

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1015

Chapter 134, Laws of 1995

54th Legislature
1995 Regular Session

CORRECTION OF DOUBLE AMENDMENTS

EFFECTIVE DATE: 7/23/95

Passed by the House January 27, 1995
Yeas 93 Nays 0

CLYDE BALLARD

**Speaker of the
House of Representatives**

Passed by the Senate April 7, 1995
Yeas 41 Nays 0

JOEL PRITCHARD

President of the Senate

Approved April 27, 1995

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1015** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN

Chief Clerk

FILED

April 27, 1995 - 1:01 p.m.

**Secretary of State
State of Washington**

HOUSE BILL 1015

Passed Legislature - 1995 Regular Session

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

1 withdrawal from such an offense the perpetrator is armed with a deadly
2 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
11 community supervision order for a single offense may be for a period of
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
14 community supervision, the court shall order the juvenile to refrain
15 from committing new offenses. As a mandatory condition of community
16 supervision, the court shall order the juvenile to comply with the
17 mandatory school attendance provisions of chapter 28A.225 RCW and to
18 inform the school of the existence of this requirement. Community
19 supervision is an individualized program comprised of one or more of
20 the following:

21 (a) Community-based sanctions;

22 (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,
32 anger management classes, education or outpatient treatment programs to
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
36 programs is subject to available funds;

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;

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

6 (7) "Confinement" means physical custody by the department of
7 social and health services in a facility operated by or pursuant to a
8 contract with the state, or physical custody in a detention facility
9 operated by or pursuant to a contract with any county. The county may
10 operate or contract with vendors to operate county detention
11 facilities. The department may operate or contract to operate
12 detention facilities for juveniles committed to the department.
13 Pretrial confinement or confinement of less than thirty-one days
14 imposed as part of a disposition or modification order may be served
15 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:

20 (a) The allegations were found correct by a court. If a respondent
21 is convicted of two or more charges arising out of the same course of
22 conduct, only the highest charge from among these shall count as an
23 offense for the purposes of this chapter; or

24 (b) The criminal complaint was diverted by a prosecutor pursuant to
25 the provisions of this chapter on agreement of the respondent and after
26 an advisement to the respondent that the criminal complaint would be
27 considered as part of the respondent's criminal history. A
28 successfully completed deferred adjudication shall not be considered
29 part of the respondent's criminal history;

30 (10) "Department" means the department of social and health
31 services;

32 (11) "Detention facility" means a county facility, paid for by the
33 county, for the physical confinement of a juvenile alleged to have
34 committed an offense or an adjudicated offender subject to a
35 disposition or modification order. "Detention facility" includes
36 county group homes, inpatient substance abuse programs, juvenile basic
37 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

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;

1 (19) "Offense" means an act designated a violation or a crime if
2 committed by an adult under the law of this state, under any ordinance
3 of any city or county of this state, under any federal law, or under
4 the law of another state if the act occurred in that state;

5 (20) "Respondent" means a juvenile who is alleged or proven to have
6 committed an offense;

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
10 treatment for physical injury to persons, lost wages resulting from
11 physical injury, and costs of the victim's counseling reasonably
12 related to the offense if the offense is a sex offense. Restitution
13 shall not include reimbursement for damages for mental anguish, pain
14 and suffering, or other intangible losses. Nothing in this chapter
15 shall limit or replace civil remedies or defenses available to the
16 victim or offender;

17 (22) "Secretary" means the secretary of the department of social
18 and health services. "Assistant secretary" means the assistant
19 secretary for juvenile rehabilitation for the department;

20 (23) "Services" mean services which provide alternatives to
21 incarceration for those juveniles who have pleaded or been adjudicated
22 guilty of an offense or have signed a diversion agreement pursuant to
23 this chapter;

24 (24) "Sex offense" means an offense defined as a sex offense in RCW
25 9.94A.030;

26 (25) "Sexual motivation" means that one of the purposes for which
27 the respondent committed the offense was for the purpose of his or her
28 sexual gratification;

29 (26) "Foster care" means temporary physical care in a foster family
30 home or group care facility as defined in RCW 74.15.020 and licensed by
31 the department, or other legally authorized care;

32 (27) "Violation" means an act or omission, which if committed by an
33 adult, must be proven beyond a reasonable doubt, and is punishable by
34 sanctions which do not include incarceration;

35 (28) "Violent offense" means a violent offense as defined in RCW
36 9.94A.030.

