ENGROSSED SENATE BILL 5316

State of Washington 65th Legislature 2017 Regular Session

By Senators Fortunato, Rossi, Rivers, Miloscia, Padden, Becker, Braun, Angel, Warnick, Schoesler, Brown, Zeiger, and Wilson

Read first time 01/20/17. Referred to Committee on State Government.

AN ACT Relating to the removal of provisions that are no longer 1 2 for continued publication in the necessary Revised Code 3 Washington; amending RCW 43.88.0301, 43.320.017, 70.95.532, 80.01.080, 48.17.563, 48.18A.035, 48.25.140, 48.29.015, 48.31.115, 4 21.20.880, 43.70.900, 29A.04.510, 35A.39.010, 44.05.080, 77.125.040, 5 47.06.110, 82.42.090, and 82.80.070; reenacting and amending RCW 6 7 46.18.060; recodifying RCW 42.32.030; decodifying RCW 43.88.910, 8 43.105.902, 43.105.903, 43.320.012, 43.320.013, 43.320.014, 43.320.015, 43.320.016, 43.320.901, 15.15.900, 15.49.920, 15.49.950, 9 15.51.900, 15.54.930, 15.58.900, 15.58.901, 15.58.943, 41.58.900, 10 50.13.910, 50.38.900, 50.38.902, 11 41.58.901, 50.06.010, 50.13.010, 12 50.60.902, 50.65.905, 50.70.902, 50.98.080, 69.50.545, 69.50.606, 13 69.50.607, 28A.315.075, 43.215.903, 43.215.905, 48.20.322, 48.23.520, 29A.04.903, 29A.04.905, 35.98.020, 35.98.050, 35A.90.030, 35A.90.040, 14 42.56.901, 42.56.902, 42.56.903, 71A.10.805, 10.77.900, 10.77.920, 15 16 10.77.930, 71.05.910, 71.05.920, 71.05.930, 71.24.900, 71.34.901, 74.14B.900, 74.18.903, 5.45.920, 46.61.990, 77.15.902, 77.50.900, 17 18 77.65.900, 77.105.900, 43.31A.400, 43.63A.902, 43.63A.903, 43.41.035, 19 43.41.901, 43.41.940, 43.41.950, 43.41.981, and 43.88.910; repealing 66.08.230, 66.08.250, 66.12.020, 69.50.1011, 28A.305.900, 20 RCW 28A.305.901, 28A.400.201, 28A.630.005, 70.94.505, 70.95H.005, 21 70.95H.010, 70.95H.030, 70.95H.040, 22 70.95H.007, 70.95H.050, 70.95N.270, 70.104.070, 23 70.95H.900, 70.104.090, 70.105A.035,

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    70.220.060, 80.36.901, 70.104.100, 30A.24.080, 31.04.185, 31.04.501,
    31.45.095, 48.102.190, 35.13A.0301, 41.05.019, 41.05.230, 41.05.655,
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                                70.47A.020,
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    70.22.005,
                 70.47A.010,
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                                             70.47A.080,
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                                             71A.20.190,
    70.47A.100,
                 70.47A.110,
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                                70.47A.901,
                                                            28B.65.010,
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    28B.65.020, 28B.65.030,
                                28B.65.040, 28B.65.050,
                                                            28B.65.060,
    28B.65.070, 28B.65.080, 28B.65.110, 28B.65.900, 28B.65.905, 2.56.031,
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    10.77.810, 10.77.820, 71.24.055, 74.12.901, 74.12A.030, 74.13.017,
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    2.56.250, 9.04.040, 26.50.800, 43.30.8351, 76.01.080, 76.01.090,
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    76.09.380, 77.12.605, 77.12.710, 79A.20.005, 79A.20.010, 79A.20.030,
    79A.20.900, 43.31.088, 43.31.522, 43.31.524, 43.31.800, 43.31.805,
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    43.31.810, 43.31.820, 43.31.830, 43.31.832, 43.31.833, 43.31.834,
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    43.31.840, 43.31.850, 43.374.005, 43.374.020, 47.01.141, 47.01.321,
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    47.01.350, 47.01.360, 47.01.400,
                                      47.01.405, 47.01.406, 47.01.410,
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17 2010 c 236 s 6 (uncodified); and adding a new section to chapter

47.01.418, 47.60.645, 47.78.010, 82.44.180, 82.80.040, 82.80.050,

82.80.060, 82.14.046, and 82.50.510; repealing 2009 c 548 s 302 and

18 42.30 RCW.

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- 19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. RELATING TO ACCOUNTABILITY & REFORM. The following sections are decodified:
- 22 (1) RCW 43.88.910 (Effective date—1975 1st ex.s. c 293);
- 23 (2) RCW 43.105.902 (Effective date—1987 c 504);
- 24 (3) RCW 43.105.903 (Effective date—1999 c 285);
- 25 (4) RCW 43.320.012 (Department of general administration and department of licensing equipment, records, funds transferred);
- 27 (5) RCW 43.320.013 (Department of general administration and department of licensing civil service employees transferred);
- 29 (6) RCW 43.320.014 (Department of general administration or 30 department of licensing rules, business, contracts, and obligations 31 continued);
- 32 (7) RCW 43.320.015 (Department of general administration and department of licensing—Validity of acts);
- 34 (8) RCW 43.320.016 (Apportionment of budgeted funds); and
- 35 (9) RCW 43.320.901 (Implementation—1993 c 472).

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1 **Sec. 2.** RCW 43.88.0301 and 2002 c 312 s 1 are each amended to 2 read as follows:

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RELATING TO ACCOUNTABILITY & REFORM. (1) The office of financial management must include in its capital budget instructions, beginning with its instructions for the 2003-05 capital budget, a request for "yes" or "no" answers for the following additional informational questions from capital budget applicants for all proposed major capital construction projects valued over five million dollars and required to complete a predesign:

- (a) For proposed capital projects identified in this subsection that are located in or serving city or county planning under RCW 36.70A.040:
- (i) Whether the proposed capital project is identified in the host city or county comprehensive plan, including the capital facility plan, and implementing rules adopted under chapter 36.70A RCW;
- 17 (ii) Whether the proposed capital project is located within an 18 adopted urban growth area:
 - (A) If at all located within an adopted urban growth area boundary, whether a project facilitates, accommodates, or attracts planned population and employment growth;
- (B) If at all located outside an urban growth area boundary, whether the proposed capital project may create pressures for additional development;
- 25 (b) For proposed capital projects identified in this subsection 26 that are requesting state funding:
- 27 (i) Whether there was regional coordination during project 28 development;
 - (ii) Whether local and additional funds were leveraged;
- 30 (iii) Whether environmental outcomes and the reduction of adverse 31 environmental impacts were examined.
- 32 (2) For projects subject to subsection (1) of this section, the 33 office of financial management shall request the required information 34 be provided during the predesign process of major capital 35 construction projects to reduce long-term costs and increase process 36 efficiency.
- 37 (3) The office of financial management, in fulfilling its duties 38 under RCW 43.88.030(((3))) (5) to create a capital budget document, 39 must take into account information gathered under subsections (1) and 40 (2) of this section in an effort to promote state capital facility

