 (7) Any provision granting the shareholders the preemptive right to 6 acquire additional shares of the bank and any provision granting 7 shareholders the right to cumulate their votes.
 - (8) Any provision, not inconsistent with law, which the incorporators elect to set forth in the articles of incorporation for the regulation of the affairs of the corporation, including any provision restricting the transfer of shares, any provision which under this title is required or permitted to be set forth in the bylaws, and any provision permitted by RCW 23B.17.030.
- 14 (9) Any provision the incorporators elect to so set forth, not 15 inconsistent with law or the purposes for which the bank is organized, 16 or any provision limiting any of the powers granted in this title.
- 17 It shall not be necessary to set forth in the articles of 18 incorporation any of the corporate powers granted in this title. The 19 articles of incorporation shall be signed by all of the incorporators.

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39 40 RCW 30.08.020 was amended twice by the 1994 legislature. Chapter 92 s 43 made technical corrections, and chapter 256 s 42 made technical corrections and revised regulation of financial institutions and securities. The purpose of this bill is to give effect to both amendments by reenacting the section including both amendments.

Sec. 4. RCW 30.08.040 and 1994 c 256 s 43 and 1994 c 92 s 45 are each reenacted to read as follows:

After the director is satisfied of the above facts, and, within six months of the date the notice of intention to organize has been received in his or her office, the director shall notify the incorporators to file executed articles of incorporation with the director in triplicate. Unless the director otherwise consents in writing, such articles shall be in the same form and shall contain the same information as the proposed articles and shall be filed with the director within ten days of such notice. Within thirty days after the receipt of such articles of incorporation, the director shall endorse upon each of the triplicates thereof, over his or her official signature, the word "approved," or the word "refused," with the date of such endorsement. In case of refusal the director shall forthwith

- return one of the triplicates, so endorsed, together with a statement
- explaining the reason for refusal to the person from whom the articles 2
- were received, which refusal shall be conclusive, unless the 3
- 4 incorporators, within ten days of the issuance of such notice of
- refusal, shall request a hearing pursuant to the Administrative 5
- Procedure Act, chapter 34.05 RCW, as now or hereafter amended. 6

RCW 30.08.040 was amended twice by the 1994 legislature. 8 Chapter 92 s 45 made technical corrections, and chapter 256 s 9

- 43 made technical corrections and revised regulation of 10
- financial institutions and securities. The purpose of this 11
- bill is to give effect to both amendments by reenacting the 12
- section including both amendments. 13
- 14 Sec. 5. RCW 30.08.095 and 1994 c 256 s 49 and 1994 c 92 s 56 are 15 each reenacted to read as follows:
- The director shall collect fees for the following services: 16
- For filing application for certificate of authority and attendant 17
- 18 investigation as outlined in the law;
- For filing application for certificate conferring trust powers upon 19
- a state or national bank; 20
- 21 For filing articles of incorporation, or amendments thereof, or
- 22 other certificates required to be filed in his or her office;
- 23 For filing merger agreement and attendant investigation;
- For filing application to relocate main office or branch and 24
- attendant investigation; 25
- For issuing each certificate of authority; 26
- For furnishing copies of papers filed in his or her office, per 27
- 28 page.
- The director shall establish the amount of the fee for each of the 29
- above transactions, and for other services rendered. 30
- Every bank or trust company shall also pay to the secretary of 31
- state for filing any instrument with him or her the same fees as are 32
- required of general corporations for filing corresponding instruments, 33
- and also the same license fees as are required of general corporations. 34
- 35 EXPLANATORY NOTE
- 36 RCW 30.08.095 was amended twice by the 1994 legislature.
- Chapter 92 s 56 made technical corrections, and chapter 256 s 37
- 38 49 made technical corrections and revised regulation of 39
- financial institutions and securities. The purpose of this 40 bill is to give effect to both amendments by reenacting the
- 41 section including both amendments.

- 1 **Sec. 6.** RCW 30.08.190 and 1994 c 256 s 51 and 1994 c 92 s 61 are 2 each reenacted to read as follows:
- 3 (1) Every regular report shall be filed with the director within 4 thirty days from the date of issuance of the notice. Every special 5 report shall be filed with the director within such time as shall be 6 specified by him or her in the notice therefor.
- 7 (2) Every bank and trust company which fails to file any report, 8 required to be filed under subsection (1) of this section and within 9 the time specified, shall be subject to a penalty of fifty dollars per 10 day for each day's delay. A civil action for the recovery of any such 11 penalty may be brought by the attorney general in the name of the 12 state.

