

entering into agreements with private persons which regulate or control the amount of rent to be charged for rental properties.

NEW SECTION. Sec. 3. Nothing in this act shall be construed to preempt local ordinances that relate to the control of rents or other relationships at floating home moorage sites.

NEW SECTION. Sec. 4. 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.

Passed the House April 20, 1981.

Passed the Senate April 16, 1981.

Approved by the Governor May 6, 1981.

Filed in Office of Secretary of State May 6, 1981.

## CHAPTER 76

[Substitute House Bill No. 581]

### ECONOMIC ASSISTANCE AUTHORITY—REVIEW—ABOLISHED, TRANSFER OF DUTIES—TAX DEFERRAL LIMITATION—LOAN CUT-OFF DATE

AN ACT Relating to economic development; amending section 13, chapter 117, Laws of 1972 ex. sess. as amended by section 1, chapter 296, Laws of 1977 ex. sess. and RCW 43.31A-.130; amending section 14, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.140; amending section 11, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.110; creating new sections; repealing section 1, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A-.010; repealing section 2, chapter 117, Laws of 1972 ex. sess., section 111, chapter 34, Laws of 1975-'76 2nd ex. sess. and RCW 43.31A.020; repealing section 3, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.030; repealing section 4, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.040; repealing section 5, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.050; repealing section 6, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.060; repealing section 7, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.070; repealing section 8, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.080; repealing section 9, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.090; repealing section 10, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.100; repealing section 14, chapter 117, Laws of 1972 ex. sess., section 2 of this 1981 act and RCW 43.31A.140; repealing section 15, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.150; repealing section 20, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.200; repealing section 21, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.210; repealing section 22, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.220; repealing section 23, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.230; repealing section 24, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.240; repealing section 25, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.250; repealing section 26, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.260; repealing section 27, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.270; repealing section 28, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.280; repealing section 29, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A-.290; repealing section 30, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.300; repealing section 31, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.310; repealing section 33, chapter 117, Laws of 1972 ex. sess., section 55, chapter 75, Laws of 1977 and RCW 43.31A.330; repealing section 34, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.900; repealing section 37, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A-.920; providing effective dates; and declaring an emergency.

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

Section 1. Section 13, chapter 117, Laws of 1972 ex. sess. as amended by section 1, chapter 296, Laws of 1977 ex. sess. and RCW 43.31A.130 are each amended to read as follows:

As used in RCW 43.31A.140 through 43.31A.180:

(1) "Eligible investment project" shall mean construction of new buildings or major improvements to existing buildings and the machinery installed in such buildings in the course of such construction or major improvements, when said buildings and machinery are used or are to be used for activities defined in RCW 82.04.120 (the definition of the term "to manufacture"); PROVIDED, That an investment project undertaken by a business as defined in RCW 82.16.010(5) (an electrical utility) shall not be eligible: PROVIDED FURTHER, That one or more of the following criteria must be met:

(a) The investment project is or will be located in an economic assistance area or special impact area;

(b) A minimum of twenty percent of the employees at the plant complex for which the deferral is requested shall be of a minority race;

(c) The plant complex shall be within an industry classification which is not currently a major employing industry in the county in which the plant complex is located. The industry classification of the plant complex shall be determined by the standard industrial classification as assigned by the department of employment security. The major employing industries in a county shall be the two manufacturing industries which employed the greatest number of persons on an annual average basis in the most recent calendar year for which such information is available from the department of employment security.

