NEW SECTION. Sec. 12. If any provision of this 1977 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the Senate May 25, 1977.
Approved by the Governor June 8, 1977.
Filed in Office of Secretary of State June 8, 1977.

CHAPTER 187
[Substitute House Bill No. 153]
PUBLIC WORKS CONTRACTS—RESIDENT EMPLOYEES

AN ACT Relating to public works contracts; amending section 1, chapter 28, Laws of 1972 ex. sess. as amended by section 1, chapter 29, Laws of 1973 1st ex. sess. and RCW 39.16.005; and amending section 2, chapter 246, Laws of 1943 and RCW 39.16.020.

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

Section 1. Section 1, chapter 28, Laws of 1972 ex. sess. as amended by section 1, chapter 29, Laws of 1973 1st ex. sess. and RCW 39.16.005 are each amended to read as follows:

In all contracts let by the state, or any department thereof, or any county, city, town, municipality, or other political subdivision for the erection, construction, alteration, demolition, or repair of any public building, structure, bridge, highway, or any other kind of public work or improvement, the contractor or subcontractor shall employ ninety-five percent or more bona fide Washington residents as employees where more than forty persons are employed, and ninety percent or more bona fide Washington residents as employees where forty or less persons are employed: PROVIDED, That such limitations shall not apply to that portion of any contract in which a manufacturer's warranty on equipment is contingent upon the manufacturer's use of his own factory-trained personnel for installation or repair which places such equipment under warranty. The contractor shall pay the standard prevailing wages for the specific type of construction as determined by the United States department of labor in the city or county where the work is being performed. The term "resident", as used in this chapter, shall mean any person who has been a bona fide resident of the state of Washington for a period of ninety days prior to such employment: PROVIDED, That in contracts involving the expenditure of federal aid funds this chapter shall not be enforced in such manner to conflict with or be contrary to the federal statutes, rules, and regulations prescribing a labor preference to honorably discharged soldiers, sailors, and marines, or prohibiting as unlawful any other preference or discrimination among the citizens of the United States: PROVIDED FURTHER, That this section shall not apply to any employees who are residents of any state bordering on the state of Washington if such bordering state does not restrict the right of a resident of Washington to be employed in the performance of all contracts let by the bordering state, or any department thereof, or any county, city, town, municipality, or other political subdivision for the erection, construction, alteration, demolition, or repair of any public building, structure, bridge, highway, or any other kind of public work or improvement.
Sec. 2. Section 2, chapter 246, Laws of 1943 and RCW 39.16.020 are each amended to read as follows:

In the event a sufficient number of Washington residents who are qualified by training or experience to perform such work shall not be available, the contractor or subcontractor shall immediately notify the public body with whom the contract has been executed of such facts, and shall state the number of nonresidents needed. The public body shall immediately investigate the facts and if the conditions are as stated the public body shall, by a written order, designate the number of nonresidents and the period for which they may be employed: PROVIDED, That should residents who are qualified by training or experience to perform such work become available within the period, such qualified residents shall be employed within a reasonable time and the period shortened consistent with the supply of qualified resident labor.

Passed the House May 26, 1977.
Passed the Senate May 24, 1977.
Approved by the Governor June 8, 1977.
Filed in Office of Secretary of State June 8, 1977.

CHAPTER 188
[Substitute House Bill No. 340]
SECURITIES

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


[(When-used-in)] The definitions set forth in this section shall apply throughout this chapter, unless the context otherwise requires:

(1) "Director" means the director of ((licensees)) motor vehicles of this state.
(2) "Salesman" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect sales of securities, but "salesman" does not include an individual who represents an issuer in (a) effecting a transaction in a security exempted by RCW 21.20.310(1), (2), (3), (4), (9), ((or)) (10), or (11), as now or hereafter amended, (b) effecting transactions exempted by RCW 21.20.320, or (c) effecting transactions with existing employees, partners, or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state.
(3) "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include (a) a salesman, issuer, bank, savings institution, or trust company, (b) a person who has no place of business in this state if he effects transactions in this state exclusively with or through the issuers of the securities