RCW 30.08.190 was amended twice by the 1994 legislature.
Chapter 92 s 61 made technical corrections, and chapter 256 s
made technical corrections and revised regulation of
financial institutions and securities. The purpose of this
bill is to give effect to both amendments by reenacting the
section including both amendments.

- 20 **Sec. 7.** RCW 32.32.025 and 1994 c 256 s 105 and 1994 c 92 s 352 are 21 each reenacted to read as follows:
- As used in this chapter, the following definitions apply, unless the context otherwise requires:
- (1) Except as provided in RCW 32.32.230, an "affiliate" of, or a person "affiliated" with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.
- 29 (2) The term "amount", when used in regard to securities, means the 30 principal amount if relating to evidences of indebtedness, the number 31 of shares if relating to shares, and the number of units if relating to 32 any other kind of security.
- 33 (3) An "applicant" is a mutual savings bank which has applied to 34 convert pursuant to this chapter.
- 35 (4) The term "associate", when used to indicate a relationship with 36 any person, means (a) any corporation or organization (other than the 37 applicant or a majority-owned subsidiary of the applicant) of which the 38 person is an officer or partner or is, directly or indirectly, the 39 beneficial owner of ten percent or more of any class of equity 40 securities, (b) any trust or other estate in which the person has a

substantial beneficial interest or as to which the person serves as trustee or in a similar fiduciary capacity, and (c) any relative who would be a "class A beneficiary" if the person were a decedent.

(5) The term "broker" means any person engaged in the business of effecting transactions in securities for the account of others.

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- 6 (6) The term "capital stock" includes permanent stock, guaranty
 7 stock, permanent reserve stock, any similar certificate evidencing
 8 nonwithdrawable capital, or preferred stock, of a savings bank
 9 converted under this chapter or of a subsidiary institution or holding
 10 company.
- 11 (7) The term "charter" includes articles of incorporation, articles 12 of reincorporation, and certificates of incorporation, as amended, 13 effecting (either with or without filing with any governmental agency) 14 the organization or creation of an incorporated person.
- (8) Except as provided in RCW 32.32.230, the term "control" (including the terms "controlling", "controlled by", and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.
- (9) The term "dealer" means any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker, or principal, in the business of offering, buying, selling, or otherwise dealing or trading in securities issued by another person.
- (10) The term "deposits" refers to the deposits of a savings bank that is converting under this chapter, and may refer in addition to the deposits or share accounts of any other financial institution that is converting to the stock form in connection with a merger with and into a savings bank.
- 30 (11) The term "director" means any director of a corporation, any 31 trustee of a mutual savings bank, or any person performing similar 32 functions with respect to any organization whether incorporated or 33 unincorporated.
- 34 (12) The term "eligibility record date" means the record date for 35 determining eligible account holders of a converting mutual savings 36 bank.
- 37 (13) The term "eligible account holder" means any person holding a 38 qualifying deposit as determined in accordance with RCW 32.32.180.
 - (14) The term "employee" does not include a director or officer.

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- 1 (15) The term "equity security" means any stock or similar 2 security; or any security convertible, with or without consideration, 3 into such a security, or carrying any warrant or right to subscribe to 4 or purchase such a security; or any such warrant or right.
- 5 (16) The term "market maker" means a dealer who, with respect to a 6 particular security, (a) regularly publishes bona fide, competitive bid 7 and offer quotations in a recognized interdealer quotation system; or 8 (b) furnishes bona fide competitive bid and offer quotations on 9 request; and (c) is ready, willing, and able to effect transaction in 10 reasonable quantities at his or her quoted prices with other brokers or 11 dealers.
- 12 (17) The term "material", when used to qualify a requirement for 13 the furnishing of information as to any subject, limits the information 14 required to those matters as to which an average prudent investor ought 15 reasonably to be informed before purchasing an equity security of the 16 applicant.
- 17 (18) The term "mutual savings bank" means a mutual savings bank 18 organized and operating under Title 32 RCW.
- (19) Except as provided in RCW 32.32.435, the term "offer", "offer to sell", or "offer of sale" shall include every attempt or offer to dispose of, or solicitation of an offer to buy, a security or interest in a security, for value. These terms shall not include preliminary negotiations or agreements between an applicant and any underwriter or among underwriters who are or are to be in privity of contract with an applicant.
 - (20) The term "officer", for purposes of the purchase of stock in a conversion under this chapter or the sale of this stock, means the chairman of the board, president, vice president, secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any other person performing similar functions with respect to any organization whether incorporated or unincorporated.
- (21) Except as provided in RCW 32.32.435, the term "person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust, any unincorporated organization, or a government or political subdivision thereof.
- 36 (22) The term "proxy" includes every form of authorization by which 37 a person is or may be deemed to be designated to act for a stockholder 38 in the exercise of his or her voting rights in the affairs of an

