

WSR 05-24-027
EXPEDITED RULES
DEPARTMENT OF REVENUE

[Filed November 30, 2005, 10:03 a.m.]

Title of Rule and Other Identifying Information: WAC 458-50-040 Annual reports—Time of filing—Extension of time, 458-50-070 Annual assessment—Procedure, and 458-50-100 Apportionment of operating property to the various counties and taxing districts.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO David Saavadra, Department of Revenue, P.O. Box 47453, Olympia, WA 98504-7453, fax (360) 586-5543, e-mail DavidS@dor.wa.gov, AND RECEIVED BY February 6, 2006.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: WAC 458-50-040 is being revised to recognize that RCW 84.12.230 authorizes the department to extend the date by which an annual report must be filed by up to sixty days. The rule currently explains that the department may extend the due date by up to thirty days.

WAC 458-50-070 needs to be revised to recognize that a petition for a hearing relating to the value of operating property must be filed within the first ten working days of July. The rule currently explains that it must be filed on or before July 9th. The rule also explains that the department must appoint a time for a hearing between the 10th and 25th of July, this needs to be changed to within ten working days of the hearing request time period. The reference to WAC 458-50-010 is being removed (that rule no longer exists) and the reference to RCW 84.12.200(16) needs to be changed to RCW 84.12.200(12).

WAC 458-50-100 is being revised to eliminate subsection (8), which discusses the assessment of steamboat companies. The department's Property Tax Division no longer assesses operating properties of steamboat companies, chapter 335, Laws of 1998.

Copies of these draft rules are available for viewing and printing on our web site at <http://dor.wa.gov/content/laws/RuleMaking/default.aspx>.

Reasons Supporting Proposal: These changes need to be made to bring these rules in conformity with current law and to remove erroneous citations.

Statutory Authority for Adoption: RCW 84.12.390.

Statute Being Implemented: RCW 84.12.230, 84.12.-270, 84.12.310, 84.12.340.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Department of Revenue, governmental.

Name of Agency Personnel Responsible for Drafting: David Saavadra, 1025 Union Avenue S.E., Suite #544, Olympia, WA, (360) 570-5861; Implementation and Enforcement: Peri Maxey, 1025 Union Avenue S.E., Suite #200, Olympia, WA, (360) 570-5860.

November 28, 2005

Alan R. Lynn

Rules Coordinator

AMENDATORY SECTION (Amending Order PT 75-2, filed 3/19/75)

WAC 458-50-040 Annual reports—Time of filing—Extension of time. Annual reports shall be filed with the department on or before the fifteenth day of March. The department may grant a reasonable extension of time, not to exceed ~~((thirty))~~ sixty days, upon written application of the company filed with the department on or before the fifteenth day of March, and showing good cause why such an extension is required. In the event any other report required to be filed with the department, e.g., annual stockholders report or regulatory agency report, is not available at the time the annual report is filed, the company shall so notify the department and thereafter file such report as soon as it becomes available.

AMENDATORY SECTION (Amending Order PT 88-10, filed 7/11/88)

WAC 458-50-070 Annual assessment—Procedure. (1) **In general.** Annually between the fifteenth day of March and the first day of July the department shall proceed to list and value the operating property of each company subject to assessment by the department. The department shall prepare a report summarizing the information, factors and methods used in determining the tentative value of each such company (hereafter called "report of tentative value"). The department shall prepare an assessment roll upon which shall be placed after the name of each company a general description of the operating property of the company described in accordance with RCW 84.12.200 ~~((16) and WAC 458-50-010))~~ (12), following which shall be entered the actual cash value as tentatively determined by the department.

(2) **Notice of tentative value.** On or before the thirtieth day of June, ~~((for purposes of the 1988 assessment year only, such notice shall be given on or before the thirty-first day of July))~~ the department shall notify each company by mail of the tentative valuation entered upon such assessment roll. At the time of making such notification, the department shall also transmit to the company the report of tentative value prepared by the department. Upon written request of a county assessor the department shall also transmit the report of tentative value to such assessor.

