

business and occupation classifications in effect as of January 1, 1982, shall expire no later than December 31, 1982, or by expiration date established by local ordinance. Cities which impose a license fee or tax upon business activities consisting of the making of retail sales of tangible personal property which are measured by gross receipts or gross income from such sales shall be required to submit an annual report to the (~~department of revenue~~) state auditor identifying the rate established and the revenues received from each fee or tax. This section shall not apply to any business activities subject to the tax imposed by chapter 82.16 RCW. For purposes of this section, the providing to consumers of competitive telephone service, as defined in RCW 82.16.010, shall be deemed to be the retail sale of tangible personal property.

NEW SECTION. Sec. 8. The following acts or parts of acts are each repealed:

(1) Section 9, chapter 49, Laws of 1982 1st ex. sess. and RCW 35.21.705;

(2) Section 19, chapter 49, Laws of 1982 1st ex. sess. and RCW 82.14-.035; and

(3) Section 12, chapter 49, Laws of 1982 1st ex. sess. and RCW 82.46.020.

NEW SECTION. Sec. 9. 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.

NEW SECTION. Sec. 10. If any provision of this act or chapter 49, Laws of 1982 1st ex. sess. or their application to any person or circumstance is held invalid, the remainder of these acts or the application of the provision to other persons or circumstances is not affected.

Passed the House March 10, 1983.

Passed the Senate April 13, 1983.

Approved by the Governor April 22, 1983.

Filed in Office of Secretary of State April 22, 1983.

## CHAPTER 100

[Engrossed House Bill No. 305]

### PROFESSIONAL SERVICE CORPORATIONS—HEALTH CARE PROFESSIONALS

AN ACT Relating to professional service corporations; and amending section 5, chapter 122, Laws of 1969 and RCW 18.100.050.

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

Sec. 1. Section 5, chapter 122, Laws of 1969 and RCW 18.100.050 are each amended to read as follows:

An individual or group of individuals duly licensed or otherwise legally authorized to render the same professional services within this state may organize and become a shareholder or shareholders of a professional corporation for pecuniary profit under the provisions of Title 23A RCW for the purpose of rendering professional service: PROVIDED, That one or more of such legally authorized individuals shall be the incorporators of such professional corporation: PROVIDED FURTHER, That notwithstanding any other provision of this chapter, registered architects and registered engineers may own stock in and render their individual professional services through one professional service corporation: AND PROVIDED FURTHER, That licensed health care professionals, providing services to enrolled participants either directly or through arrangements with a health maintenance organization registered under chapter 48.46 RCW or federally qualified health maintenance organization, may own stock in and render their individual professional services through one professional service corporation.

Passed the House March 29, 1983.

Passed the Senate April 15, 1983.

Approved by the Governor April 22, 1983.

Filed in Office of Secretary of State April 22, 1983.

## CHAPTER 101

[Substitute House Bill No. 323]

### PUBLIC UTILITY DISTRICTS—TERRITORY ANNEXATION

AN ACT Relating to annexation by public utility districts; and adding a new section to chapter 54.04 RCW.

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

NEW SECTION. Sec. 1. There is added to chapter 54.04 RCW a new section to read as follows:

In addition to other powers authorized in Title 54 RCW, public utility districts may annex territory as provided in this section.

The boundaries of a public utility district may be enlarged and new contiguous territory added pursuant to the procedures for annexation by cities and towns provided in RCW 35.13.015 through 35.13.160. The provisions of these sections concerning community municipal corporations, review boards, and comprehensive plans, however, do not apply to public utility district annexations. For purposes of conforming with such procedures, the public utility district is deemed to be the city or town and the board of commissioners is deemed to be the city or town legislative body.

Annexation procedures provided in this section may only be used to annex territory, not located in another public utility district, that is both: (1) Contiguous to the annexing public utility district; and (2) located within the service area of the annexing public utility district. As used in this section, a