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- 1 expenditures that minimize unplanned or uncoordinated infrastructure
- 2 and development costs, support economic and quality of life benefits
- 3 for existing communities, and support local government planning
- 4 efforts.
- 5 (4) The office of community development must provide staff
- 6 support to the office of financial management and affected capital
- 7 budget applicants to help collect data required by subsections (1)
- 8 and (2) of this section.
- 9 **Sec. 3.** RCW 43.320.017 and 1993 c 472 s 13 are each amended to
- 10 read as follows:
- 11 SECTION 1 CONFORMING AMENDMENT. Nothing contained in RCW
- 12 43.320.011 ((through 43.320.015)) may be construed to alter any
- 13 existing collective bargaining unit or the provisions of any existing
- 14 collective bargaining agreement until the expiration date of the
- 15 current agreement or until the bargaining unit has been modified by
- 16 action of the <u>Washington</u> personnel <u>resources</u> board as provided by
- 17 law.
- 18 <u>NEW SECTION.</u> **Sec. 4.** RELATING TO AGRICULTURE, WATER & RURAL
- 19 ECONOMIC DEVELOPMENT. The following sections are decodified:
- 20 (1) RCW 15.15.900 (Effective date—1997 c 176);
- 21 (2) RCW 15.49.920 (Effective date—1969 c 63);
- 22 (3) RCW 15.49.950 (Severability—1969 c 63);
- 23 (4) RCW 15.51.900 (Effective date—2007 c 181);
- 24 (5) RCW 15.54.930 (Effective date—1967 ex.s. c 22);
- 25 (6) RCW 15.58.900 (Effective date—1971 ex.s. c 190);
- 26 (7) RCW 15.58.901 (Effective date—2000 c 96); and
- 27 (8) RCW 15.58.943 (Effective date—2003 c 212).
- 28 <u>NEW SECTION.</u> **Sec. 5.** RELATING TO COMMERCE & LABOR. The
- 29 following sections are decodified:
- 30 (1) RCW 41.58.900 (Effective dates—1975-'76 2nd ex.s. c 5);
- 31 (2) RCW 41.58.901 (Effective date—1975 1st ex.s. c 296 §§ 4, 6,
- 32 and 8 through 39);
- 33 (3) RCW 50.06.010 (Purpose);
- 34 (4) RCW 50.13.010 (Legislative intent and recognition);
- 35 (5) RCW 50.13.910 (Legislative designation and placement);
- 36 (6) RCW 50.38.900 (Effective date—1982 c 43);

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- 1 (7) RCW 50.38.902 (Effective date—1993 c 62);
- 2 (8) RCW 50.60.902 (Effective date—1983 c 207);
- 3 (9) RCW 50.65.905 (Effective date—1987 c 167);
- 4 (10) RCW 50.70.902 (Effective date—1991 c 315);
- 5 (11) RCW 50.98.080 (Effective date—1945 c 35);
- 6 (12) RCW 69.50.545 (Departments of social and health services,
- 7 health—Adoption of rules for disbursement of marijuana excise taxes);
- 8 (13) RCW 69.50.606 (Repealers); and
- 9 (14) RCW 69.50.607 (Effective date—1971 ex.s. c 308).
- 10 <u>NEW SECTION.</u> **Sec. 6.** RELATING TO COMMERCE & LABOR. The 11 following acts or parts of acts are each repealed:
- 12 (1) RCW 66.08.230 (Initial disbursement to wine commission— 13 Repayment) and 1987 c 452 s 12;
- 14 (2) RCW 66.08.250 (Report on streamlining liquor tax collection) 15 and 2013 c 95 s 2;
- 16 (3) RCW 66.12.020 (Sales of liquor to board) and 1933 ex.s. c 62 17 s 48; and
- 18 (4) RCW 69.50.1011 (Definition—Commission) and 2013 c 19 s 86.
- 19 <u>NEW SECTION.</u> **Sec. 7.** RELATING TO EARLY LEARNING & K-12 20 EDUCATION. The following sections are decodified:
- 21 (1) RCW 28A.315.075 (Effect of 1999 c 315—Existing provisions not 22 affected);
- 23 (2) RCW 43.215.903 (Severability—1988 c 174); and
- 24 (3) RCW 43.215.905 (Effective date—2006 c 265).
- NEW SECTION. Sec. 8. RELATING TO EARLY LEARNING & K-12 EDUCATION. The following acts or parts of acts are each repealed:
- 27 (1) RCW 28A.305.900 (Transfer of powers and duties—State board of education) and 2005 c 497 s 301;
- 29 (2) RCW 28A.305.901 (Transfer of powers and duties—Academic 30 achievement and accountability commission) and 2005 c 497 s 302;
- 31 (3) RCW 28A.400.201 (Enhanced salary allocation model for
- 32 educator development and certification—Technical working group—
- 33 Report and recommendation) and 2016 c 162 s 4, 2011 1st sp.s. c 43 s
- 34 468, 2010 c 236 s 7, & 2009 c 548 s 601;
- 35 (4) RCW 28A.630.005 (Pilot project to assist school-age children 36 in short-term foster care) and 2002 c 326 s 2;

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- 1 (5) 2009 c 548 s 302 (uncodified); and
- 2 (6) 2010 c 236 s 6 (uncodified).

c 319 s 203;

- 3 <u>NEW SECTION.</u> **Sec. 9.** RELATING TO ENERGY, ENVIRONMENT &
- 4 TELECOMMUNICATIONS. The following acts or parts of acts are each 5 repealed:
- 6 (1) RCW 70.94.505 (Woodsmoke emissions—Work group) and 2007 c 339 7 s 3;
- 8 (2) RCW 70.95H.005 (Finding) and 1991 c 319 s 201;
- 9 (3) RCW 70.95H.007 (Center created) and 1995 c 399 s 192 & 1991 c 10 319 s 202;
- 11 (4) RCW 70.95H.010 (Purpose—Market development defined) and 1991
- 13 (5) RCW 70.95H.030 (Duties and responsibilities) and 2015 c 225 s 14 108, 1992 c 131 s 2, & 1991 c 319 s 205;
- 15 (6) RCW 70.95H.040 (Authority) and 1991 c 319 s 206;
- 16 (7) RCW 70.95H.050 (Funding) and 1995 c 399 s 194 & 1991 c 319 s 17 207;
- 18 (8) RCW 70.95H.900 (Termination) and 1991 c 319 s 209;
- 19 (9) RCW 70.95N.270 (Reports) and 2006 c 183 s 28;
- 20 (10) RCW 70.104.070 (Pesticide incident reporting and tracking 21 review panel—Intent) and 1989 c 380 s 67;
- 22 (11) RCW 70.104.090 (Pesticide panel—Responsibilities) and 1991 c 23 3 s 364 & 1989 c 380 s 69;
- 24 (12) RCW 70.105A.035 (Revision of fees to provide a waste 25 reduction and recycling incentive) and 1989 c 2 s 16;
- 26 (13) RCW 70.220.060 (Funding report required by April 30, 2007) 27 and 2005 c 305 s 6; and
- 28 (14) RCW 80.36.901 (Legislative review of 1985 c 450—1989 c 101) 29 and 1989 c 101 s 18 & 1985 c 450 s 44.
- 30 **Sec. 10.** RCW 70.95.532 and 2010 c 247 s 704 are each amended to read as follows:
- RELATING TO ENERGY, ENVIRONMENT & TELECOMMUNICATIONS. (1) All receipts from tire fees imposed under RCW 70.95.510, except as provided in subsection (2) of this section, must be deposited in the waste tire removal account created under RCW 70.95.521. Moneys in the
- 36 account may be spent only after appropriation. Expenditures from the
- 37 account may be used for the cleanup of unauthorized waste tire piles

