

playgrounds, and parkway purposes, and the extension and maintenance thereof, not exceeding, together with all other outstanding nonvoter approved general indebtedness, three-fortieths of one percent of the value of the taxable property in such metropolitan park district, as the term "value of the taxable property" is defined in RCW 39.36.015.

Sec. 2. Section 35.61.160, chapter 7, Laws of 1965 and RCW 35.61.160 are each amended to read as follows:

~~((If incurring the indebtedness and issuing bonds therefor has been approved by the people;))~~ The commissioners of such metropolitan park district may issue ((the)) and sell negotiable bonds of such district ((for the amount of such indebtedness and may dispose of said bonds either in payment of such indebtedness, or may advertise and sell said bonds in the open market for cash, but in no event shall said bonds be disposed of or negotiated at less than par)) under chapter 39.44 RCW.

Passed the House March 15, 1983.

Passed the Senate April 11, 1983.

Approved by the Governor April 21, 1983.

Filed in Office of Secretary of State April 21, 1983.

## CHAPTER 62

[Substitute House Bill No. 366]

### ENERGY CONSERVATION FINANCING

AN ACT Relating to financing energy conservation measures; amending section 1, chapter 239, Laws of 1979 ex. sess. and RCW 35.92.355; amending section 2, chapter 239, Laws of 1979 ex. sess. and RCW 35.92.360; amending section 3, chapter 239, Laws of 1979 ex. sess. and RCW 54.16.280; and providing an expiration date.

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

Sec. 1. Section 1, chapter 239, Laws of 1979 ex. sess. and RCW 35.92.355 are each amended to read as follows:

The conservation of energy in all forms and by every possible means is ~~((found and declared to be))~~ a public purpose of highest priority. The legislature further finds ~~((and declares))~~ that all municipal corporations, quasi municipal corporations, and other political subdivisions of the state which are engaged in the ~~((generation;))~~ sale~~((;))~~ or distribution of energy should be granted the authority to develop and carry out programs which will conserve resources, reduce waste, and encourage more efficient use of energy by ~~((consumers))~~ individuals, associations, companies, or corporations.

In order to establish the most effective state-wide program for energy conservation, the legislature ~~((hereby))~~ encourages any company, corporation, or association engaged in selling or furnishing utility services to assist ~~((their))~~ its customers in the acquisition and installation of materials and equipment, for compensation or otherwise, for the conservation or more efficient use of energy.

Sec. 2. Section 2, chapter 239, Laws of 1979 ex. sess. and RCW 35.92-.360 are each amended to read as follows:

Any city or town engaged in the ~~((generation;))~~ sale~~((;))~~ or distribution of energy is ~~((hereby))~~ authorized, within limits established by the Constitution of the state of Washington, to assist ~~((the owners of residential structures))~~ individuals, associations, companies, or corporations in financing the acquisition and installation of materials and equipment, for compensation or otherwise, for the conservation or more efficient use of energy ~~((in such structures pursuant to))~~ under an energy conservation plan adopted by the city or town if the cost per unit of energy saved or produced by the use of ~~((such))~~ these materials and equipment is less than the incremental system cost ~~((per unit of energy produced by the next least costly new energy resource))~~ of generating, transmitting, and distributing electricity from the lowest cost alternative new source of supply which the city or town could acquire to meet future demands. Except where otherwise authorized, ~~((such))~~ assistance shall be limited to:

(1) ~~((Providing an inspection of the residential structure, either directly or through one or more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing conservation materials and equipment for which financial assistance will be approved and the estimated life cycle savings in energy costs that are likely to result from the installation of such materials or equipment;~~

~~(2) Providing a list of businesses who sell and install such materials and equipment within or in close proximity to the service area of the city or town, each of which businesses shall have requested to be included and shall have the ability to provide the products in a workmanlike manner and to utilize such materials in accordance with the prevailing national standards;~~

~~(3) Arranging to have approved conservation materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying such installation; and~~

~~(4) Arranging or providing financing for the purchase and installation of approved conservation materials and equipment. Such materials and equipment shall be purchased from a private business and shall be installed by a private business or the owner;~~

~~(5) Pay back shall be in the form of incremental additions to the utility bill, billed either together with use charge or separately. Loans shall not exceed one hundred twenty months in length.)~~ Providing an energy conservation analysis to the customer, either directly or through one or more consultants under contract. The analysis may include estimates of the purchase, installation, operation, and maintenance costs and other relevant information regarding characteristics of conservation materials and equipment, anticipated reductions in energy use, and associated reduction in energy costs, and recommendations on desirable energy conservation investments and practices;

(2) Arranging or providing financing for the purchase and installation of conservation materials and equipment which the city or town determines to be appropriate and to meet the requirements of this section. These materials and equipment shall be purchased from a private business and shall be installed by a private business or the customer. Financing may be secured by a lien against the structure benefited, by a performance bond, or by other methods provided under the uniform commercial code, Title 62A RCW. Loans shall not exceed one hundred twenty months in length;

(3) Arranging or coordinating the installation of materials and equipment by a private contractor whose bid is acceptable to the customer and to the city or town;

(4) Inspecting the work performed to verify proper installation of the materials and equipment; and

(5) When a city or town recommends financing measures which directly affect a system using another source of fuel, a copy of the recommendation shall be provided to the last known supplier of fuel for that system at the same time it is supplied to the customer.

