(2) The department shall report to the appropriate committees of the legislature on the status of the employer group rating structure, as provided in chapter ... (SSB 3169), Laws of 1980, no later than October 1, 1980.

NEW SECTION. Sec. 6. 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 Senate March 13, 1980.
Passed the House March 7, 1980.
Approved by the Governor April 1, 1980.
Filed in Office of Secretary of State April 1, 1980.

CHAPTER 157
[Engrossed Substitute Senate Bill No. 3551]
ALCOHOL FUELS—TAX EXEMPTIONS

AN ACT Relating to alcohol fuels; adding a new section to chapter 82.01 RCW; adding a new section to chapter 82.29A RCW; adding a new section to chapter 84.36 RCW; and amending section 13, chapter 196, Laws of 1979 ex. sess. and RCW 82.04.325.

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

NEW SECTION. Section 1. There is added to chapter 84.36 RCW a new section to read as follows:

(1) For the purposes of this section, "alcohol fuel" means any alcohol made from a product other than petroleum or natural gas, which is used alone or in combination with gasoline or other petroleum products for use as a fuel for motor vehicles, farm implements and machines or implements of husbandry.

(2) All buildings, machinery, equipment, and other personal property which is used primarily for the manufacturing of alcohol fuel, the land upon which such property is located, and land that is reasonably necessary in the manufacturing of alcohol fuel, but not land necessary for growing of crops, which together comprise a new alcohol manufacturing facility or an addition to an existing alcohol manufacturing facility, are exempt from property taxation for the six assessment years following the date on which the facility or the addition to the existing facility becomes operational.

For alcohol manufacturing facilities which produce alcohol for use as alcohol fuel and alcohol used for other purposes, the amount of the property tax exemption shall be based upon an annually determined percentage of the total gallons of alcohol produced that is sold or used as alcohol fuel.

(3) Claims for exemptions authorized by this section shall be filed with the county assessor on forms prescribed by the department of revenue and furnished by the assessor. Once filed, the exemption is valid for six years and shall not be renewed. The assessor shall verify and approve such claims
as the assessor determines to be justified and in accordance with this section. No claims may be filed after December 31, 1986.

The department of revenue may promulgate such rules, pursuant to chapter 34.04 RCW, as are necessary to properly administer this section.

NEW SECTION. Sec. 2. There is added to chapter 82.29A RCW a new section to read as follows:

(1) For the purposes of this section, "alcohol fuel" means any alcohol made from a product other than petroleum or natural gas, which is used alone or in combination with gasoline or other petroleum products for use as a fuel for motor vehicles, farm implements and machines or implements of husbandry.

(2) All leasehold interests in buildings, machinery, equipment, and other personal property which is used primarily for the manufacturing of alcohol fuel, the land upon which such property is located, and land that is reasonably necessary in the manufacturing of alcohol fuel, but not land necessary for growing of crops, which together comprise a new alcohol manufacturing facility or an addition to an existing alcohol manufacturing facility, are exempt from leasehold taxes for a period of six years from the date on which the facility or the addition to the existing facility becomes operational.

For alcohol manufacturing facilities which produce alcohol for use as alcohol fuel and alcohol used for other purposes, the amount of the leasehold tax exemption shall be based upon an annually determined percentage of the total gallons of alcohol produced that is sold and used as alcohol fuel.

(3) Claims for exemptions authorized by this section shall be filed with the department of revenue on forms prescribed by the department of revenue and furnished by the department of revenue. Once filed, the exemption is valid for six years and shall not be renewed. The department of revenue shall verify and approve such claims as the department of revenue determines to be justified and in accordance with this section. No claims may be filed after December 31, 1986.

The department of revenue may promulgate such rules, pursuant to chapter 34.04 RCW, as are necessary to properly administer this section.

Sec. 3. Section 13, chapter 196, Laws of 1979 ex. sess, and RCW 82.04.325 are each amended to read as follows:

The tax imposed by RCW 82.04.270(1) does not apply to any person who manufactures alcohol with respect to sales of said alcohol to be used in the production of gasohol for use as motor vehicle fuel, nor with respect to sales of gasohol for use as motor vehicle fuel. As used in this section, "motor vehicle fuel" has the meaning given in RCW 82.36.010(2), and "gasohol" means motor vehicle fuel which contains more than nine and one-half percent alcohol by volume. This RCW section shall expire December 31, 1986.
NEW SECTION. Sec. 4. There is added to chapter 82.01 RCW a new section to read as follows:

Prior to the start of the regular session each year, the director shall submit a tax exemption impact report to the legislature estimating the revenue foregone as a result of the exemptions under RCW 82.04.325, section 1 of this act, and section 2 of this act.

Passed the Senate March 13, 1980.
Passed the House March 3, 1980.
Approved by the Governor April 1, 1980.
Filed in Office of Secretary of State April 1, 1980.

CHAPTER 158
[Senate Bill No. 3574]
DELINQUENCY PREVENTION SERVICES PROGRAM—MAINTENANCE

AN ACT Relating to appropriations; and amending section 65, chapter 270, Laws of 1979 ex. sess. (uncodified).

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

Section 1. Section 65, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—COMMUNITY SERVICES ADMINISTRATION PROGRAM

| General Fund Appropriation—State                  | $ 70,935,000 |
| General Fund Appropriation—Federal                | $103,001,000  |
| Total Appropriation                                | $173,936,000  |
| Total FTE Staff Years                             | 7,792         |

The appropriations contained in this section shall be subject to the following conditions and limitations:

1. Fifty-two FTE's shall be utilized in the delinquency prevention and crisis intervention intake services program. During the 1979–1981 biennium, the delinquency prevention services program shall be maintained without any significant changes.

2. Not more than 258 FTE staff years and $7,852,000 (of which $7,736,000 shall be from federal funds) shall be utilized in the disability insurance benefits section.

3. The department of social and health services shall obtain competitive bids from the private sector for the purpose of the administration of the dental program with medical assistance.

Passed the Senate March 7, 1980.
Passed the House March 4, 1980.
Approved by the Governor April 1, 1980.
Filed in Office of Secretary of State April 1, 1980.