NEW SECTION. Sec. 7. Any person who operates an amusement ride or structure without complying with the requirements of this chapter is guilty of a gross misdemeanor.

NEW SECTION. Sec. 8. Nothing contained in this chapter prevents a county or municipality from adopting and enforcing ordinances which relate to the operation of amusement rides or structures and supplement the provisions of this chapter.

NEW SECTION. Sec. 9. Sections 1 through 8 of this act shall constitute a new chapter in Title 67 RCW.

NEW SECTION. Sec. 10. If any provision of this 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.

NEW SECTION. Sec. 11. This act shall take effect on January 1, 1986.

Passed the House April 24, 1985.
Passed the Senate April 19, 1985.
Approved by the Governor May 10, 1985.
Filed in Office of Secretary of State May 10, 1985.

CHAPTER 263
[Engrossed Substitute House Bill No. 577]
EMPLOYEE STOCK OWNERSHIP PLANS

AN ACT Relating to employee-ownership assistance programs; adding a new section to chapter 43.63A RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature declares it to be the policy of this state to encourage the broadening of the base of capital ownership among wider numbers of Washington citizens, and to encourage the use of employee stock ownership plans as one means of broadening the ownership of capital.

NEW SECTION. Sec. 2. A new section is added to chapter 43.63A RCW to read as follows:

(1) The department of community development is directed to undertake a study as to the best means of providing encouragement and assistance to the formulation of employee stock ownership plans providing for the partial or total acquisition, through purchase, distribution in lieu of compensation, or a combination of these means or any other lawful means, of shares of stock or other instruments of equity in facilities by persons employed at these facilities in cases in which operations at these facilities would, absent employee equity ownership, be terminated, relocated outside
of the state, or so reduced in volume as to entail the permanent layoff of a substantial number of the employees.

(2) In conducting its study, the department shall:

(a) Consider federal and state law relating directly or indirectly to plans proposed under subsection (1) of this section, and to the organization and operation of any trusts established pursuant to the plans, including but not limited to, the federal internal revenue code and any regulations promulgated under the internal revenue code, the federal securities act of 1933 as amended and other federal statutes providing for regulation of the issuance of securities, the federal employee retirement income and security act of 1974 as amended, the Chrysler loan guarantee legislation enacted by the United States congress in 1979, and other federal and state laws relating to employment, compensation, taxation, and retirement;

(b) Consult with relevant persons in the public sector, relevant persons in the private sector, including trustees of any existing employee stock ownership trust, and employees of any firm operating under an employee stock ownership trust, and with members of the academic community and of relevant branches of the legal profession;

(c) Examine the experience of trusts organized pursuant to an employee stock ownership plan in this state or in any other state; and

(d) Make other investigations as it may deem necessary in carrying out the purposes of this section.

(3) Pursuant to the findings and conclusions of the study conducted under subsection (2) of this section, the department of community development shall develop a plan to encourage and assist the formulation of employee stock ownership plans providing for the acquisition of stock by employees of facilities in this state which are subject to closure or drastically curtailed operation. The department shall determine the amount of any costs of implementing the plan.

(4) The director of community development shall, within one year of the effective date of this act, report the findings and conclusion of the study, together with details of the plan developed pursuant to the study, to the legislature, and shall include in the report any recommendations for legislation which the director deems appropriate. Beginning in 1987, the director shall annually submit to the legislature a report concerning the formation of new employee stock ownership trusts and the operation of existing employee stock ownership trusts in this state, and shall include in the report an account of state activity, during the previous year, in connection with these trusts.
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(5) The department of community development shall carry out its duties under this section using available resources.

Passed the House April 22, 1985.
Passed the Senate April 18, 1985.
Approved by the Governor May 10, 1985.
Filed in Office of Secretary of State May 10, 1985.

CHAPTER 264
[Substitute House Bill No. 39]
INSURANCE CODE—REVISIONS

AN ACT Relating to insurance; amending RCW 48.02.120, 48.05.200, 48.10.070, 48.15-.160, 48.16.070, 48.17.010, 48.17.520, 48.18.110, 48.20.420, 48.20.450, 48.20.470, 48.30.010, 48.30.140, 48.42.010, 48.18.290, 48.18.291, 48.18.292, 48.18.295, 48.18.296, and 48.23.300; adding a new section to chapter 48.01 RCW; adding a new section to chapter 48.18 RCW; creating a new section; repealing RCW 48.17.080; and declaring an emergency.

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

NEW SECTION. Sec. 1. A new section is added to chapter 48.01 RCW to read as follows:

The term "developmental disability" as used in this title means a disability attributable to mental retardation, cerebral palsy, epilepsy, autism, or another neurological condition closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial handicap to such individual.

Sec. 2. Section .02.12, chapter 79, Laws of 1947 as amended by section 1, chapter 130, Laws of 1979 ex. sess. and RCW 48.02.120 are each amended to read as follows:

(1) The commissioner shall preserve in permanent form records of his or her proceedings, hearings, investigations, and examinations, and shall file such records in his or her office.

(2) The records of the commissioner and insurance filings in his or her office shall be open to public inspection, except as otherwise provided by this code.

(3) Actuarial formulas, statistics, and assumptions submitted in support of a rate or form filing by an insurer, health care service contractor, or health maintenance organization or submitted to the commissioner upon his or her request shall be withheld from public inspection in order to preserve trade secrets or prevent unfair competition.

Sec. 3. Section .05.20, chapter 79, Laws of 1947 and RCW 48.05.200 are each amended to read as follows:

(1) Each authorized foreign or alien insurer shall appoint the commissioner as its attorney to receive service of, and upon whom shall be served,