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- 1 institution. Such an authorization may take the form of failure to 2 dissent or object.
- 3 (23) The terms "purchase" and "buy" include every contract to 4 purchase, buy, or otherwise acquire a security or interest in a 5 security for value.
- 6 (24) The terms "sale" and "sell" include every contract to sell or 7 otherwise dispose of a security or interest in a security for value; 8 but these terms do not include an exchange of securities in connection 9 with a merger or acquisition approved by the director.
- 10 (25) The term "savings account" means deposits established in a 11 mutual savings bank and includes certificates of deposit.
- (26) Except as provided in RCW 32.32.435, the term "security" includes any note, stock, treasury stock, bond, debenture, transferable share, investment contract, voting-trust certificate, or in general, any instrument commonly known as a "security"; or any certificate of interest or participation in, temporary or interim certificate for, receipt for, or warrant or right to subscribe to or purchase any of the foregoing.
- (27) The term "series of preferred stock" refers to a subdivision, within a class of preferred stock, each share of which has preferences, limitations, and relative rights identical with those of other shares of the same series.
- (28) The term "subscription offering" refers to the offering of shares of capital stock, through nontransferable subscription rights issued to: (a) Eligible account holders as required by RCW 32.32.045; (b) supplemental eligible account holders as required by RCW 32.32.055; (c) directors, officers, and employees, as permitted by RCW 32.32.140; and (d) eligible account holders and supplemental eligible account holders as permitted by RCW 32.32.145.
- 30 (29) A "subsidiary" of a specified person is an affiliate 31 controlled by the person, directly or indirectly through one or more 32 intermediaries.
- 33 (30) The term "supplemental eligibility record date" means the 34 supplemental record date for determining supplemental eligible account 35 holders of a converting savings bank required by RCW 32.32.055. The 36 date shall be the last day of the calendar quarter preceding director 37 approval of the application for conversion.

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(31) The term "supplemental eligible account holder" means any 1 person holding a qualifying deposit, except officers, directors, and 2 their associates, as of the supplemental eligibility record date. 3

(32) The term "underwriter" means any person who has purchased from an applicant with a view to, or offers or sells for an applicant in connection with, the distribution of any security, or participates or has a direct or indirect participation in the direct or indirect underwriting of any such undertaking; but the term does not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers commission. The term "principal underwriter" means an underwriter in privity of contract with the applicant or other issuer of securities as to which that person is the underwriter.

Terms defined in other chapters of this title, when used in this 14 15 chapter, shall have the meanings given in those definitions, to the extent those definitions are not inconsistent with the definitions 16 17 contained in this chapter unless the context otherwise requires.

18 EXPLANATORY NOTE

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RCW 32.32.025 was amended twice by the 1994 legislature. Chapter 92 s 352 made technical corrections, and chapter 256 s 105 made technical corrections and revised regulation of financial institutions and securities. The purpose of this bill is to give effect to both amendments by reenacting the section including both amendments.

Sec. 8. RCW 35.23.051 and 1994 c 223 s 17 and 1994 c 81 s 36 are each reenacted to read as follows:

General municipal elections in second class cities not operating under the commission form of government shall be held biennially in the odd-numbered years and shall be subject to general election law.

The terms of office of the mayor, city attorney, clerk, and 30 treasurer shall be four years and until their successors are elected 31 and qualified and assume office in accordance with RCW 29.04.170: 32 33 PROVIDED, That if the offices of city attorney, clerk, and treasurer are made appointive, the city attorney, clerk, and treasurer shall not 34 be appointed for a definite term: PROVIDED FURTHER, That the term of 35 the elected treasurer shall not commence in the same biennium in which 36

the term of the mayor commences, nor in which the terms of the city 37

attorney and clerk commence if they are elected. 38

Council positions shall be numbered in each second class city so 39 that council position seven has a two-year term of office and council 40

positions one through six shall each have four-year terms of office. Each councilmember shall remain in office until a successor is elected and qualified and assumes office in accordance with RCW 29.04.170.

