

expire as at 12:01 a.m. o'clock on the first day of April next following date of issuance or renewal.

(4) Except as provided in subsection (3) of this section and subject to the right of the commissioner to suspend, revoke, or refuse to renew any license as provided in this code, any such license may be renewed into another like period by filing with the commissioner on or before the expiration date a written request, by or on behalf of the licensee, for such renewal accompanied by payment of the renewal fee as specified in RCW 48.14.010. An agent or broker shall make and file renewal requests on behalf of his solicitors.

(5) If request and fee for renewal of license is filed with the commissioner prior to expiration of the existing license, the licensee may continue to act under such license, unless sooner revoked or suspended, until the issuance of renewal license or until the expiration of fifteen days after the commissioner has refused to renew the license and has mailed order of such refusal to the licensee. Any request for renewal not so filed until after date of expiration may be considered by the commissioner as an application for a new license.

(6) As to all licenses, if request for renewal of license or payment of the license fee is not received by the commissioner prior to expiration date as required under subsection (4) the applicant for renewal of license shall pay to the commissioner and the commissioner shall collect, in addition to the regular license fee, a surcharge for such license as follows: For the first thirty days or part thereof of delinquency the surcharge shall be fifty percent of the license fee; for all delinquencies extending more than thirty days, the surcharge shall be one hundred percent of the license fee. This subsection shall not be deemed to exempt any person from any penalty provided by law for transacting business without a valid and subsisting license, or affect the commissioner's right, at his discretion, to consider such delinquent application as one for a new license.

Passed the House May 4, 1977.

Passed the Senate May 27, 1977.

Approved by the Governor June 7, 1977.

Filed in Office of Secretary of State June 7, 1977.

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## CHAPTER 183

[House Bill No. 1262]

### INSURANCE GUARANTY ASSOCIATIONS—ASSESSMENTS—CREDITS, OFFSETS

AN ACT Relating to insurance; amending section 11, chapter 109, Laws of 1975-'76 2nd ex. sess. and RCW 48.32.145; amending section 9, chapter 259, Laws of 1971 ex. sess. as amended by section 1, chapter 133, Laws of 1975 1st ex. sess. and RCW 48.32A.090; and repealing section 14, chapter 265, Laws of 1971 ex. sess. and RCW 48.32.140.

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

Section 1. Section 11, chapter 109, Laws of 1975-'76 2nd ex. sess. and RCW 48.32.145 are each amended to read as follows:

Every member insurer which during any calendar year shall have paid one or more assessments levied pursuant to RCW 48.32.060(1)(c) as now or hereafter amended shall be entitled to take, as a credit against any premium tax falling due

under RCW 48.14.020, one-fifth of the aggregate amount of such aggregate assessments during such calendar year for each of the five consecutive calendar years beginning with the calendar year following the calendar year in which such assessments are paid: PROVIDED, That whenever an assessment or uncredited portion thereof is or becomes less than one thousand dollars, the entire amount may be credited against the premium tax at the next time the premium tax is paid.

Sec. 2. Section 9, chapter 259, Laws of 1971 ex. sess. as amended by section 1, chapter 133, Laws of 1975 1st ex. sess. and RCW 48.32A.090 are each amended to read as follows:

(1) The association shall issue to each insurer paying an assessment under this chapter certificates of contribution, in appropriate form and terms as prescribed or approved by the commissioner, for the amounts so paid into the respective funds. All outstanding certificates against a particular fund shall be of equal dignity and priority without reference to amounts or dates of issue.

(2) An outstanding certificate of contribution shall be shown by the insurer in its financial statements as an admitted asset for such amount and period of time as the commissioner may approve: PROVIDED, That unless a longer period has been allowed by the commissioner the insurer shall in any event at its option have the right to so show a certificate of contribution as an admitted asset at percentages of original face amount for calendar years as follows:

- 100% for the calendar year of issuance;
- 90% for the first calendar year after the year of issuance;
- 80% for the second calendar year after the year of issuance;
- 70% for the third calendar year after the year of issuance;
- 60% for the fourth calendar year after the year of issuance;
- 50% for the fifth calendar year after the year of issuance;
- 40% for the sixth calendar year after the year of issuance;
- 30% for the seventh calendar year after the year of issuance;
- 20% for the eighth calendar year after the year of issuance;
- 10% for the ninth calendar year after the year of issuance; and
- 0% for the tenth and subsequent calendar years after the year of issuance.