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- 1 and measures that prevent future accumulation of unauthorized waste 2 tire piles.
- 3 (2) On September 1st of odd-numbered years, the state treasurer 4 must transfer any cash balance in excess of one million dollars from 5 the waste tire removal account created under RCW 70.95.521 to the 6 motor vehicle account for the purpose of road wear related 7 maintenance on state and local public highways.
- 8 (((3) During the 2009-2011 fiscal biennium, the legislature may
 9 transfer any cash balance in excess of one million dollars from the
 10 waste tire removal account to the motor vehicle account for the
 11 purpose of road wear-related maintenance on state and local public
 12 highways.))
- 13 **Sec. 11.** RCW 80.01.080 and 2010 1st sp.s. c 37 s 950 are each 14 amended to read as follows:
- 15 RELATING TO ENERGY, ENVIRONMENT & TELECOMMUNICATIONS. There is 16 created in the state treasury a public service revolving fund. 17 Regulatory fees payable by all types of public service companies 18 shall be deposited to the credit of the public service revolving fund. Except for expenses payable out of the pipeline safety account, 19 20 expense of operation of the Washington utilities 21 transportation commission shall be payable out of the public service 22 revolving fund.
- ((During the 2009-2011 fiscal biennium, the legislature may transfer from the public service revolving fund to the state general fund such amounts as reflect the excess fund balance of the fund.))
- 26 <u>NEW SECTION.</u> **Sec. 12.** SECTION 9 CONFORMING REPEALER.
- 27 RCW 70.104.100 (Industrial insurance statutes not affected) and 1989
- 28 c 380 s 70 are each repealed.
- 29 <u>NEW SECTION.</u> **Sec. 13.** RELATING TO FINANCIAL INSTITUTIONS & 30 INSURANCE. The following sections are decodified:
- 31 (1) RCW 48.20.322 (Effective date of standard provision and 32 certain other sections—Five year period); and
- 33 (2) RCW 48.23.520 (Operative date of RCW 48.23.410 through 34 48.23.520).
- NEW SECTION. Sec. 14. RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. The following acts or parts of acts are each repealed:

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- 1 (1) RCW 30A.24.080 (Securities in default ineligible) and 1955 c 2 33 s 30.24.080;
- 3 (2) RCW 31.04.185 (Repealed sections of law—Rules adopted under) 4 and 1994 c 92 s 173 & 1991 c 208 s 19;
- 5 (3) RCW 31.04.501 (Implementation) and 2009 c 149 s 9;

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- 6 (4) RCW 31.45.095 (Report by director—Contents) and 2009 c 510 s 7; and
- 8 (5) RCW 48.102.190 (Existing viatical settlement licenses—July 9 26, 2009) and 2009 c 104 s 22.
- 10 **Sec. 15.** RCW 48.17.563 and 1994 c 131 s 6 are each amended to 11 read as follows:
 - RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. (1) The commissioner may require insurance education providers to furnish specific information regarding their curricula, faculty, methods of monitoring attendance, and other matters reasonably related to providing insurance education under this chapter. The commissioner may grant approvals to such providers who demonstrate the ability to conduct and certify completion of one or more courses satisfying the insurance education requirements of RCW 48.17.150.
- 20 (2) Provider and course approvals are valid for the time period 21 established by the commissioner and shall expire if not timely 22 renewed. Each provider shall pay the renewal fee set forth in RCW 23 48.14.010(1)(n).
- 24 (((3) In granting approvals for courses required by RCW)25 48.17.150(1)(d):
- 26 (a) The commissioner may require the availability of a licensed 27 agent with appropriate experience on the premises whenever 28 instruction is being offered; and
- (b) The commissioner shall not deny approval to any provider on the grounds that the proposed method of education employs nontraditional teaching techniques, such as substituting taped lectures for live instruction, offering instruction without fixed schedules, or providing education at individual learning rates.))
- 34 **Sec. 16.** RCW 48.18A.035 and 2008 c 217 s 19 are each amended to read as follows:
- RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. $((\frac{1}{1}))$ Every individual variable contract issued shall have printed on its face or

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attached thereto a notice stating in substance that the policy owner shall be permitted to return the policy within ten days after it is received by the policy owner and to have the market value of the assets purchased by its premium, less taxes and investment brokerage commissions, if any, refunded, if, after examination of the policy, б the policy owner is not satisfied with it for any reason. An additional ten percent penalty shall be added to any premium refund due which is not paid within thirty days of return of the policy to the insurer or insurance producer. If a policy owner pursuant to such notice returns the policy to the insurer at its home or branch office or to the insurance producer through whom it was purchased, it shall be void from the beginning and the parties shall be in the same position as if no policy had been issued.

(((2) No later than January 1, 2010, or when the insurer has used all of its existing paper variable contract forms which were in its possession on July 1, 2009, whichever is earlier, the notice required by subsection (1) of this section shall use the term insurance producer in place of agent.))

Sec. 17. RCW 48.25.140 and 2008 c 217 s 33 are each amended to 20 read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. $((\frac{1}{1}))$ There shall be a provision that no insurance producer shall have the power or authority to waive, change, or alter any of the terms or conditions of any policy; except that, at the option of the insurer, the terms or conditions may be changed by an endorsement signed by a duly authorized officer of the insurer.

(((2) No later than January 1, 2010, or when the insurer has used all of its existing paper industrial life insurance contract forms which were in its possession on July 1, 2009, whichever is earlier, the notice required by subsection (1) of this section shall use the term insurance producer in place of agent.))

Sec. 18. RCW 48.29.015 and 2008 c 110 s 2 are each amended to 33 read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. (1) A title insurance agent shall maintain records of its title orders sufficient to indicate the source of the title orders.

(2) Every title insurance agent shall file with the commissioner annually by March 15th of each year for the previous calendar year,

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- unless the commissioner for good cause shown extends the time for filing, a report, on a form prescribed by the commissioner, setting forth:
- 4 (a) The names and addresses of those persons, if any, who have 5 had a financial interest in the title insurance agent during the 6 calendar year, who are known or reasonably believed by the title 7 insurance agent to be producers of title business or associates of 8 producers; and
- 9 (b) The percent of title orders originating from each person who 10 owns, or had owned during the preceding calendar year, a financial 11 interest in the title insurance agent.

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- (3) Each title insurance agent shall keep current the information required by that portion of the report required by subsection (2)(a) of this section by reporting all changes or additions within fifteen days after the end of the month in which it learns of each change or addition.
- 17 (4) Each title insurance agent shall file that portion of the 18 report required by subsection (2)(a) of this section with its 19 application for a license.
- 20 (((5) Each title insurance agent licensed on June 12, 2008, shall
 21 file the report required under this section within thirty days after
 22 June 12, 2008.))
- 23 **Sec. 19.** RCW 48.31.115 and 2005 c 432 s 2 are each amended to 24 read as follows:
- 25 RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. (1) The persons 26 entitled to protection under this section are:
 - (a) The commissioner and any other receiver or administrative supervisor responsible for conducting a delinquency proceeding under this chapter, including present and former commissioners, administrative supervisors, and receivers; and
 - (b) The commissioner's employees, meaning all present and former special deputies and assistant special deputies and special receivers and special administrative supervisors appointed by the commissioner and all persons whom the commissioner, special deputies, or assistant special deputies have employed to assist in a delinquency proceeding under this chapter. Attorneys, accountants, auditors, and other professional persons or firms who are retained as independent contractors, and their employees, are not considered employees of the commissioner for purposes of this section.

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(2) The commissioner and the commissioner's employees are immune from suit and liability, both personally and in their official capacities, for a claim for damage to or loss of property or personal injury or other civil liability caused by or resulting from an alleged act or omission of the commissioner or an employee arising out of or by reason of his or her duties or employment. However, nothing in this subsection may be construed to hold the commissioner or an employee immune from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of the commissioner or an employee.