37 EXPLANATORY NOTE

38 RCW 13.40.020 was amended three times by the 1994 legislature.
39 Chapter 261 s 18 expanded "community-based rehabilitation" to
40 include education or outpatient treatment programs to prevent

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

8 **Sec. 2.** RCW 30.04.215 and 1994 c 256 s 37 and 1994 c 92 s 20 are
9 each reenacted to read as follows:

10 (1) Notwithstanding any other provisions of law, in addition to all
11 powers enumerated by this title, and those necessarily implied
12 therefrom, a bank may engage in other business activities that have
13 been determined by the board of governors of the federal reserve system
14 or by the United States Congress to be closely related to the business
15 of banking, as of December 31, 1993.

16 (2) A bank that desires to perform an activity that is not
17 expressly authorized by subsection (1) of this section shall first
18 apply to the director for authorization to conduct such activity.
19 Within thirty days of the receipt of this application, the director
20 shall determine whether the activity is closely related to the business
21 of banking, whether the public convenience and advantage will be
22 promoted, whether the activity is apt to create an unsafe or unsound
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
28 closely related to the business of banking or the bank is not otherwise
29 qualified, he or she shall forthwith inform the applicant in writing.
30 The applicant shall have the right to appeal from an unfavorable
31 determination in accordance with the procedures of the Administrative
32 Procedure Act, chapter 34.05 RCW. In determining whether a particular
33 activity is closely related to the business of banking, the director
34 shall be guided by the rulings of the board of governors of the federal
35 reserve system and the comptroller of the currency in making
36 determinations in connection with the powers exercisable by bank
37 holding companies, and the activities performed by other commercial
38 banks or their holding companies.

39 (3) In addition to all powers enumerated by this title, and those
40 necessarily implied therefrom, a bank may engage in other business

1 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
16 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

1 relative rights in respect of the shares of each class; or a statement
2 that the shares of each class shall have the attributes as shall be
3 determined by the bank's board of directors from time to time with the
4 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 (8) Any provision, not inconsistent with law, which the
9 incorporators elect to set forth in the articles of incorporation for
10 the regulation of the affairs of the corporation, including any
11 provision restricting the transfer of shares, any provision which under
12 this title is required or permitted to be set forth in the bylaws, and
13 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.

20 EXPLANATORY NOTE

21 RCW 30.08.020 was amended twice by the 1994 legislature.
22 Chapter 92 s 43 made technical corrections, and chapter 256 s
23 42 made technical corrections and revised regulation of
24 financial institutions and securities. The purpose of this
25 bill is to give effect to both amendments by reenacting the
26 section including both amendments.

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

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

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

7 EXPLANATORY NOTE

8 RCW 30.08.040 was amended twice by the 1994 legislature.
9 Chapter 92 s 45 made technical corrections, and chapter 256 s
10 43 made technical corrections and revised regulation of
11 financial institutions and securities. The purpose of this
12 bill is to give effect to both amendments by reenacting the
13 section including both amendments.

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:

16 The director shall collect fees for the following services:

17 For filing application for certificate of authority and attendant
18 investigation as outlined in the law;

19 For filing application for certificate conferring trust powers upon
20 a state or national bank;

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;

24 For filing application to relocate main office or branch and
25 attendant investigation;

26 For issuing each certificate of authority;

27 For furnishing copies of papers filed in his or her office, per
28 page.

29 The director shall establish the amount of the fee for each of the
30 above transactions, and for other services rendered.

31 Every bank or trust company shall also pay to the secretary of
32 state for filing any instrument with him or her the same fees as are
33 required of general corporations for filing corresponding instruments,
34 and also the same license fees as are required of general corporations.