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4 In its discretion the council of a second class city may divide the city by ordinance, into a convenient number of wards, not exceeding 5 six, fix the boundaries of the wards, and change the ward boundaries 6 7 from time to time and as provided in RCW 29.70.100. No change in the 8 boundaries of any ward shall be made within one hundred twenty days 9 next before the date of a general municipal election, nor within twenty 10 months after the wards have been established or altered. However, if a boundary change results in one ward being represented by more 11 councilmembers than the number to which it is entitled, those having 12 13 the shortest unexpired terms shall be assigned by the council to wards where there is a vacancy, and the councilmembers so assigned shall be 14 15 deemed to be residents of the wards to which they are assigned for 16 purposes of determining whether those positions are vacant.

Whenever such city is so divided into wards, the city council shall designate by ordinance the number of councilmembers to be elected from each ward, apportioning the same in proportion to the population of the wards. Thereafter the councilmembers so designated shall be elected by the voters resident in such ward, or by general vote of the whole city as may be designated in such ordinance. Council position seven shall not be associated with a ward and the person elected to that position may reside anywhere in the city and voters throughout the city may vote at a primary to nominate candidates for position seven, when a primary is necessary, and at a general election to elect the person to council position seven. When additional territory is added to the city it may by act of the council, be annexed to contiguous wards without affecting the right to redistrict at the expiration of twenty months after last previous division. The removal of a councilmember from the ward for which he or she was elected shall create a vacancy in such office.

Wards shall be redrawn as provided in chapter 29.70 RCW. Wards shall be used as follows: (1) Only a resident of the ward may be a candidate for, or hold office as, a councilmember of the ward; and (2) only voters of the ward may vote at a primary to nominate candidates for a councilmember of the ward. Voters of the entire city may vote at the general election to elect a councilmember of a ward, unless the city had prior to January 1, 1994, limited the voting in the general election for any or all council positions to only voters residing

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- within the ward associated with the council positions. If a city had
- so limited the voting in the general election to only voters residing 2
- within the ward, then the city shall be authorized to continue to do 3
- The elections for the remaining council position or council 4
- positions that are not associated with a ward shall be conducted as if 5
- the wards did not exist. 6

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7 EXPLANATORY NOTE

RCW 35.23.051 was amended twice and recodified by the 1994 8 legislature. Chapter 81 s 36 recodified RCW 35.24.050 and 9 revised classifications of cities and towns, and chapter 223 s 10 17 revised local government election practices. The purpose of 11 12 this bill is to give effect to both amendments by reenacting the section including both amendments. 13

14 Sec. 9. RCW 35.23.101 and 1994 c 223 s 19 and 1994 c 81 s 38 are 15 each reenacted to read as follows:

The council of a second class city may declare a council position vacant if the councilmember is absent for three consecutive regular meetings without permission of the council. In addition, a vacancy in an elective office shall occur and shall be filled as provided in chapter 42.12 RCW.

21 Vacancies in offices other than that of mayor or city councilmember 22 shall be filled by appointment of the mayor.

23 If there is a temporary vacancy in an appointive office due to illness, absence from the city or other temporary inability to act, the 24 mayor may appoint a temporary appointee to exercise the duties of the 25 office until the temporary disability of the incumbent is removed. 26

27 EXPLANATORY NOTE

RCW 35.23.101 was amended twice and recodified by the 1994 28 29 legislature. Chapter 81 s 38 recodified RCW 35.24.100 and revised classifications of cities and towns, and chapter 223 s 30 31 19 revised local government election practices. The purpose of 32 this bill is to give effect to both amendments by reenacting 33 the section including both amendments.

34 Sec. 10. RCW 35.23.850 and 1994 c 223 s 16 and 1994 c 81 s 34 are each reenacted to read as follows: 35

In any city initially classified as a second class city prior to January 1, 1993, that retained its second class city plan of government when the city reorganized as a noncharter code city, the city council may divide the city into wards, not exceeding six in all, or change the 39 boundaries of existing wards at any time less than one hundred twenty

days before a municipal general election. No change in the boundaries of wards shall affect the term of any councilmember, and councilmembers 2 shall serve out their terms in the wards of their residences at the 3 time of their elections. However, if these boundary changes result in 4 one ward being represented by more councilmembers than the number to 5 which it is entitled, those having the shortest unexpired terms shall 6 be assigned by the council to wards where there is a vacancy, and the councilmembers so assigned shall be deemed to be residents of the wards 8 to which they are assigned for purposes of determining whether those 9 10 positions are vacant.

11 The representation of each ward in the city council shall be in 12 proportion to the population as nearly as is practicable.