(3) **Hearings.**

(a) *In general.* Each company may petition the department for a hearing relating to the value of its operating property as tentatively determined by the department and to the value of other taxable properties in the counties in which its operating property is situated. Such petition shall be made in writing and filed with the department ~~((on or before the ninth~~

day of July. (For purposes of the 1988 assessment year only, such petition must be filed on or before the ninth day of August.)) within the first ten working days of July. The department shall appoint a time (~~(between the tenth and twenty-fifth days of July, (for purposes of the 1988 assessment year only, the time frame specified shall be between the tenth and twenty-fifth days of August))~~) within ten working days following the hearing request time period for the conduct of such hearing, which may be held in such places throughout the state as the department may deem proper or necessary. Notice of the time and place of any or all hearings shall be given to any person upon request.

(b) The hearing shall be conducted by the director or by any employee or agent of the department designated by the director. A record of the proceedings shall be kept and shall be considered a public record. The hearing shall be recorded with a recording device and the recordings shall become a part of the record of the proceedings and considered a part of the public record. All records and documents presented at the hearing shall become a part of the record of the proceeding and shall be considered a part of the public record, except as provided in (c) of this subsection.

(c) The hearing shall be open to the public, except (i) when the company proposes to offer in evidence information relating to its assessment if disclosure of such information to other persons would violate the company's right to privacy or would result in an unfair competitive disadvantage to such company; or (ii) when the department proposes to offer in evidence information which has been obtained pursuant to RCW 84.12.240 if the disclosure of such information to other persons would violate the company's right to privacy or would result in an unfair competitive disadvantage to such company. The hearing at this point shall be closed to the public unless the company consents to the proceeding remaining open to the public.

(d) Testimony recorded, and all records and documents of a confidential nature introduced, during the period when the hearing is closed to the public shall become a part of the record, but shall not be disclosed except upon order of a court of competent jurisdiction or upon consent of the company.

(e) Records of the proceedings shall be maintained for a period of seven years following the close of the hearing.

(4) **Determination of final value.** On or before the twentieth day of August, the department shall make a final determination of the true and correct actual cash value of each company's operating property appearing on the assessment roll. The department may raise or lower the value from that amount tentatively set pursuant to this section: Provided, That failure of a company to request a hearing shall not preclude the department from setting a final value higher or lower than that amount tentatively set pursuant to this section: Provided further, That where a company has not requested a hearing, the department shall not adopt a final value higher than that tentatively set except after giving five days written notice to the company. The department shall notify each company by mail of the final true and correct actual cash value as determined by the department.

AMENDATORY SECTION (Amending Order PT 87-9, filed 12/28/87)

WAC 458-50-100 Apportionment of operating property to the various counties and taxing districts. In general. The department shall apportion the value of all public utility companies to the various counties in such a manner as will reasonably reflect the true cash value of the operating property located within each county and taxing district. Since it is impossible to determine with mathematical precision the precise value of each item of property located within each county and taxing district, the department shall apportion the value of operating property on the following basis:

(1) **Railroad companies** - The ratio that mileage of track, as classified by the department, situated within each county and taxing district bears to the total mileage of track within the state as of January 1 of the assessment year. In the event there exists operating property of railroad companies in counties or taxing districts not having track mileage, the department shall situs such property and apportion value directly on the basis of cost as determined in accordance with the cost approach set forth in WAC 458-50-080(A).

(2) **Pipeline companies** - The ratio that inch-equivalent of miles of pipeline situated within each county or taxing district bears to the total inch-equivalent of miles of pipeline within the state as of January 1 of the assessment year. In the event there exists operating property of pipeline companies in counties or taxing districts not having pipeline mileage, the department shall situs such property and apportion value to such county or taxing district directly on the basis of cost as determined in accordance with the cost approach set forth in WAC 458-50-080(A).