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- (3) If a legal action is commenced against the commissioner or an employee, whether against him or her personally or in his or her official capacity, alleging property damage, property loss, personal injury, or other civil liability caused by or resulting from an alleged act or omission of the commissioner or an employee arising out of or by reason of his or her duties or employment, the commissioner and any employee shall be indemnified from the assets of insurer for all expenses, attorneys' fees, judgments, settlements, decrees, or amounts due and owing or paid satisfaction of or incurred in the defense of the legal action unless it is determined upon a final adjudication on the merits that the alleged act or omission of the commissioner or employee giving rise to the claim did not arise out of or by reason of his or her duties or employment, or was caused by intentional or willful and wanton misconduct.
- (a) Attorneys' fees and related expenses incurred in defending a legal action for which immunity or indemnity is available under this section shall be paid from the assets of the insurer, as they are incurred, in advance of the final disposition of such action upon receipt of an undertaking by or on behalf of the commissioner or employee to repay the attorneys' fees and expenses if it is ultimately determined upon a final adjudication on the merits and that the commissioner or employee is not entitled to immunity or indemnity under this section.
- (b) Any indemnification under this section is an administrative expense of the insurer.
- (c) In the event of an actual or threatened litigation against the commissioner or an employee for which immunity or indemnity may be available under this section, a reasonable amount of funds that in the judgment of the commissioner may be needed to provide immunity or

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indemnity shall be segregated and reserved from the assets of the insurer as security for the payment of indemnity until all applicable statutes of limitation have run or all actual or threatened actions against the commissioner or an employee have been completely and finally resolved, and all obligations of the insurer and the commissioner under this section have been satisfied.

- (d) In lieu of segregation and reserving of funds, the commissioner may obtain a surety bond or make other arrangements that will enable the commissioner to secure fully the payment of all obligations under this section.
- (4) If a legal action against an employee for which indemnity may be available under this section is settled before final adjudication on the merits, the insurer shall pay the settlement amount on behalf of the employee, or indemnify the employee for the settlement amount, unless the commissioner determines:
- 16 (a) That the claim did not arise out of or by reason of the 17 employee's duties or employment; or
 - (b) That the claim was caused by the intentional or willful and wanton misconduct of the employee.
 - (5) In a legal action in which the commissioner is a defendant, that portion of a settlement relating to the alleged act or omission of the commissioner is subject to the approval of the court before which the delinquency proceeding is pending. The court may not approve that portion of the settlement if it determines:
 - (a) That the claim did not arise out of or by reason of the commissioner's duties or employment; or
 - (b) That the claim was caused by the intentional or willful and wanton misconduct of the commissioner.
 - (6) Nothing in this section removes or limits an immunity, indemnity, benefit of law, right, or defense otherwise available to the commissioner, an employee, or any other person, not an employee under subsection (1)(b) of this section, who is employed by or in the office of the commissioner or otherwise employed by the state.
 - (((7)(a) Subsection (2) of this section applies to any suit based in whole or in part on an alleged act or omission that takes place on or after July 25, 1993.
 - (b) No legal action lies against the commissioner or an employee based in whole or in part on an alleged act or omission that took place before July 25, 1993, unless suit is filed and valid service of process is obtained within twelve months after July 25, 1993.

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- 1 (c) Subsections (3), (4), and (5) of this section apply to a suit 2 that is pending on or filed after July 25, 1993, without regard to 3 when the alleged act or omission took place.))
- 4 **Sec. 20.** RCW 21.20.880 and 2014 c 144 s 3 are each amended to read as follows:
- 6 (1) Any offer or sale of a security is exempt from RCW 21.20.040 7 through 21.20.300 and 21.20.327, except as expressly provided, if:
 - (a) The offering is first declared exempt by the director after:
 - (i) The issuer files the offering with the director; or

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- 10 (ii) A portal working in collaboration with the director files 11 the offering with the director on behalf of the issuer under RCW 12 21.20.883;
 - (b) The offering is conducted in accordance with the requirements of section 3(a)(11) of the securities act of 1933 and securities and exchange commission rule 147, 17 C.F.R. Sec. 230.147;
 - (c) The issuer is an entity organized and doing business in the state of Washington;
- 18 (d) Each investor provides evidence or certification of residency 19 in the state of Washington at the time of purchase;
 - (e) The issuer files with the director an escrow agreement either directly or through a portal providing that all offering proceeds will be released to the issuer only when the aggregate capital raised from all investors equals or exceeds the minimum target offering, as determined by the director;
 - (f) The aggregate purchase price of all securities sold by an issuer pursuant to the exemption provided by this section does not exceed one million dollars during any twelve-month period;
- 28 (g) The aggregate amount sold to any investor by one or more 29 issuers during the twelve-month period preceding the date of the sale 30 does not exceed:
- (i) The greater of two thousand dollars or five percent of the annual income or net worth of the investor, as applicable, if either the annual income or the net worth of the investor is less than one hundred thousand dollars; or
- (ii) Ten percent of the annual income or net worth of the investor, as applicable, up to one hundred thousand dollars, if either the annual income or net worth of the investor is one hundred thousand dollars or more;

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- (h) The investor acknowledges by manual or electronic signature the following statement conspicuously presented at the time of sale on a page separate from other information relating to the offering: "I acknowledge that I am investing in a high-risk, speculative business venture, that I may lose all of my investment, and that I can afford the loss of my investment";
- (i) The issuer reasonably believes that all purchasers are purchasing for investment and not for sale in connection with a distribution of the security; and
- (j) The issuer and investor provide any other information reasonably requested by the director.
 - (2) Attempted compliance with the exemption provided by this section does not act as an exclusive election. The issuer may claim any other applicable exemption.
 - (3) For as long as securities issued under the exemption provided by this section are outstanding, the issuer shall provide a quarterly report to the issuer's shareholders and the director by making such report publicly accessible, free of charge, at the issuer's internet web site address within forty-five days of the end of each fiscal quarter. The report must contain the following information:
 - (a) Executive officer and director compensation, including specifically the cash compensation earned by the executive officers and directors since the previous report and on an annual basis, and any bonuses or other compensation, including stock options or other rights to receive equity securities of the issuer or any affiliate of the issuer, received by them; and
- (b) A brief analysis by management of the issuer of the business operations and financial condition of the issuer.
- (4) Securities issued under the exemption provided by this section may not be transferred by the purchaser during a one-year period beginning on the date of purchase, unless the securities are transferred:
 - (a) To the issuer of the securities;
 - (b) To an accredited investor;

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- 35 (c) As part of a registered offering; or
- 36 (d) To a member of the family of the purchaser or the equivalent, 37 or in connection with the death or divorce or other similar 38 circumstances, in the discretion of the director.
- 39 (5) The director shall adopt disqualification provisions under 40 which this exemption shall not be available to any person or its

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- 1 predecessors, affiliates, officers, directors, underwriters, or other
- 2 related persons. The provisions shall be substantially similar to the
- 3 disqualification provisions adopted by the securities and exchange
- 4 commission pursuant to the requirements of section 401(b)(2) of the
- 5 Jobs act of 2012 or, if none, as adopted in Rule 506 of Regulation D.
- 6 Notwithstanding the foregoing, this exemption shall become available
- 7 on June 12, 2014.
- 8 (6) Subject to RCW 21.20.450, the director may adopt, amend, or
- 9 repeal rules to implement this section and RCW 21.20.883, including
- 10 the establishment of filing and transaction fees sufficient to cover
- 11 the costs of administering RCW 21.20.883 and this section.
- 12 <u>NEW SECTION.</u> **Sec. 21.** RELATING TO GOVERNMENT OPERATIONS &
- 13 SECURITY. The following sections are decodified:
- 14 (1) RCW 29A.04.903 (Effective date—2003 c 111);
- 15 (2) RCW 29A.04.905 (Effective date—2004 c 271);
- 16 (3) RCW 35.98.020 (Title, chapter, section headings not part of
- 17 law);
- 18 (4) RCW 35.98.050 (Emergency—1965 c 7);
- 19 (5) RCW 35A.90.030 (Title, chapter, section headings not part of
- 20 law);
- 21 (6) RCW 35A.90.040 (Effective date—1967 ex.s. c 119);
- 22 (7) RCW 42.56.901 (Part headings not law—2005 c 274);
- 23 (8) RCW 42.56.902 (Effective date—2005 c 274); and
- 24 (9) RCW 42.56.903 (Effective date—2006 c 209).
- 25 <u>NEW SECTION.</u> **Sec. 22.** RELATING TO GOVERNMENT OPERATIONS &
- 26 SECURITY. RCW 35.13A.0301 (Assumption of water-sewer district before
- July 1, 1999—Limitations) and 1998 c 326 s 3 are each repealed.
- 28 NEW SECTION. Sec. 23. RELATING TO HEALTH CARE. RCW 71A.10.805
- 29 (Headings in Title 71A RCW not part of law) is decodified.
- 30 <u>NEW SECTION.</u> **Sec. 24.** RELATING TO HEALTH CARE. The following
- 31 acts or parts of acts are each repealed:
- 32 (1) RCW 41.05.019 (Direct patient-provider primary care practices
- 33 —Plan) and 2011 1st sp.s. c 8 s 2;
- 34 (2) RCW 41.05.230 (Multicultural health care technical assistance
- 35 program) and 1993 c 492 s 272;

