

(3) Contracts where the contracting agency recognizes that an employee-employer relationship exists;

(4) Contracts awarded to companies that furnish a service where the tariff is established by the utilities and transportation commission or other public entity;

(5) Intergovernmental agreements awarded to any public corporation, whether federal, state, or local and any department, division, or subdivision thereof; and

(6) Contracts awarded for services to be performed for a standard fee, when the standard fee is established by the contracting agency or any other public corporation and a like contract is available to all qualified applicants.

Passed the House January 27, 1986.

Passed the Senate February 27, 1986.

Approved by the Governor March 10, 1986.

Filed in Office of Secretary of State March 10, 1986.

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CHAPTER 34

[Engrossed House Bill No. 1442]

OIL AND GAS LEASES

AN ACT Relating to oil and gas leases on state lands; amending RCW 79.14.020; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 2, chapter 131, Laws of 1955 as amended by section 2, chapter 459, Laws of 1985 and RCW 79.14.020 are each amended to read as follows:

The commissioner is authorized to lease public lands for the purpose of prospecting for, developing and producing oil, gas or other hydrocarbon substances. Each such lease is to be composed of not more than six hundred forty acres or an entire government surveyed section, except a lease on river bed, lake bed, tide and submerged lands which is to be composed of not more than one thousand nine hundred twenty acres. All leases shall contain such terms and conditions as may be prescribed by the rules and regulations adopted by the commissioner in accordance with the provisions of this chapter. Leases may be for an initial term of from five up to ten years and ~~((may)) shall~~ be extended for so long thereafter as lessee shall comply with ~~((the provisions hereof and))~~ one of the following conditions: (1) ((shall)) Prosecute development on the leased land with the due diligence of a prudent operator upon encountering oil, gas, or other hydrocarbon substances, ~~(2) produce any of said substances from the leased lands, ((or (2) shall be engaged))~~ (3) engage in drilling, deepening, repairing, or redrilling any well thereon, ((or be thereafter excused therefrom but not to exceed a period of twenty years, except the lease shall be continued for a producing well as

~~long as it is producing)) or ((is covered by)) (4) participate in a unit plan to which the commissioner has consented ((to participate in)) under RCW 78.52.450.~~

**NEW SECTION.** Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House February 6, 1986.

Passed the Senate February 27, 1986.

Approved by the Governor March 10, 1986.

Filed in Office of Secretary of State March 10, 1986.

## CHAPTER 35

[Substitute House Bill No. 1451]

### INVESTMENT SECURITIES

AN ACT Relating to investment securities; amending RCW 62A.8-102, 62A.8-103, 62A.8-104, 62A.8-105, 62A.8-106, 62A.8-107, 62A.8-201, 62A.8-202, 62A.8-203, 62A.8-204, 62A.8-205, 62A.8-206, 62A.8-207, 62A.8-208, 62A.8-301, 62A.8-302, 62A.8-303, 62A.8-304, 62A.8-305, 62A.8-306, 62A.8-307, 62A.8-308, 62A.8-309, 62A.8-310, 62A.8-311, 62A.8-312, 62A.8-313, 62A.8-314, 62A.8-315, 62A.8-316, 62A.8-317, 62A.8-318, 62A.8-319, 62A.8-320, 62A.8-401, 62A.8-402, 62A.8-403, 62A.8-404, 62A.8-405, 62A.8-406, 62A.9-103, 62A.9-105, 62A.9-203, 62A.9-302, 62A.9-304, 62A.9-305, 62A.9-309, 62A.9-312, 62A.1-201, 62A.5-114, 23A.08.190, 23A.08.200, 23A.08.310, 23A.08.320, 23A.08.330, and 23A.24.040; adding a new section to chapter 23A.08 RCW; and adding new sections to Article 8 of Title 62A RCW.

Be it enacted by the Legislature of the State of Washington:

## PART I

### SHORT TITLE AND GENERAL MATTERS

Sec. 1. Section 8-102, chapter 157, Laws of 1965 ex. sess. as amended by section 1, chapter 98, Laws of 1973 and RCW 62A.8-102 are each amended to read as follows:

**DEFINITIONS AND INDEX OF DEFINITIONS.** (1) In this Article, unless the context otherwise requires:

- (a) ~~((A "security" is an instrument which~~
- ~~(i) is issued in bearer or registered form; and~~
- ~~(ii) is of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and~~
- ~~(iii) is either one of a class or series or by its terms is divisible into a class or series of instruments; and~~
- ~~(iv) evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer.~~