(3) **Telegraph companies** - The ratio that the cost (historical or original) of operating property situated within each county and taxing district bears to the cost (historical or original) of all operating property within the state as of January 1 of the assessment year.

(4) **Telephone companies** - The ratio that the cost (historical or original) of operating property situated within each county or taxing district bears to the total cost (historical or original) of all operating property within the state as of January 1 of the assessment year.

(5) **Electric light and power companies** - The ratio that cost (historical or original) of operating property situated within each county and taxing district bears to the total cost (historical or original) of all operating property within the state as of January 1 of the assessment year.

(6) **Gas companies** - The ratio that cost (historical or original) of operating property situated within each county and taxing district bears to the total cost (historical or original) of all operating property within the state as of January 1 of the assessment year: Provided, The value of pipeline shall be allocated on the basis of the ratio that inch-equivalent of miles of pipeline situated within each county or taxing district bears to the total inch-equivalent of miles of pipeline within the state as of January 1 of the assessment year.

(7) **Airplane companies** - The ratio that cost (historical or original) of operating property situated within each county and taxing district bears to the total cost (historical or original) of operating property within the state as of January 1 of the assessment year: Provided, That the value of aircraft

shall be apportioned on the basis of the ratio that landings and take-offs of such aircraft within each county and taxing district bears to the total landings and take-offs within the state during the previous calendar year.

~~((8) Steamboat companies — The ratio that cost (historical or original) of operating property situated within each county and taxing district bears to the total cost (historical or original) of operating property within the state as of January 1 of the assessment year. Provided, That the value of watercraft shall be apportioned on the basis of the ratio that calls of such watercraft at ports within each county and taxing district bears to the total calls at all ports of call within the state during the previous calendar year.))~~

WSR 05-24-076

EXPEDITED RULES

INDETERMINATE SENTENCE REVIEW BOARD

[Filed December 5, 2005, 11:15 a.m.]

Title of Rule and Other Identifying Information: Correction of typographical error in WAC 381-70-420.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Russ Snelson, Indeterminate Sentence Review Board, P.O. Box 40907, Olympia, WA 98504-0907, AND RECEIVED BY February 6, 2005.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: Will change incorrect WAC reference to correct WAC reference, making it clear.

Reasons Supporting Proposal: Correcting typographical error.

Statutory Authority for Adoption: RCW 34.05.220 (1)(b), 42.17.250.

Statute Being Implemented: RCW 34.05.220 (1)(b), 42.17.250.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Indeterminate Sentence Review Board, governmental.

Name of Agency Personnel Responsible for Drafting, Implementation and Enforcement: Russ Snelson, Olympia, Washington, (360) 493-9271.

December 1, 2005

Russ Snelson
Executive Assistant

AMENDATORY SECTION (Amending WSR 91-14-029, filed 6/26/91)

WAC 381-70-420 New minimum term. Procedures specified in chapter ~~((381-70))~~ 381-30 WAC shall be followed in setting new minimum terms for revoked parole violators. Special note should be made of WAC ~~((381-70-050))~~ 381-30-050 which requires such terms to be set within thirty days of admission.

WSR 05-24-093

EXPEDITED RULES

DEPARTMENT OF LICENSING

[Filed December 7, 2005, 8:03 a.m.]

Title of Rule and Other Identifying Information: WAC 308-300-215 Master license service (MLS) state grants program.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Walt Fahrner, Rules Coordinator, Department of Licensing, P.O. Box 9035, Olympia, WA 98507-9035, AND RECEIVED BY February 6, 2006.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The 2005 legislature authorized and funded a grant program to help remove barriers from cities in Washington from participating in the master license service (MLS). This rule sets out the steps cities should following in applying for these grants. The anticipated effect is that cities will more easily apply to secure a grant, and the more cities receiving grants, the more likely they will be able to participate in the MLS. This, in turn, will provide the public with a greater opportunity to more easily obtain a variety of business licenses.