Notwithstanding the foregoing, if the value of a certificate of contribution is or becomes less than one thousand dollars, the entire amount may be written off by the insurer in that year.

(3) The insurer shall offset the amount written off by it in a calendar year under subsection (2) of this section against its premium tax liability to this state accrued with respect to business transacted in such year.

(4) Any sums recovered by the association representing sums which have theretofore been written off by contributing insurers and offset against premium taxes as provided in subsection (3) of this section, shall be paid by the association to the commissioner and by him deposited with the state treasurer for credit to the general fund of the state of Washington.

(5) No distribution to stockholders, if any, of a liquidating insurer shall be made unless and until the total amount of assessments levied by the association with respect to such insurer have been fully recovered by the association.

NEW SECTION. Sec. 3. Section 14, chapter 265, Laws of 1971 ex. sess. and RCW 48.32.140 are each hereby repealed.

Passed the House April 29, 1977.

Passed the Senate May 27, 1977.

Approved by the Governor June 7, 1977.

Filed in Office of Secretary of State June 7, 1977.

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## CHAPTER 184

[House Bill No. 1263]

### OPERATING AGENCIES

AN ACT Relating to operating agencies; amending section 43.52.250, chapter 8, Laws of 1965 and RCW 43.52.250; amending section 43.52.260, chapter 8, Laws of 1965 and RCW 43.52.260; amending section 43.52.290, chapter 8, Laws of 1965 and RCW 43.52.290; amending section 43.52.300, chapter 8, Laws of 1965 as amended by section 1, chapter 37, Laws of 1975 1st ex. sess. and RCW 43.52.300; amending section 43.52.350, chapter 8, Laws of 1965 and RCW 43.52.350; amending section 43.52.360, chapter 8, Laws of 1965 and RCW 43.52.360; amending section 43.52.370, chapter 8, Laws of 1965 and RCW 43.52.370; amending section 43.52.391, chapter 8, Laws of 1965 and RCW 43.52.391; amending section 43.52.410, chapter 8, Laws of 1965 and RCW 43.52.410; amending section 43.52.430, chapter 8, Laws of 1965 as amended by section 113, chapter 81, Laws of 1971 and RCW 43.52.430; amending section 43.52.450, chapter 8, Laws of 1965 and RCW 43.52.450; and repealing section 43.52.340, chapter 8, Laws of 1965 and RCW 43.52.340.

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

Section 1. Section 43.52.250, chapter 8, Laws of 1965 and RCW 43.52.250 are each amended to read as follows:

As used in this chapter and unless the context indicates otherwise, words and phrases shall mean:

~~(( "Commission" means the Washington state power commission. ))~~

"District" means a public utility district as created under the laws of the state of Washington authorized to engage in the business of generating and/or distributing electricity.

"City" means any city or town in the state of Washington authorized to engage in the business of generating and/or distributing electricity.

"Canada" means ~~((the Dominion of))~~ Canada or any province thereof.

"Operating agency" or "joint operating agency" means a municipal corporation created pursuant to RCW 43.52.360, as now or hereafter amended.

"Public utility" means any person, firm or corporation, political subdivision or governmental subdivision including cities, towns and public utility districts engaged in or authorized to engage in the business of generating, transmitting or distributing electric energy.

Sec. 2. Section 43.52.260, chapter 8, Laws of 1965 and RCW 43.52.260 are each amended to read as follows:

~~((It is the intent of this act [1955 c 258] and this chapter that the commission shall represent the state of Washington and aid and assist the public utilities therein to the end that its water resources and other resources shall be properly developed for the best public interest insofar as they affect electric power, and to this end (1) the commission shall develop and integrate such resources as necessary whenever public utilities other than those owned by the United States and its~~