(2) "Buildings" shall mean and include only those structures used or to be used to house or shelter manufacturing activities. The term shall include plant offices and warehouses or other facilities for the storage of raw material or finished goods when such facilities are an essential or an integral part of a factory, mill, or manufacturing plant and such factory, mill, or manufacturing plant is used or to be used in the business of manufacture for sale or commercial or industrial use of an article, substance, or commodity. Where a building is used partly for manufacturing and partly for other purposes the applicable tax deferral shall be determined by apportionment of the costs of construction under such rules as the department of revenue shall provide;

(3) "Machinery" shall mean all industrial fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing operation;

(4) "Major improvement" shall mean the expansion, modernization, or renovation of existing buildings wherein the costs are in excess of twenty-five percent of the true and fair value of the plant complex prior to the improvement;

(5) "Plant complex" shall mean land, machinery, and buildings adapted to industrial use as a single functional or operational unit for the assembling, processing, or manufacturing of finished or partially finished products from raw materials or fabricated parts;

(6) "Taxpayer" shall mean the taxpaying entity certified by name pursuant to RCW 43.31A.140, its subsidiaries, and its principal owners. Ownership interest for the purpose of determining whether a corporation or a natural person is a principal owner or a subsidiary of an eligible taxpayer shall be fifty-one percent or a controlling interest as determined by the authority.

Sec. 2. Section 14, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.140 are each amended to read as follows:

The authority shall certify the eligibility of investment projects, and the department of revenue shall grant investment tax deferrals for eligible investment projects in an amount not to exceed the state and local sales tax payable under chapters 82.08 and 82.14 RCW or the use tax payable under chapters 82.12 and 82.14 RCW on machinery, materials, labor, and services directly utilized in a certified eligible investment project (~~undertaken~~) paid for by a firm engaged in or to be engaged in manufacturing: PROVIDED, That after March 1, 1981, no taxpayer may be certified by the authority as eligible for tax deferral for any investment project costs over thirty million dollars, cumulative on all outstanding and subsequent projects: PROVIDED FURTHER, That taxpayer applications certified by the authority as eligible for tax deferral after March 1, 1981 and before the effective date of this 1981 act shall be null and void and of no force and effect.

NEW SECTION. Sec. 3. The economic assistance authority shall be reviewed and analyzed during the interim between the 1981 and 1982 legislative sessions by the ways and means committees of the house of representatives and senate and a report shall be presented, with any recommendations, to the forty-seventh legislature which convenes in January, 1982.

NEW SECTION. Sec. 4. The economic assistance authority established by section 2, chapter 117, Laws of 1972 ex. sess. as amended by section 111, chapter 34, Laws of 1975-'76 2nd ex. sess. is abolished, effective June 30, 1982. Any remaining duties of the economic assistance authority are transferred to the department of revenue on that date.

Sec. 5. Section 11, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.110 are each amended to read as follows:

Public facilities grants or loans by the authority shall be subject to the following conditions:

(1) The moneys in the public facilities construction loan and grant revolving account are to be used solely to fulfill commitments arising from

loans and grants authorized ~~((m))~~ under RCW 43.31A.070~~((The total outstanding amount which the authority may dispense at any time pursuant to this section shall not exceed the moneys available for grants and loans from said account))~~ prior to June 30, 1982. New grants or loans shall not be made after June 30, 1982;

(2) Financial assistance through such grants or loans may be used directly or indirectly for any facility for public purposes, including, but not limited to, sewer or other waste disposal facilities, arterials, bridges, access roads, port facilities, or water distribution and purification facilities;

(3) On contracts made for public facilities loans the ~~((authority))~~ department of revenue shall determine the interest rate which advances shall bear, such interest rate not to exceed ten percent per annum, and the ~~((authority))~~ department of revenue shall provide such reasonable terms and conditions for repayment of advances as it may determine; said loans not to exceed twenty years in duration.

