involving the expenditure of federal aid funds this chapter shall not be enforced in such manner to conflict with or be contrary to the and regulations prescribing a labor statutes, rules preference to honorably discharged soldiers, sailors and marines, or prohibiting as unlawful any other preference or discrimination among the citizens of the United States.

NEW SECTION. Sec. 2. Section 1, chapter 246, Laws of 1943 and RCW 39.16.010 are each hereby repealed.

Passed the House February 11, 1972. Passed the Senate February 9, 1972. Approved by the Governor February 20, 1972. Filed in Office of Secretary of State February 21, 1972.

CHAPTER 29

[Engrossed House Bill No. 38] MOTOR VEHICLE DRIVER'S LICENSES -- PROCEDURE

AN ACT Relating to motor vehicles and operators' licenses; providing for a limitation on stays pending appeal in cases of physical or mental disability; amending section 36, chapter 121, Laws of 1965 ex. sess. and RCW 46.20.329; amending section 37, chapter 121, Laws of 1965 ex. sess. and RCW 46.20.332; amending section 38, chapter 121, Laws of 1965 ex. sess. and RCW 46.20.333; and amending section 39, chapter 121, Laws of 1965 ex. sess. and RCW 46.20.334.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 36, chapter 121, Laws of 1965 ex. sess. and RCW 46.20.329 are each amended to read as follows:

Upon receiving a request for a formal hearing as provided in 46.20.328, the department shall fix a time and place for hearing as early as may be arranged in the county where the applicant or licensee resides, and shall give ten days' notice of the hearing to the applicant or licensee, except that the hearing may be set for a different place with the concurrence of the applicant or licensee and the period of notice may be waived.

Any decision by the department suspending or revoking a person's driving privilege shall be stayed and shall not take effect while a formal hearing is pending as herein provided or during the pendency of a subsequent appeal to superior court: PROVIDED, That this stay shall be effective only so long as there is no conviction of a moving violation during pendency of hearing and appeal: PROVIDED FURTHER, That nothing in this section shall be construed as prohibiting the department from seeking an order setting aside the stay during the pendency of such appeal in those cases where the action of the department is based upon physical or mental incapacity. or a failure to successfully complete an examination required by this chapter.

A formal hearing shall be conducted by the director or by a referee or hearing board appointed by him from officers or employees of the department. Such referee or hearing board may be authorized by the director to make final determinations regarding the issuance. denial, or suspension, or revocation of a license.

Sec. 2. Section 37, chapter 121, Laws of 1965 ex. sess. RCW 46.20.332 are each amended to read as follows:

At a formal hearing the department shall consider its records may receive sworn testimony and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers in the manner and subject to the conditions provided in chapter 5.56 RCW relating to the issuance of subpoenas. In addition the department may require a reexamination of the licensee or Proceedings at a formal hearing shall be recorded applicant. stenographically or by mechanical device. Upon the conclusion of a formal hearing, if not heard by the director or a person authorized by him to make final decisions regarding the issuance, denial, suspension or revocation of licenses, the referee or board shall make findings on the matters under consideration and may prepare and submit recommendations to the director or such person designated by the director who is authorized to make final decisions regarding the issuance, denial, suspension, or revocation of licenses.

Sec. 3. Section 38, chapter 121, Laws of 1965 ex. sess. RCW 46.20.333 are each amended to read as follows:

In all cases not heard by the director or a person authorized by him to make final decisions regarding the issuance, denial, suspension, or revocation of licenses the director, ((upon)) or a person so authorized shall review ((of)) the records, evidence, and ((ef)) the findings after a formal hearing, and shall render ((his)) sustaining, modifying, or reversing the order of suspension or revocation or the refusal to grant, or renew a license or the order imposing terms or conditions of probation, or ((he)) may set aside the prior action of the department and may direct ((the)) that probation be granted to the applicant or licensee and in such case may fix the terms and conditions of the probation.

Sec. 4. Section 39, chapter 121, Laws of 1965 ex. sess. RCW 46.20.334 are each amended to read as follows:

Any person denied a license or a renewal of a license or whose license has been suspended or revoked by the department except where such suspension or revocation is mandatory under the provisions of this chapter shall have the right within thirty days, after receiving

notice of the ((director's)) decision following a formal hearing to file a notice of appeal in the superior court in the county of his residence. The hearing on the appeal hereunder shall be de novo.

> Passed the House February 1, 1972. Passed the Senate February 11, 1972. Approved by the Governor February 20, 1972. Filed in Office of Secretary of State February 21, 1972.

> > CHAPTER 30

[House Bill No. 45]

PROPERTY TAXES --

EXEMPTIONS, SUGAR BEETS, UNPROCESSED TIMBER

AN ACT Relating to property taxes; amending section chapter 15, Laws of 1961 as amended by section 1, chapter 137, Laws of 1971 ex. sess. and RCW 84.36.160; amending section 84.36.140, chapter 15, Laws of 1961 and RCW 84.36.140; and prescribing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 84.36.160, chapter 15, Laws of 1961 as amended by section 1, chapter 137, Laws of 1971 ex. sess. and RCW 84.36.160 are each amended to read as follows:

For the purposes of RCW 84.36.140, 84.36.150, 84.36.161 and 84.36.162:

The term "grains and flour" shall mean and include all raw whole grains in their usual marketable state; and grain flour in the hands of the first processor; but not any other grain product.

The term "fruit and fruit products" shall mean and include all raw edible fruits, berries and hops; and all processed products of fruits, berries or hops, suitable and designed for human consumption, while in the hands of the first processor.

The term "vegetables and vegetable products" shall mean and include all raw edible vegetables, such as peas, beans, beets, sugar beets, and other vegetables; and all processed products vegetables, suitable and designed for human consumption, while in the hands of the first processor.

The term "fish and fish products" shall mean and include all fish and fish products suitable and designed for human consumption, excluding all others.

The term "processed" shall be construed to refer to canning, barreling, bottling, preserving, refining, freezing, packing, milling or any other method employed to keep any grain, fruit, vegetables or fish in edible condition or to put them into more suitable or