Reasons Supporting Proposal: The MLS grants program will create state and local government agreements, and this rule sets out the process to obtain these grants. Without the rule, it will be more difficult for city officials to know the steps to take to apply for a grant. These rules will help cities obtain grant funding.

Statutory Authority for Adoption: RCW 19.02.030.

Statute Being Implemented: HB 2131, 2005 legislative session, RCW 19.02.310.

Rule is not necessitated by federal law, federal or state court decision.

Name of Agency Personnel Responsible for Drafting and Implementation: Steve Boruchowitz, Black Lake #2, (360) 664-1572.

December 5, 2005
Jana L. Jones
for Andrea Archer
Assistant Director

NEW SECTION

WAC 308-300-215 Master license service (MLS) state grant program. (1) The department's master license service (MLS) will provide information about the grant program, established in RCW 19.02.310, to Washington cities, towns, other state agencies and counties, at least once each calendar year, beginning in 2006.

(a) The MLS state grant program will begin in 2006. Applications will be accepted beginning January 3, 2006. Subject to the ongoing availability of funds, applicants will be notified about the department's decision on their completed application within sixty days. The department may fund all or portions of eligible grant applications.

(b) Prospective grant applicants may contact MLS staff for assistance with completion of the grant application, to include assistance by way of telephone or in-person contact.

(c) Applications and further information may be obtained from the Grants Coordinator, Master License Service, P.O. Box 9034, Olympia, WA 98507-9034.

(2) Eligible activities and expenses for grant funds can include, but are not limited to, reasonable expenses for: Information technology hardware and software, consultants and temporary staff.

(3) Two types of grants may be awarded: Phased grants, such as eighty percent initially and twenty percent upon completion, or reimbursement grants, in which payments are tied to deliverables or milestones.

(4) Before grant funds are provided, an agreement will be signed by the grantee and MLS that includes provisions for managing the grant, expenditure tracking and performance reporting.

(5) In determining the readiness of a prospective state agency or local government partner applicant to obtain a grant, the MLS may consider factors such as:

(a) Identified limitations or obstacles to becoming partnered with MLS;

(b) Flexibility within the entity's internal infrastructure;

(c) The scope of the project for which the grant funds are requested;

(d) The prospective partner's budget, including in-kind commitments and estimated transition costs;

(e) Project management experience;

(f) The cost/benefit ratio for a city partnership with MLS. The cost/benefit ratio shall be determined by estimating the cost for a city applicant to become a feasible partner with MLS; and

(g) Proposed performance measures.

(6) The department may convene an objective review panel to evaluate grant applications.

Title of Rule and Other Identifying Information: Chapter 468-210 WAC, Pilot registration.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO John Sibold, Director of Aviation, Washington State Department of Transportation, P.O. Box 3367, Arlington, WA 98223, AND RECEIVED BY February 6, 2006.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: Chapter 468-210 WAC required Washington pilots, airmen and airwomen to register with the Washington State Department of Transportation. There was also a registration fee of \$15. In the spring of 2005 Washington state legislation passed SSB 5414 rescinding pilot registration. Therefore chapter 468-210 WAC is no longer in effect.

Reasons Supporting Proposal: See above.

Statutory Authority for Adoption: SSB 5414.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Washington State Department of Transportation, governmental.

Name of Agency Personnel Responsible for Drafting: Marilee G. Jensen, Arlington, Washington, (360) 651-6302; Implementation and Enforcement: Tracy Paul, Arlington, Washington, (360) 651-6300.

December 1, 2005
Douglas B. MacDonald
Secretary

REPEALER

The following chapter of the Washington Administrative Code is repealed:

- WAC 468-210-001 Promulgation.
- WAC 468-210-010 Pilot registration required.
- WAC 468-210-020 Fees.
- WAC 468-210-030 Possession of registration.
- WAC 468-210-040 Seminars and clinics.
- WAC 468-210-050 Unlicensed pilots.