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- 1 (3) RCW 41.05.655 (School district health benefits—Reports) and 2 2012 2nd sp.s. c 3 s 6;
- 3 (4) RCW 70.22.005 (Transfer of duties to the department of 4 health) and 1989 1st ex.s. c 9 s 246;
- 5 (5) RCW 70.47A.010 (Finding—Intent) and 2007 c 260 s 1 & 2006 c 6 255 s 1;
- 7 (6) RCW 70.47A.020 (Definitions) and 2011 c 287 s 1, 2008 c 143 s 8 1, 2007 c 260 s 2, & 2006 c 255 s 2;
- 9 (7) RCW 70.47A.030 (Health insurance partnership established— 10 Administrator duties) and 2011 c 287 s 2, 2009 c 257 s 1, 2008 c 143 11 s 2, 2007 c 259 s 58, & 2006 c 255 s 3;
- 12 (8) RCW 70.47A.040 (Applications for premium subsidies) and 2009 13 c 257 s 2, 2008 c 143 s 3, 2007 c 260 s 6, & 2006 c 255 s 4;
- 14 (9) RCW 70.47A.050 (Enrollment to remain within appropriation) 15 and 2011 c 287 s 3, 2007 c 260 s 12, & 2006 c 255 s 5;
- 16 (10) RCW 70.47A.060 (Rules) and 2007 c 260 s 13 & 2006 c 255 s 6;
- 17 (11) RCW 70.47A.070 (Reports) and 2009 c 257 s 3, 2008 c 143 s 4, 18 & 2006 c 255 s 7;
- 19 (12) RCW 70.47A.080 (Health insurance partnership account) and 20 2007 c 260 s 14 & 2006 c 255 s 8;
- 21 (13) RCW 70.47A.090 (State children's health insurance program— 22 Federal waiver request) and 2006 c 255 s 9;
- 23 (14) RCW 70.47A.100 (Health insurance partnership board) and 2007 24 c 260 s 4;
- 25 (15) RCW 70.47A.110 (Health insurance partnership board—Duties) 26 and 2011 c 287 s 4, 2008 c 143 s 5, & 2007 c 260 s 5;
- 27 (16) RCW 70.47A.901 (Construction—Chapter applicable to state 28 registered domestic partnerships—2009 c 521) and 2009 c 521 s 152; 29 and
- 30 (17) RCW 71A.20.190 (Developmental disability service system task 31 force) and 2015 c 225 s 111 & 2011 1st sp.s. c 30 s 8.
- 32 **Sec. 25.** RCW 43.70.900 and 2015 1st sp.s. c 4 s 31 are each 33 amended to read as follows:
- 34 SECTION 24 CONFORMING AMENDMENT. All references to the secretary 35 or department of social and health services in the Revised Code of 36 Washington shall be construed to mean the secretary or department of 37 health when referring to the functions transferred in RCW 43.70.080,

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- 1 18.104.005, 70.08.005, ((70.22.005)) 70.24.005, 70.40.005,
- 2 70.41.005, and 70.54.005.
- 3 <u>NEW SECTION.</u> **Sec. 26.** RELATING TO HIGHER EDUCATION. The following acts or parts of acts are each repealed:
- 5 (1) RCW 28B.65.010 (Legislative findings) and 1983 1st ex.s. c 72 6 s 2;
- 7 (2) RCW 28B.65.020 (Definitions) and 1983 1st ex.s. c 72 s 3;
- 8 (3) RCW 28B.65.030 (Washington state high-technology education 9 and training program established—Goals) and 1983 1st ex.s. c 72 s 4;
- 10 (4) RCW 28B.65.040 (Washington high-technology coordinating board 11 created—Members—Travel expenses) and 2012 c 229 s 539 & 1995 c 399 s 12 29;
- 13 (5) RCW 28B.65.050 (Board—Duties—Rules—Termination of board) 14 and 2012 c 229 s 540, 1998 c 245 s 22, & 1995 c 399 s 30;
- 15 (6) RCW 28B.65.060 (Board—Staff support) and 1995 c 399 s 31, 16 1985 c 381 s 3, & 1983 1st ex.s. c 72 s 7;
- 17 (7) RCW 28B.65.070 (Board—Solicitation of private and federal support, gifts, conveyances, etc.) and 1983 1st ex.s. c 72 s 8;
- 19 (8) RCW 28B.65.080 (Consortium and baccalaureate degree training 20 programs—Board recommendations—Requirements—Coordination) and 1983 21 1st ex.s. c 72 s 9;
- 22 (9) RCW 28B.65.110 (Statewide off-campus telecommunications 23 system—Establishment by Washington State University for education in 24 high-technology fields);
- 25 (10) RCW 28B.65.900 (Short title—1983 1st ex.s. c 72) and 1983 26 1st ex.s. c 72 s 1; and
- 27 (11) RCW 28B.65.905 (Effective date—1983 1st ex.s. c 72) and 1983 28 1st ex.s. c 72 s 18.
- NEW SECTION. Sec. 27. RELATING TO HUMAN SERVICES, MENTAL HEALTH HEALTH HOUSING. The following sections are decodified:
- 31 (1) RCW 10.77.900 (Savings—Construction—1973 1st ex.s. c 117);
- 32 (2) RCW 10.77.920 (Chapter successor to chapter 10.76 RCW);
- 33 (3) RCW 10.77.930 (Effective date—1973 1st ex.s. c 117);
- 34 (4) RCW 71.05.910 (Construction—1973 1st ex.s. c 142);
- 35 (5) RCW 71.05.920 (Section headings not part of the law);
- 36 (6) RCW 71.05.930 (Effective date—1973 1st ex.s. c 142);
- 37 (7) RCW 71.24.900 (Effective date—1967 ex.s. c 111);