35 EXPLANATORY NOTE

36 RCW 30.08.095 was amended twice by the 1994 legislature.
37 Chapter 92 s 56 made technical corrections, and chapter 256 s
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 substantial beneficial interest or as to which the person serves as
2 trustee or in a similar fiduciary capacity, and (c) any relative who
3 would be a "class A beneficiary" if the person were a decedent.

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

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.

15 (8) Except as provided in RCW 32.32.230, the term "control"
16 (including the terms "controlling", "controlled by", and "under common
17 control with") means the possession, direct or indirect, of the power
18 to direct or cause the direction of the management and policies of a
19 person, whether through the ownership of voting securities, by
20 contract, or otherwise.

21 (9) The term "dealer" means any person who engages either for all
22 or part of his or her time, directly or indirectly, as agent, broker,
23 or principal, in the business of offering, buying, selling, or
24 otherwise dealing or trading in securities issued by another person.

25 (10) The term "deposits" refers to the deposits of a savings bank
26 that is converting under this chapter, and may refer in addition to the
27 deposits or share accounts of any other financial institution that is
28 converting to the stock form in connection with a merger with and into
29 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.

39 (14) The term "employee" does not include a director or officer.

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 (19) Except as provided in RCW 32.32.435, the term "offer", "offer
20 to sell", or "offer of sale" shall include every attempt or offer to
21 dispose of, or solicitation of an offer to buy, a security or interest
22 in a security, for value. These terms shall not include preliminary
23 negotiations or agreements between an applicant and any underwriter or
24 among underwriters who are or are to be in privity of contract with an
25 applicant.

26 (20) The term "officer", for purposes of the purchase of stock in
27 a conversion under this chapter or the sale of this stock, means the
28 chairman of the board, president, vice president, secretary, treasurer
29 or principal financial officer, comptroller or principal accounting
30 officer, and any other person performing similar functions with respect
31 to any organization whether incorporated or unincorporated.

32 (21) Except as provided in RCW 32.32.435, the term "person" means
33 an individual, a corporation, a partnership, an association, a joint-
34 stock company, a trust, any unincorporated organization, or a
35 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

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.

12 (26) Except as provided in RCW 32.32.435, the term "security"
13 includes any note, stock, treasury stock, bond, debenture, transferable
14 share, investment contract, voting-trust certificate, or in general,
15 any instrument commonly known as a "security"; or any certificate of
16 interest or participation in, temporary or interim certificate for,
17 receipt for, or warrant or right to subscribe to or purchase any of the
18 foregoing.

19 (27) The term "series of preferred stock" refers to a subdivision,
20 within a class of preferred stock, each share of which has preferences,
21 limitations, and relative rights identical with those of other shares
22 of the same series.

23 (28) The term "subscription offering" refers to the offering of
24 shares of capital stock, through nontransferable subscription rights
25 issued to: (a) Eligible account holders as required by RCW 32.32.045;
26 (b) supplemental eligible account holders as required by RCW 32.32.055;
27 (c) directors, officers, and employees, as permitted by RCW 32.32.140;
28 and (d) eligible account holders and supplemental eligible account
29 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.

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

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

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

18 EXPLANATORY NOTE

19 RCW 32.32.025 was amended twice by the 1994 legislature.
20 Chapter 92 s 352 made technical corrections, and chapter 256 s
21 105 made technical corrections and revised regulation of
22 financial institutions and securities. The purpose of this
23 bill is to give effect to both amendments by reenacting the
24 section including both amendments.

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

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

30 The terms of office of the mayor, city attorney, clerk, and
31 treasurer shall be four years and until their successors are elected
32 and qualified and assume office in accordance with RCW 29.04.170:
33 PROVIDED, That if the offices of city attorney, clerk, and treasurer
34 are made appointive, the city attorney, clerk, and treasurer shall not
35 be appointed for a definite term: PROVIDED FURTHER, That the term of
36 the elected treasurer shall not commence in the same biennium in which
37 the term of the mayor commences, nor in which the terms of the city
38 attorney and clerk commence if they are elected.