NEW SECTION. Sec. 6. The following acts or parts of acts are each repealed effective June 30, 1982:

(1) Section 1, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.010;

(2) Section 2, chapter 117, Laws of 1972 ex. sess., section 111, chapter 34, Laws of 1975-'76 2nd ex. sess. and RCW 43.31A.020;

(3) Section 3, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.030;

(4) Section 4, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.040;

(5) Section 5, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.050;

(6) Section 6, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.060;

(7) Section 7, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.070;

(8) Section 8, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.080;

(9) Section 9, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.090;

(10) Section 10, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.100;

(11) Section 14, chapter 117, Laws of 1972 ex. sess., section 2 of this 1981 act and RCW 43.31A.140;

(12) Section 15, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.150;

(13) Section 20, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.200;

(14) Section 21, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.210;

(15) Section 22, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.220;

(16) Section 23, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.230;

(17) Section 24, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.240;

(18) Section 25, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.250;

(19) Section 26, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.260;

(20) Section 27, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.270;

(21) Section 28, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.280;

(22) Section 29, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.290;

(23) Section 30, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.300;

(24) Section 31, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.310;

(25) Section 33, chapter 117, Laws of 1972 ex. sess., section 55, chapter 75, Laws of 1977 and RCW 43.31A.330;

(26) Section 34, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A-.900; and

(27) Section 37, chapter 117, Laws of 1972 ex. sess. and RCW 43.31A.920.

NEW SECTION. Sec. 7. This act does not affect any duty owed by a taxpayer, political subdivision of the state, or Indian tribe under the statutes repealed under section 6 of this act. The duties owed shall be administered as if the laws in section 6 of this act were not repealed. New investment tax deferral certificates under chapter 43.31A RCW shall not be issued on or after June 30, 1982. The deferral of taxes and the repayment schedules under tax deferral certificates issued before June 30, 1982, are not affected.

NEW SECTION. Sec. 8. 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. 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. Sections 1 and 2 of this act

shall take effect March 1, 1981. Section 3 of this act shall take effect May 1, 1981. Sections 4, 5, 6, and 7 of this act shall take effect June 30, 1982.

Passed the House April 26, 1981.

Passed the Senate April 25, 1981.

Approved by the Governor May 6, 1981.

Filed in Office of Secretary of State May 6, 1981.

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CHAPTER 77

[House Bill No. 160]

RETAIL INSTALLMENT SALES—SERVICE CHARGE

AN ACT Relating to retail installment sales; amending section 1, chapter 236, Laws of 1963 as amended by section 1, chapter 47, Laws of 1972 ex. sess. and RCW 63.14.010; amending section 3, chapter 236, Laws of 1963 as amended by section 2, chapter 234, Laws of 1967 and RCW 63.14.030; amending section 4, chapter 236, Laws of 1963 as last amended by section 2, chapter 47, Laws of 1972 ex. sess. and RCW 63.14.040; amending section 12, chapter 236, Laws of 1963 as last amended by section 3, chapter 47, Laws of 1972 ex. sess. and RCW 63.14.120; amending section 13, chapter 236, Laws of 1963 as last amended by section 3, chapter 2, Laws of 1969 and RCW 63.14.130; adding new sections to chapter 19.52 RCW; adding new sections to chapter 63.14 RCW; creating a new section; and declaring an emergency.

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

Section 1. Section 1, chapter 236, Laws of 1963 as amended by section 1, chapter 47, Laws of 1972 ex. sess. and RCW 63.14.010 are each amended to read as follows:

In this chapter, unless the context otherwise requires:

(1) "Goods" means all chattels personal when purchased primarily for personal, family or household use and not for commercial or business use, but not including money or, except as provided in the next sentence, things in action. The term includes but is not limited to merchandise certificates or coupons, issued by a retail seller, to be used in their face amount in lieu of cash in exchange for goods or services sold by such a seller and goods which, at the time of sale or subsequently, are to be so affixed to real property as to become a part thereof, whether or not severable therefrom;

(2) "Services" means work, labor or services of any kind when purchased primarily for personal, family or household use and not for commercial or business use whether or not furnished in connection with the delivery, installation, servicing, repair or improvement of goods and includes repairs, alterations or improvements upon or in connection with real property, but does not include services for which the price charged is required by law to be determined or approved by or to be filed, subject to approval or disapproval, with the United States or any state, or any department, division, agency, officer or official of either as in the case of transportation services;