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- 1 (8) RCW 71.34.901 (Effective date—1985 c 354);
- 2 (9) RCW 74.14B.900 (Captions); and
- 3 (10) RCW 74.18.903 (Effective dates—1983 c 194).
- 4 <u>NEW SECTION.</u> **Sec. 28.** RELATING TO HUMAN SERVICES, MENTAL HEALTH
- 5 & HOUSING. The following acts or parts of acts are each repealed:
- 6 (1) RCW 2.56.031 (Juvenile offender information—Plan) and 2010
- 7 1st sp.s. c 7 s 61 & 1993 c 415 s 2;
- 8 (2) RCW 10.77.810 (Joint legislative audit and review committee
- 9 assessment—Report) and 2012 c 256 s 9;
- 10 (3) RCW 10.77.820 (Washington state institute for public policy
- 11 study—Report) and 2012 c 256 s 10;
- 12 (4) RCW 71.24.055 (Children's mental health services—Children's
- 13 access to care standards and benefit package—Recommendations to
- 14 legislature) and 2014 c 225 s 47 & 2007 c 359 s 4;
- 15 (5) RCW 74.12.901 (Federal waivers and legislation—1994 c 299)
- 16 and 1994 c 299 s 39;
- 17 (6) RCW 74.12A.030 (Federal waiver—Governor to seek) and 1993 c
- 18 312 s 12; and
- 19 (7) RCW 74.13.017 (Accreditation—Completion date) and 2003 c 207
- 20 s 8 & 2001 c 265 s 2.
- 21 <u>NEW SECTION.</u> **Sec. 29.** RELATING TO LAW & JUSTICE. The following
- 22 sections are decodified:
- 23 (1) RCW 5.45.920 (Repeal of inconsistent provisions); and
- 24 (2) RCW 46.61.990 (Recodification of sections—Organization of
- 25 chapter—Construction).
- 26 <u>NEW SECTION.</u> **Sec. 30.** RELATING TO LAW & JUSTICE. The following
- 27 acts or parts of acts are each repealed:
- 28 (1) RCW 2.56.250 (Revocation of concealed pistol licenses—
- 29 Information transmittal—Work group) and 2010 c 274 s 601;
- 30 (2) RCW 9.04.040 (Advertising cures of lost sexual potency—
- 31 Evidence) and 1921 c 168 s 2; and
- 32 (3) RCW 26.50.800 (Recidivism study) and 2012 c 223 s 10.
- 33 NEW SECTION. Sec. 31. RELATING TO LAW & JUSTICE. RCW 42.32.030
- 34 is recodified as a section in chapter 42.30 RCW.

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- **Sec. 32.** RCW 29A.04.510 and 2003 c 111 s 149 are each amended to read as follows:
 - SECTION 31 CONFORMING AMENDMENT. (1) The Washington state election administration and certification board is established and has the responsibilities and authorities prescribed by this chapter. The board is composed of the following members:
 - (a) The secretary of state or the secretary's designee;

- (b) The state director of elections or the director's designee;
- 9 (c) Four county auditors appointed by the Washington state 10 association of county auditors or their alternates who are county 11 auditors designated by the association to serve as such alternates, 12 each appointee and alternate to serve at the pleasure of the 13 association;
 - (d) One member from each of the two largest political party caucuses of the house of representatives designated by and serving at the pleasure of the legislative leader of the respective caucus;
 - (e) One member from each of the two largest political party caucuses of the senate designated by and serving at the pleasure of the legislative leader of the respective caucus; and
 - (f) One representative from each major political party, designated by and serving at the pleasure of the chair of the party's state central committee.
 - (2) The board shall elect a chair from among its number; however, neither the secretary of state nor the state director of elections nor their designees may serve as the chair of the board. A majority of the members appointed to the board constitutes a quorum for conducting the business of the board. Chapter 42.30 RCW, the Open Public Meetings Act, and RCW 42.32.030 (as recodified by this act) regarding minutes of meetings, apply to the meetings of the board.
 - (3) Members of the board shall serve without compensation. The secretary of state shall reimburse members of the board, other than those who are members of the legislature, for travel expenses in accordance with RCW 43.03.050 and 43.03.060. Members of the board who are members of the legislature shall be reimbursed as provided in chapter 44.04 RCW.
- **Sec. 33.** RCW 35A.39.010 and 1995 c 21 s 2 are each amended to read as follows:
- 38 SECTION 31 CONFORMING AMENDMENT. Every code city shall keep a 39 journal of minutes of its legislative meetings with orders,

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- resolutions and ordinances passed, and records of the proceedings of 1 any city department, division or commission performing quasi-judicial 2 functions as required by ordinances of the city and general laws of 3 the state and shall keep such records open to the public as required 4 by RCW 42.32.030 (as recodified by this act) and shall keep and 5 6 preserve all public records and publications or reproduce and destroy 7 the same as provided by Title 40 RCW. Each code city may duplicate and sell copies of its ordinances at fees reasonably calculated to 8 9 defray the cost of such duplication and handling.
- 10 **Sec. 34.** RCW 44.05.080 and 2011 c 60 s 42 are each amended to 11 read as follows:
- 12 SECTION 31 CONFORMING AMENDMENT. In addition to other duties 13 prescribed by law, the commission shall:

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- (1) Adopt rules pursuant to the Administrative Procedure Act, chapter 34.05 RCW, to carry out the provisions of Article II, section 43 of the state Constitution and of this chapter, which rules shall provide that three voting members of the commission constitute a quorum to do business, and that the votes of three of the voting members are required for any official action of the commission;
- 20 (2) Act as the legislature's recipient of the final redistricting 21 data and maps from the United States Bureau of the Census;
- 22 (3) Comply with requirements to disclose and preserve public 23 records as specified in chapters 40.14 and 42.56 RCW;
- 24 (4) Hold open meetings pursuant to the open public meetings act, 25 chapter 42.30 RCW;
- 26 (5) Prepare and disclose its minutes pursuant to RCW 42.32.030 (as recodified by this act);
 - (6) Be subject to the provisions of RCW 42.17A.700;
 - (7) Prepare and publish a report with the plan; the report will be made available to the public at the time the plan is published. The report will include but will not be limited to: (a) The population and percentage deviation from the average district population for every district; (b) an explanation of the criteria used in developing the plan with a justification of any deviation in a district from the average district population; (c) a map of all the districts; and (d) the estimated cost incurred by the counties for adjusting precinct boundaries.

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- 1 <u>NEW SECTION.</u> **Sec. 35.** RELATING TO NATURAL RESOURCES & PARKS.
- 2 The following sections are decodified:
- 3 (1) RCW 77.15.902 (Savings—1998 c 190);
- 4 (2) RCW 77.50.900 (Purpose—2000 c 107);
- 5 (3) RCW 77.65.900 (Effective date—1989 c 316); and
- 6 (4) RCW 77.105.900 (Effective date—1993 sp.s. c 2 §§ 7, 60, 80,
- 7 and 82-100).
- 8 <u>NEW SECTION.</u> **Sec. 36.** RELATING TO NATURAL RESOURCES & PARKS.
- 9 The following acts or parts of acts are each repealed:
- 10 (1) RCW 43.30.8351 (Progress report) and 2009 c 163 s 3;
- 11 (2) RCW 76.01.080 (Lacey compound—Light industrial facilities/
- 12 land—Sale or exchange) and 2001 c 189 s 1;
- 13 (3) RCW 76.01.090 (Proposal for exchange or sale—Lacey compound
- 14 site) and 2001 c 189 s 2;
- 15 (4) RCW 76.09.380 (Report to the legislature—Emergency rules—
- 16 Permanent rules) and 1999 sp.s. c 4 s 205;
- 17 (5) RCW 77.12.605 (Whidbey Island game farm—Sale of property) and
- 18 1999 c 205 s 1;
- 19 (6) RCW 77.12.710 (Game fish production—Double by year 2000) and
- 20 1998 c 245 s 159, 1995 c 399 s 208, 1993 sp.s. c 2 s 70, & 1990 c 110
- 21 s 2;
- 22 (7) RCW 79A.20.005 (Findings) and 1992 c 153 s 2;
- 23 (8) RCW 79A.20.010 (Definitions) and 1992 c 153 s 3;
- 24 (9) RCW 79A.20.030 (Allocation and distribution of moneys) and
- 25 1994 c 264 s 30 & 1992 c 153 s 5; and
- 26 (10) RCW 79A.20.900 (Short title) and 1992 c 153 s 1.
- 27 Sec. 37. RCW 77.125.040 and 2001 c 86 s 4 are each amended to
- 28 read as follows:
- 29 RELATING TO NATURAL RESOURCES & PARKS. Rules to implement this
- 30 chapter shall be adopted no sooner than thirty days following the end
- 31 of the 2002 regular legislative session. ((The director shall provide
- 32 a written report to the appropriate legislative committees by January
- 33 1, 2003, on the progress of the program.))
- NEW SECTION. Sec. 38. RELATING TO TRADE & ECONOMIC DEVELOPMENT.
- 35 The following sections are decodified:

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- 1 (1) RCW 43.31A.400 (Economic assistance authority abolished— 2 Transfer of duties to department of revenue);
- 3 (2) RCW 43.63A.902 (Headings—1984 c 125); and
- 4 (3) RCW 43.63A.903 (Effective date—1984 c 125).
- 5 <u>NEW SECTION.</u> **Sec. 39.** RELATING TO TRADE & ECONOMIC DEVELOPMENT.
- 6 The following acts or parts of acts are each repealed:
- 7 (1) RCW 43.31.088 (Business assistance center—ISO-9000 quality 8 standards) and 1994 c 140 s 2;
- 9 (2) RCW 43.31.522 (Marketplace program—Definitions) and 2009 c 10 565 s 29, 2005 c 136 s 17, 1993 c 280 s 46, 1990 c 57 s 2, & 1989 c 11 417 s 2;
- 12 (3) RCW 43.31.524 (Marketplace program—Generally) and 1993 c 280 s 47, 1990 c 57 s 3, & 1989 c 417 s 3;
- 14 (4) RCW 43.31.800 (State international trade fairs—"Director" 15 defined) and 2009 c 565 s 30, 1993 c 280 s 52, 1987 c 195 s 4, & 1965 c 148 s 2;
- 17 (5) RCW 43.31.805 (State trade fair fund) and 1998 c 345 s 3;
- 18 (6) RCW 43.31.810 (State international trade fairs—State aid 19 eligibility requirements) and 1987 c 195 s 5, 1975 1st ex.s. c 292 s 20 3, & 1965 c 148 s 3;
- 21 (7) RCW 43.31.820 (State international trade fairs—Application 22 for funds) and 1987 c 195 s 6, 1975 1st ex.s. c 292 s 4, & 1965 c 148 23 s 4;
- 24 (8) RCW 43.31.830 (State international trade fairs—Certification of fairs—Allotments—Division and payment from state trade fair fund) and 1993 c 280 s 53, 1987 c 195 s 7, 1975 1st ex.s. c 292 s 5, & 1965 c 148 s 5;
- 28 (9) RCW 43.31.832 (State trade fairs—Transfer of surplus funds in state trade fair fund to general fund—Expenditure) and 1985 c 466 s 30 34, 1981 2nd ex.s. c 2 s 1, 1975 1st ex.s. c 292 s 8, & 1972 ex.s. c 31 93 s 2;
- 32 (10) RCW 43.31.833 (State trade fairs—Transfer of surplus funds 33 in state trade fair fund to general fund—Construction) and 1987 c 195 34 s 8, 1985 c 466 s 35, & 1972 ex.s. c 93 s 3;
- 35 (11) RCW 43.31.834 (State trade fairs—Transfer of surplus funds 36 in state trade fair fund to general fund—Construction) and 1985 c 466 37 s 36 & 1972 ex.s. c 93 s 4;

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- 1 (12) RCW 43.31.840 (State international trade fairs—Post audit of
- 2 participating fairs—Reports) and 1993 c 280 s 54, 1975 1st ex.s. c
- 3 292 s 6, & 1965 c 148 s 6;
- 4 (13) RCW 43.31.850 (State international trade fairs—State
- 5 international trade fair defined) and 1987 c 195 s 9, 1975 1st ex.s.
- 6 c 292 s 7, & 1965 c 148 s 8;
- 7 (14) RCW 43.374.005 (Finding—Intent—Purpose) and 2010 1st sp.s.
- 8 c 13 s 1; and
- 9 (15) RCW 43.374.020 (Washington global health technologies and
- 10 product development account) and 2010 1st sp.s. c 13 s 3.
- 11 <u>NEW SECTION.</u> **Sec. 40.** RELATING TO TRANSPORTATION. The following
- 12 acts or parts of acts are each repealed:
- 13 (1) RCW 47.01.141 (Biennial report) and 1987 c 505 s 49, 1984 c 7
- 14 s 75, 1977 c 75 s 68, & 1973 2nd ex.s. c 12 s 1;
- 15 (2) RCW 47.01.321 (Skills bank—Report) and 2003 c 363 s 203;
- 16 (3) RCW 47.01.350 (Ferry grant program) and 2008 c 45 s 1, 2007 c
- 17 223 s 2, & 2006 c 332 s 4;
- 18 (4) RCW 47.01.360 (Backup plan for passenger-only ferry service
- 19 between Vashon and Seattle) and 2006 c 332 s 6;
- 20 (5) RCW 47.01.400 (Alaskan Way viaduct, Seattle Seawall, and
- 21 state route No. 520 improvements—Expert review panel—Governor's
- 22 finding) and 2006 c 311 s 28;
- 23 (6) RCW 47.01.405 (State route No. 520 improvements—Project
- 24 impact plan—Mediator, duties) and 2007 c 517 s 2;
- 25 (7) RCW 47.01.406 (State route No. 520 improvements—Review of
- 26 project design plans—Goals) and 2007 c 517 s 3;
- 27 (8) RCW 47.01.410 (State route No. 520 improvements—Multimodal
- 28 transportation plan) and 2007 c 517 s 6;
- 29 (9) RCW 47.01.418 (State route No. 520 improvements—Work group,
- 30 subgroups—Corridor projects) and 2009 c 472 s 3;
- 31 (10) RCW 47.60.645 (Passenger ferry account) and 2009 c 8 s 504,
- 32 2008 c 45 s 2, 2006 c 332 s 1, & 1995 2nd sp.s. c 14 s 558;
- 33 (11) RCW 47.78.010 (High capacity transportation account) and
- 34 1997 c 457 s 513, 1991 sp.s. c 13 ss 66, 121, 1990 c 43 s 47, & 1987
- 35 c 428 s 1;
- 36 (12) RCW 82.44.180 (Transportation fund—Deposits and
- 37 distributions) and 2013 c 251 s 9;

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- 1 (13) RCW 82.80.040 (Street utility—Establishment) and 1991 c 141 2 s 1;
- 3 (14) RCW 82.80.050 (Street utility—Charges, credits) and 2006 c
- 4 301 s 5, 2000 c 103 s 21, & 1991 c 141 s 2; and
- (15) RCW 82.80.060 (Use of other proceeds by utility) and 1991 c
- 6 141 s 3.

- **Sec. 41.** RCW 46.18.060 and 2016 c 36 s 4, 2016 c 16 s 4, and 8 2016 c 15 s 4 are each reenacted and amended to read as follows:
- 9 RELATING TO TRANSPORTATION. (1) The department must review and 10 either approve or reject special license plate applications submitted 11 by sponsoring organizations.
- 12 (2) Duties of the department include, but are not limited to, the 13 following:
 - (a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the joint transportation committee;
 - (b) Report annually to the joint transportation committee on the special license plate applications that were considered by the department;
 - (c) Issue approval and rejection notification letters to sponsoring organizations, the executive committee of the joint transportation committee, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application; and
 - (d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The department may submit a recommendation to discontinue a special plate series to the executive committee of the joint transportation committee.
 - (((3) In order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until July 1, 2015. During this period of time, the department is prohibited from accepting, reviewing, processing, or approving any applications. Additionally, a special license plate may not be enacted by the legislature during the moratorium, unless the proposed license plate has been approved by the former special license plate review board before February 15, 2005.