13 Wards shall be redrawn as provided in chapter 29.70 RCW. Wards 14 shall be used as follows: (1) Only a resident of the ward may be a 15 candidate for, or hold office as, a councilmember of the ward; and (2) only voters of the ward may vote at a primary to nominate candidates 16 for a councilmember of the ward. Voters of the entire city may vote at 17 the general election to elect a councilmember of a ward, unless the 18 19 city had prior to January 1, 1994, limited the voting in the general election for any or all council positions to only voters residing 20 within the ward associated with the council positions. If a city had 21 so limited the voting in the general election to only voters residing 22 within the ward, then the city shall be authorized to continue to do 23 24 The elections for the remaining council position or council 25 positions that are not associated with a ward shall be conducted as if 26 the wards did not exist.

27 EXPLANATORY NOTE

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39 40 RCW 35.23.850 was amended twice and recodified by the 1994 legislature. Chapter 81 s 34 recodified RCW 35.23.530 and revised classifications of cities and towns, and chapter 223 s 16 revised local government election practices. The purpose of this bill is to give effect to both amendments by reenacting the section including both amendments.

34 **Sec. 11.** RCW 35A.06.020 and 1994 c 223 s 27 and 1994 c 81 s 68 are 35 each reenacted to read as follows:

The classifications of municipalities which existed prior to the time this title goes into effect--first class cities, second class cities, unclassified cities, and towns--and the restrictions, limitations, duties, and obligations specifically imposed by law upon such classes of cities and towns, shall have no application to

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noncharter code cities, but every noncharter code city, by adopting such classification, has elected to be governed by the provisions of this title, with the powers granted hereby. However, any code city that retains its old plan of government is subject to the laws applicable to that old plan of government until the city abandons its old plan of government and reorganizes and adopts a plan of government under chapter 35A.12 or 35A.13 RCW.

8 EXPLANATORY NOTE

RCW 35A.06.020 was amended twice by the 1994 legislature. Chapter 81 s 68 revised classifications of cities and towns, and chapter 223 s 27 revised local government election practices. The purpose of this bill is to give effect to both amendments by reenacting the section including both amendments.

Sec. 12. RCW 36.21.011 and 1994 c 301 s 6 and 1994 c 124 s 1 are 15 each reenacted to read as follows:

Any assessor who deems it necessary in order to complete the listing and the valuation of the property of the county within the time prescribed by law, (1) may appoint one or more well qualified persons to act as assistants or deputies who shall not engage in the private practice of appraising within the county in which he or she is employed without the written permission of the assessor filed with the auditor; and each such assistant or deputy so appointed shall, under the direction of the assessor, after taking the required oath, perform all the duties enjoined upon, vested in or imposed upon assessors, and (2) may contract with any persons, firms or corporations, who are expert appraisers, to assist in the valuation of property.

To assist each assessor in obtaining adequate and well qualified assistants or deputies, the state department of personnel, after consultation with the Washington state association of county assessors, the Washington state association of counties, and the department of revenue, shall establish by July 1, 1967, and shall thereafter maintain, a classification and salary plan for those employees of an assessor who act as appraisers. The plan shall recommend the salary range and employment qualifications for each position encompassed by it, and shall, to the fullest extent practicable, conform to the classification plan, salary schedules and employment qualifications for state employees performing similar appraisal functions.

An assessor who intends to put such plan into effect shall inform the department of revenue and the county legislative authority of this

intent in writing. The department of revenue and the county 1 legislative authority may thereupon each designate a representative, 2 and such representative or representatives as may be designated by the 3 department of revenue or the county legislative authority, or both, 4 shall form with the assessor a committee. The committee so formed may, 5 by unanimous vote only, determine the required number of certified 6 appraiser positions and their salaries necessary to enable the assessor 8 to carry out the requirements relating to revaluation of property in 9 chapter 84.41 RCW. The determination of the committee shall be certified to the county legislative authority. The committee may be 10

After such determination, the assessor may provide, in each of the four next succeeding annual budget estimates, for as many positions as are established in such determination. Each county legislative authority to which such a budget estimate is submitted shall allow sufficient funds for such positions. An employee may be appointed to a position covered by the plan only if the employee meets the employment qualifications established by the plan.

formed only once in a period of four calendar years.

19 EXPLANATORY NOTE

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20 RCW 36.21.011 was amended twice by the 1994 legislature. 21 Chapter 124 s 1, and chapter 301 s 6 both made technical 22 corrections. The purpose of this bill is to give effect to 23 both amendments by reenacting the section including both 24 amendments.