Sec. 3. Section 3, chapter 239, Laws of 1979 ex. sess. and RCW 54.16-.280 are each amended to read as follows:

Any district is ~~((hereby))~~ authorized, within limits established by the Constitution of the state of Washington, to assist ~~((the owners of residential structures))~~ individuals, associations, companies, or corporations in financing the acquisition and installation of materials and equipment, for compensation or otherwise, for the conservation or more efficient use of energy ~~((in such structures pursuant to))~~ under an energy conservation plan adopted by the district if the cost per unit of energy saved or produced by the use of ~~((such))~~ these materials and equipment is less than the incremental system cost ~~((per unit of energy produced by the next least costly new energy resource))~~ of generating, transmitting, and distributing electricity from the lowest cost alternative new source of supply which the district could acquire to meet future demands. Except where otherwise authorized, ~~((such))~~ assistance shall be limited to:

~~(1) ((Providing an inspection of the residential structure, either directly or through one or more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing conservation materials and equipment for which financial assistance will be approved and the estimated life cycle savings in energy costs that are likely to result from the installation of such materials or equipment;~~

~~(2) Providing a list of businesses who sell and install such materials and equipment within or in close proximity to the service area of the district, each of which businesses shall have requested to be included and shall have the ability to provide the products in a workmanlike manner and to utilize such materials in accordance with the prevailing national standards;~~

~~(3) Arranging to have approved conservation materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying such installation; and~~

~~(4) Arranging or providing financing for the purchase and installation of approved conservation materials and equipment. Such materials and equipment shall be purchased from a private business and shall be installed by a private business or the owner.~~

~~(5) Pay back shall be in the form of incremental additions to the utility bill, billed either together with use charge or separately. Loans shall not exceed one hundred twenty months in length.)) Providing an energy conservation analysis to the customer, either directly or through one or more consultants under contract. The analysis may include estimates of the purchase, installation, operation, and maintenance costs and other relevant information regarding characteristics of conservation materials and equipment, anticipated reductions in energy use, and associated reduction in energy costs, and recommendations on desirable energy conservation investments and practices;~~

(2) Arranging or providing financing for the purchase and installation of conservation materials and equipment which the district determines to be appropriate and to meet the requirements of this section. These materials and equipment shall be purchased from a private business and shall be installed by a private business or the customer. Financing may be secured by a lien against the structure benefited, by a performance bond, or by other methods provided under the uniform commercial code, Title 62A RCW. Loans shall not exceed one hundred twenty months in length;

(3) Arranging or coordinating the installation of materials and equipment by a private contractor whose bid is acceptable to the customer and to the district;

(4) Inspecting the work performed to verify proper installation of the materials and equipment; and

(5) When a district recommends financing measures which directly affect a system using another source of fuel, a copy of the recommendation shall be provided to the last known supplier of fuel for that system at the same time it is supplied to the customer.

NEW SECTION, Sec. 4. This act shall expire January 1, 2005.

NEW SECTION, Sec. 5. This 1983 act shall take effect on the same date as the proposed amendment to Article VIII of the state Constitution, authorizing the use of public moneys or credit to promote conservation or

more efficient use of energy, is validly submitted and is approved and ratified by the voters at a general election held in November, 1983. If the proposed amendment is not so approved and ratified, this 1983 act shall be null and void in its entirety.

Passed the House March 17, 1983.

Passed the Senate April 12, 1983.

Approved by the Governor April 21, 1983.

Filed in Office of Secretary of State April 21, 1983.

## CHAPTER 63

[Engrossed House Bill No. 371]

### HEALTH CARE SERVICE CONTRACTORS—INSURANCE COMMISSION INSPECTIONS—ASSESSMENTS

AN ACT Relating to insurance; amending section 12, chapter 115, Laws of 1969 and RCW 48.44.145; and amending section 13, chapter 290, Laws of 1975 1st ex. sess. and RCW 48.46.120.

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

Sec. 1. Section 12, chapter 115, Laws of 1969 and RCW 48.44.145 are each amended to read as follows:

~~(1) ((On receipt of a verified complaint alleging that a health care service contractor is insolvent or that its manner of transacting business is contrary to this chapter, the commissioner may demand from the health care service contractor a statement, under oath, setting forth its assets and liabilities or course of conduct, as applicable. He may, for the purpose of verifying the correctness of such statement, examine the books and business affairs of the health care service contractor.~~

~~(2) If such a statement is not furnished within twenty days from the time of such demand by the commissioner or if, upon the examination of such records the statement furnished or any record examined is found to include any material misstatement of fact, the expense of the examination shall be paid by the health care service contractor.~~

~~(3)) The commissioner may make an examination of the operations of any health care service contractor as often as he deems necessary in order to carry out the purposes of this chapter.~~

~~(2) Every health care service contractor shall submit its books and records relating to its operation for financial condition and market conduct examinations and in every way facilitate them. For the purpose of examinations, the commissioner may issue subpoenas, administer oaths, and examine the officers and principals of the health care service contractor.~~

~~(3) The commissioner may elect to accept and rely on audit reports made by an independent certified public accountant for the health care~~