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- 1 (4) The limitations under subsection (3) of this section do not 2 apply to the following special license plates:
 - (a) 4-H license plates created under RCW 46.18.200;
- 4 (b) Breast cancer awareness license plates created under RCW 5 46.18.200;
- 6 (c) Gold star license plates created under RCW 46.18.245;
- 7 (d) Music Matters license plates created under RCW 46.18.200;
- 8 (e) Seattle Seahawks license plates created under RCW 46.18.200;
- 9 (f) Seattle Sounders FC license plates created under RCW
- 10 46.18.200;

- 11 (g) Seattle University license plates created under RCW
- 12 46.18.200;
- 13 (h) State flower license plates created under RCW 46.18.200;
- (i) Volunteer firefighter license plates created under RCW
- 15 46.18.200;
- 16 (j) Washington farmers and ranchers license plates created under
- 17 RCW 46.18.200;
- 18 (k) Washington state wrestling license plates created under RCW
- 19 46.18.200;
- 20 (1) Washington tennis license plates created under RCW
- 21 46.18.200.))
- 22 **Sec. 42.** RCW 47.06.110 and 2005 c 319 s 124 are each amended to 23 read as follows:
- 24 SECTION 40 CONFORMING AMENDMENT. The state-interest component of
- 25 the statewide multimodal transportation plan shall include a state
- 26 public transportation plan that:
- 27 (1) Articulates the state vision of an interest in public
- 28 transportation and provides quantifiable objectives, including
- 29 benefits indicators;
- 30 (2) Identifies the goals for public transit and the roles of
- 31 federal, state, regional, and local entities in achieving those
- 32 goals;
- 33 (3) Recommends mechanisms for coordinating state, regional, and
- 34 local planning for public transportation;
- 35 (4) Recommends mechanisms for coordinating public transportation
- 36 with other transportation services and modes;
- 37 (5) Recommends criteria, consistent with the goals identified in
- 38 subsection (2) of this section ((and with RCW 82.44.180 (2) and

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- (3)), for existing federal authorizations administered by the department to transit agencies; and
- 3 (6) Recommends a statewide public transportation facilities and 4 equipment management system as required by federal law.

In developing the state public transportation plan, 5 6 department shall involve local jurisdictions, public and private 7 providers of transportation services, nonmotorized interests, and state agencies with an interest in public transportation, including 8 but not limited to the departments of ((community, trade, and 9 economic development)) commerce, social and health services, and 10 11 ecology, the office of the superintendent of public instruction, the 12 office of the governor, and the office of financial management.

The department shall submit to the senate and house transportation committees by December 1st of each year, reports summarizing the plan's progress.

16 **Sec. 43.** RCW 82.42.090 and 1995 c 170 s 1 are each amended to 17 read as follows:

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SECTION 40 CONFORMING AMENDMENT. All moneys collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account hereby created in the ((transportation fund of the)) state treasury. Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund.

27 **Sec. 44.** RCW 82.80.070 and 2005 c 319 s 139 are each amended to 28 read as follows:

SECTION 40 CONFORMING AMENDMENT. (1) The proceeds collected 29 30 pursuant to the exercise of the local option authority of RCW $82.80.010((_{7}))$ and $82.80.030((_{7}$ and 82.80.050)) (hereafter called 31 "local option transportation revenues") shall be used for 32 transportation purposes only, including but not limited to the 33 following: The operation and preservation of roads, streets, and 34 35 other transportation improvements; new construction, reconstruction, 36 and expansion of city streets, county roads, and state highways and 37 other transportation improvements; development and implementation of public transportation and high capacity transit improvements and 38

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programs; and planning, design, and acquisition of right-of-way and sites for such transportation purposes. The proceeds collected from excise taxes on the sale, distribution, or use of motor vehicle fuel and special fuel under RCW 82.80.010 shall be used exclusively for "highway purposes" as that term is construed in Article II, section 40 of the state Constitution.

- (2) The local option transportation revenues shall be expended for transportation uses consistent with the adopted transportation and land use plans of the jurisdiction expending the funds and consistent with any applicable and adopted regional transportation plan for metropolitan planning areas.
- (3) Each local government with a population greater than eight thousand that levies or expends local option transportation funds, is also required to develop and adopt a specific transportation program that contains the following elements:
- (a) The program shall identify the geographic boundaries of the entire area or areas within which local option transportation revenues will be levied and expended.
- (b) The program shall be based on an adopted transportation plan for the geographic areas covered and shall identify the proposed operation and construction of transportation improvements and services in the designated plan area intended to be funded in whole or in part by local option transportation revenues and shall identify the annual costs applicable to the program.
- (c) The program shall indicate how the local transportation plan is coordinated with applicable transportation plans for the region and for adjacent jurisdictions.
- (d) The program shall include at least a six-year funding plan, updated annually, identifying the specific public and private sources and amounts of revenue necessary to fund the program. The program shall include a proposed schedule for construction of projects and expenditure of revenues. The funding plan shall consider the additional local tax revenue estimated to be generated by new development within the plan area if all or a portion of the additional revenue is proposed to be earmarked as future appropriations for transportation improvements in the program.
- (4) Local governments with a population greater than eight thousand exercising the authority for local option transportation funds shall periodically review and update their transportation program to ensure that it is consistent with applicable local and

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regional transportation and land use plans and within the means of estimated public and private revenue available.

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- (5) In the case of expenditure for new or expanded transportation facilities, improvements, and services, priorities in the use of local option transportation revenues shall be identified in the transportation program and expenditures shall be made based upon the following criteria, which are stated in descending order of weight to be attributed:
 - (a) First, the project serves a multijurisdictional function;
- Second, it is necessitated by existing or reasonably 10 11 foreseeable congestion;
 - (c) Third, it has the greatest person-carrying capacity;
- (d) Fourth, it is partially funded by other government funds, 14 such as from the state transportation improvement board, or by private sector contributions, such as those from the local 15 16 transportation act, chapter 39.92 RCW; and
 - (e) Fifth, it meets such other criteria as the local government determines is appropriate.
 - (6) It is the intent of the legislature that as a condition of levying, receiving, and expending local option transportation revenues, no local government agency use the revenues to replace, divert, or loan any revenues currently being used for transportation purposes to nontransportation purposes.
 - (7) Local governments are encouraged to enter into interlocal agreements to jointly develop and adopt with other local governments the transportation programs required by this section for the purpose of accomplishing regional transportation planning and development.
 - (8) Local governments may use all or a part of the local option transportation revenues for the amortization of local government general obligation and revenue bonds issued for transportation purposes consistent with the requirements of this section.
- 32 (9) Subsections (1) through (8) of this section do not apply to a regional transportation investment district imposing a tax or fee 33 under the local option authority of this chapter. Proceeds collected 34 under the exercise of local option authority under this chapter by a 35 36 district must be used in accordance with chapter 36.120 RCW.
- 37 NEW SECTION. Sec. 45. SECTION 40 CONFORMING REPEALERS. The 38 following acts or parts of acts are each repealed:

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- 1 (1) RCW 82.14.046 (Sales and use tax equalization payments from 2 local transit taxes) and 1998 c 321 s 37, 1995 c 298 s 1, & 1994 c 3 241 s 2; and
- 4 (2) RCW 82.50.510 (Remittance of tax to state—Distribution to cities, towns, counties, and schools) and 1998 c 321 s 24, 1991 c 199 s 227, 1990 c 42 s 322, 1975-'76 2nd ex.s. c 75 s 1, & 1971 ex.s. c 7 299 s 66.
- 8 <u>NEW SECTION.</u> **Sec. 46.** RELATING TO WAYS & MEANS. The following 9 sections are decodified:
- 10 (1) RCW 43.41.035 (Office of program planning and fiscal management redesignated office of financial management);
- 12 (2) RCW 43.41.901 (Construction—1977 ex.s. c 270);
- 13 (3) RCW 43.41.940 (Central budget agency abolished);
- 14 (4) RCW 43.41.950 (Saving—1969 ex.s. c 239);
- 15 (5) RCW 43.41.981 (Transfer of certain powers, duties, functions,
- 16 and assets of the department of personnel); and
- 17 (6) RCW 43.88.910 (Effective date—1975 1st ex.s. c 293).

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