25 **Sec. 13.** RCW 41.32.500 and 1994 c 197 s 17 and 1994 c 177 s 5 are 26 each reenacted to read as follows:

Membership in the retirement system is terminated when a member retires for service or disability, dies, or withdraws his or her accumulated contributions.

The prior service certificate becomes void when a member dies or withdraws the accumulated contributions, and any prior administrative interpretation of the board of trustees, consistent with this section, is hereby ratified, affirmed and approved.

34 EXPLANATORY NOTE

RCW 41.32.500 was amended twice by the 1994 legislature.
Chapter 177 s 5 related to withdrawal from the teachers'
retirement system, and chapter 197 s 17 related to reentering
the retirement system. The purpose of this bill is to give
effect to both amendments by reenacting the section including
both amendments.

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1 Sec. 14. RCW 84.40.080 and 1994 c 301 s 37 and 1994 c 124 s 21 are 2 each reenacted to read as follows:

3 An assessor shall enter on the assessment roll in any year any 4 property shown to have been omitted from the assessment roll of any preceding year, at the value for the preceding year, or if not then 5 valued, at such value as the assessor shall determine for the preceding 6 year, and such value shall be stated separately from the value of any 8 other year. Where improvements have not been valued and assessed as a 9 part of the real estate upon which the same may be located, as evidenced by the assessment rolls, they may be separately valued and 10 assessed as omitted property under this section. No such assessment 11 shall be made in any case where a bona fide purchaser, encumbrancer, or 12 13 contract buyer has acquired any interest in said property prior to the time such improvements are assessed. When such an omitted assessment 14 15 is made, the taxes levied thereon may be paid within one year of the due date of the taxes for the year in which the assessment is made 16 without penalty or interest. In the assessment of personal property, 17 the assessor shall assess the omitted value not reported by the 18 19 taxpayer as evidenced by an inspection of either the property or the books and records of said taxpayer by the assessor. 20

21 EXPLANATORY NOTE

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22 RCW 84.40.080 was amended twice by the 1994 legislature. 23 Chapter 124 s 21 made technical corrections, and chapter 301 s 24 37 revised the procedure for entering omitted property on the 25 assessment roll. The purpose of this bill is to give effect to 26 both amendments by reenacting the section including both 27 amendments.

28 **Sec. 15.** RCW 84.48.050 and 1994 c 301 s 42 and 1994 c 124 s 31 are 29 each reenacted to read as follows:

The county assessor shall, on or before the fifteenth day of January in each year, make out and transmit to the state auditor, in such form as may be prescribed, a complete abstract of the tax rolls of the county, showing the number of acres that have been assessed and the total value of the real property, including the structures on the real property; the total value of all taxable personal property in the county; the aggregate amount of all taxable property in the county; the total amount as equalized and the total amount of taxes levied in the county for state, county, city and other taxing district purposes, for that year. Should the assessor of any county fail to transmit to the department of revenue the abstract provided for in RCW 84.48.010, and

- if, by reason of such failure to transmit such abstract, any county shall fail to collect and pay to the state its due proportion of the state tax for any year, the department of revenue shall ascertain what amount of state tax said county has failed to collect, and certify the same to the state auditor, who shall charge the amount to the proper county and notify the auditor of said county of the amount of said charge; said sum shall be due and payable immediately by warrant in favor of the state on the current expense fund of said county.
- EXPLANATORY NOTE

 RCW 84.48.050 was amended twice by the 1994 legislature.

 Chapter 124 s 31 made technical corrections, and chapter 301 s

 42 changed the state board of equalization to the department of

 revenue and made other changes in the procedure for submitting

 abstracts of tax rolls. The purpose of this bill is to give
- effect to both amendments by reenacting the section including
- 16 both amendments.
- NEW SECTION. **Sec. 16.** RCW 35.23.310 and 1994 c 273 s 8, 1988 c 18 168 s 2, & 1965 c 7 s 35.23.310 are each repealed.
- 19 EXPLANATORY NOTE
- 20 RCW 35.23.310 was both amended and repealed by the 1994 legislature. Chapter 81 s 89 repealed RCW 35.23.310, and chapter 273 s 8 amended it to provide for publication of an ordinance by its title. Chapter 273 also amended RCW 35.24.220, which was recodified as RCW 35.23.221, to provide for such publication. The purpose of this bill is to repeal RCW 35.23.310 and all related session laws.

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