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

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

4 In its discretion the council of a second class city may divide the
5 city by ordinance, into a convenient number of wards, not exceeding
6 six, fix the boundaries of the wards, and change the ward boundaries
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
11 a boundary change results in one ward being represented by more
12 councilmembers than the number to which it is entitled, those having
13 the shortest unexpired terms shall be assigned by the council to wards
14 where there is a vacancy, and the councilmembers so assigned shall be
15 deemed to be residents of the wards to which they are assigned for
16 purposes of determining whether those positions are vacant.

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

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

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

7 EXPLANATORY NOTE

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

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:

16 The council of a second class city may declare a council position
17 vacant if the councilmember is absent for three consecutive regular
18 meetings without permission of the council. In addition, a vacancy in
19 an elective office shall occur and shall be filled as provided in
20 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
24 illness, absence from the city or other temporary inability to act, the
25 mayor may appoint a temporary appointee to exercise the duties of the
26 office until the temporary disability of the incumbent is removed.

27 EXPLANATORY NOTE

28 RCW 35.23.101 was amended twice and recodified by the 1994
29 legislature. Chapter 81 s 38 recodified RCW 35.24.100 and
30 revised classifications of cities and towns, and chapter 223 s
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
35 each reenacted to read as follows:

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

1 days before a municipal general election. No change in the boundaries
2 of wards shall affect the term of any councilmember, and councilmembers
3 shall serve out their terms in the wards of their residences at the
4 time of their elections. However, if these boundary changes result in
5 one ward being represented by more councilmembers than the number to
6 which it is entitled, those having the shortest unexpired terms shall
7 be assigned by the council to wards where there is a vacancy, and the
8 councilmembers so assigned shall be deemed to be residents of the wards
9 to which they are assigned for purposes of determining whether those
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)
16 only voters of the ward may vote at a primary to nominate candidates
17 for a councilmember of the ward. Voters of the entire city may vote at
18 the general election to elect a councilmember of a ward, unless the
19 city had prior to January 1, 1994, limited the voting in the general
20 election for any or all council positions to only voters residing
21 within the ward associated with the council positions. If a city had
22 so limited the voting in the general election to only voters residing
23 within the ward, then the city shall be authorized to continue to do
24 so. 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

28 RCW 35.23.850 was amended twice and recodified by the 1994
29 legislature. Chapter 81 s 34 recodified RCW 35.23.530 and
30 revised classifications of cities and towns, and chapter 223 s
31 16 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. 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:

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

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

8 EXPLANATORY NOTE

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

14 **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:

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

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

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

1 intent in writing. The department of revenue and the county
2 legislative authority may thereupon each designate a representative,
3 and such representative or representatives as may be designated by the
4 department of revenue or the county legislative authority, or both,
5 shall form with the assessor a committee. The committee so formed may,
6 by unanimous vote only, determine the required number of certified
7 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
10 certified to the county legislative authority. The committee may be
11 formed only once in a period of four calendar years.

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

19 EXPLANATORY NOTE

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:

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

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

34 EXPLANATORY NOTE

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

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

9 EXPLANATORY NOTE

10 RCW 84.48.050 was amended twice by the 1994 legislature.
11 Chapter 124 s 31 made technical corrections, and chapter 301 s
12 42 changed the state board of equalization to the department of
13 revenue and made other changes in the procedure for submitting
14 abstracts of tax rolls. The purpose of this bill is to give
15 effect to both amendments by reenacting the section including
16 both amendments.

17 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
21 legislature. Chapter 81 s 89 repealed RCW 35.23.310, and
22 chapter 273 s 8 amended it to provide for publication of an
23 ordinance by its title. Chapter 273 also amended RCW
24 35.24.220, which was recodified as RCW 35.23.221, to provide
25 for such publication. The purpose of this bill is to repeal
26 RCW 35.23.310 and all related session laws.

Passed the House January 27, 1995.

Passed the Senate April 7, 1995.

Approved by the Governor April 27, 1995.

Filed in Office of Secretary of State April 27, 1995.