

deems advisable. He shall so examine each domestic insurer not less frequently than every three years. Examination of an alien insurer may be limited to its insurance transactions in the United States.

(2) As often as he deems advisable and at least once in five years, the commissioner shall fully examine each rating organization and examining bureau licensed in this state. As often as he deems it advisable he may examine each advisory organization and each joint underwriting or joint reinsurance group, association, or organization.

(3) The commissioner shall in like manner examine each insurer or rating organization applying for authority to do business in this state.

(4) In lieu of making his own examination, the commissioner may accept a full report of the last recent examination of a nondomestic insurer or rating or advisory organization, or joint underwriting or joint reinsurance group, association or organization, certified to by the insurance supervisory official of the state of domicile or of entry.

(5) The commissioner may elect to accept and rely on an audit report made by an independent certified public accountant for the insurer in the course of that part of the commissioner's examination covering the same general subject matter as the audit. The commissioner may incorporate the audit report in his report of the examination.

Passed the House February 19, 1979.

Passed the Senate March 2, 1979.

Approved by the Governor March 27, 1979.

Filed in Office of Secretary of State March 27, 1979.

CHAPTER 140

[House Bill No. 802]

SECURITIES REGULATION—DEBENTURE COMPANY, DEFINITION

AN ACT Relating to securities regulation; and amending section 6, chapter 171, Laws of 1973 1st ex. sess. and RCW 21.20.705.

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

Section 1. Section 6, chapter 171, Laws of 1973 1st ex. sess. and RCW 21.20.705 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires, "debenture company" means an issuer of any ~~((securities))~~ note, debenture, or other obligation for money used or to be used as capital of the issuer which is offered or sold in this state and is required to be registered under the provisions of this chapter ~~((and which is not exempted from such registration requirements by RCW 21.20.310))~~; which issuer is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, leasing, or trading in real or chattel mortgages, deeds of trust, ~~((or))~~ land, land or

personal property contracts, or security agreements and financing statements under the uniform commercial code(~~(, or land contracts; and which has issued or proposes to issue notes, debentures and other obligations for money used or to be used as capital of the issuer)~~). The term "debenture company" does not include an issuer by reason of any of its securities which are exempt from registration under RCW 21.20.310 or offered or sold in transactions exempt from registration under RCW 21.20.320 (1) or (8).

Passed the House February 22, 1979.

Passed the Senate March 2, 1979.

Approved by the Governor March 27, 1979.

Filed in Office of Secretary of State March 27, 1979.

CHAPTER 141

[House Bill No. 847]

DEPARTMENT OF SOCIAL AND HEALTH SERVICES—STATUTORY DEVOLUTION

AN ACT Relating to state government; amending section 7, chapter 133, Laws of 1955 as last amended by section 46, chapter 81, Laws of 1971 and RCW 9.95.060; amending section 13, chapter 133, Laws of 1955 as last amended by section 2, chapter 98, Laws of 1969 and RCW 9.95.120; amending section 3, chapter 98, Laws of 1969 and RCW 9.95.121; amending section 6, chapter 98, Laws of 1969 and RCW 9.95.124; amending section 3, chapter 114, Laws of 1935 as amended by section 13, chapter 134, Laws of 1967 and RCW 9.95.170; amending section 3, chapter 227, Laws of 1957 as amended by section 15, chapter 134, Laws of 1967 and RCW 9.95.200; amending section 4, chapter 227, Laws of 1957 as last amended by section 1, chapter 29, Laws of 1969 and RCW 9.95.210; amending section 8, chapter 227, Laws of 1957 as amended by section 17, chapter 134, Laws of 1967 and RCW 9.95.250; amending section 7, chapter 114, Laws of 1935 as amended by section 14, chapter 134, Laws of 1967 and RCW 9.95.260; amending section 11.08.101, chapter 145, Laws of 1965 and RCW 11.08.101; amending section 11.08.120, chapter 145, Laws of 1965 and RCW 11.08.120; amending section 2, chapter 175, Laws of 1967 and RCW 11.66.010; amending section 2, chapter 165, Laws of 1969 ex. sess. and RCW 13.06.020; amending section 3, chapter 165, Laws of 1969 ex. sess. and RCW 13.06.030; amending section 4, chapter 165, Laws of 1969 ex. sess. and RCW 13.06.040; amending section 6, chapter 165, Laws of 1969 ex. sess. and RCW 13.06.060; amending section 1, chapter 331, Laws of 1959 and RCW 13.07.010; amending section 4, chapter 331, Laws of 1959 as amended by section 2, chapter 137, Laws of 1965 ex. sess. and RCW 13.07.030; amending section 7, chapter 331, Laws of 1959 and RCW 13.07.050; amending section 8, chapter 331, Laws of 1959 and RCW 13.07.060; amending section 15.36.130, chapter 11, Laws of 1961 and RCW 15.36.130; amending section 15.36.425, chapter 11, Laws of 1961 and RCW 15.36.425; amending section 15.36.550, chapter 11, Laws of 1961 and RCW 15.36.550; amending section 15.36.560, chapter 11, Laws of 1961 and RCW 15.36.560; amending section 2, chapter 253, Laws of 1957 and RCW 18.20.020; amending section 10, chapter 253, Laws of 1957 and RCW 18.20.100; amending section 1, chapter 183, Laws of 1951 and RCW 18.45.010; amending section 2, chapter 183, Laws of 1951 and RCW 18.45.020; amending section 46, chapter 183, Laws of 1951 and RCW 18.45.440; amending section 47, chapter 183, Laws of 1951 and RCW 18.45.450; amending section 49, chapter 183, Laws of 1951 and RCW 18.45.470; amending section 2, chapter 168, Laws of 1951 and RCW 18.46.010; amending section 45, chapter 139, Laws of 1959 and RCW 20.01.450; amending section 1, chapter 279, Laws of 1969 ex. sess. and RCW 26.04.165; amending section 6, chapter 272, Laws of 1955 and RCW 26.40.060; amending section 28A.47.090, chapter 223, Laws of 1969 ex. sess. and RCW 28A.47.090; amending section 28A.47.690, chapter 223, Laws of 1969 ex. sess. and RCW 28A.47.690; amending section 28A.47.744, chapter 223, Laws of 1969 ex. sess. and RCW