

of sales of articles, substances or commodities manufactured in this state, and shall be allowable only against any tax payable which is attributable to manufacturing occurring in the particular factory, mill or manufacturing plant in which such buildings are located.

No tax credit claimed shall be deducted on any return until such claim has been approved by the department of revenue or until ninety days after such claim has been submitted to the department of revenue for approval. This credit shall not be allowable for tax paid on purchases of material, labor or services on which the supplier thereof became entitled to compensation prior to July 1, 1964 or subsequent to January 1, 1971: PROVIDED, That the credit shall be allowable for the tax paid on such purchases pursuant to any contract entered into prior to January 1, 1971 if such tax is paid on such contract purchases prior to July 1, 1972.

Any credits granted prior to July 1, 1969 pursuant to this section shall not be affected by this 1969 amendatory act.

NEW SECTION. Sec. 2. This 1969 amendatory 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 July 1, 1969.

Passed the House May 12, 1969
Passed the Senate May 9, 1969
Approved by the Governor May 23, 1969
Filed in office of Secretary of State May 23, 1969

CHAPTER 258
[Engrossed House Bill No. 684]
CITIES AND TOWNS--LOCAL IMPROVEMENTS

AN ACT Relating to cities and towns; adding new sections to chapters 35.44 and 35.45 RCW; amending section 35.43-.040, chapter 7, Laws of 1965 and RCW 35.43.040; amending section 1, chapter 52, Laws of 1967 and RCW 35.43-.042; amending section 35.43.080, chapter 7, Laws of 1965 as amended by section 5, chapter 52, Laws of 1967 and RCW 35.43.080; amending section 35.43.100, chapter 7, Laws of 1965 and RCW 35.43.100; amending section 35-

.43.120, chapter 7, Laws of 1965 and RCW 35.43.120; amending section 35.44.020, chapter 7, Laws of 1965 and RCW 35.44.020; amending section 35.44.220, chapter 7, Laws of 1965 and RCW 35.44.220; amending section 35.44.250, chapter 7, Laws of 1965 and RCW 35.44.250; amending section 35.45.020, chapter 7, Laws of 1965 as amended by section 1, chapter 81, Laws of 1969 and RCW 35.45-.020; amending section 35.49.010, chapter 7, Laws of 1965 as amended by section 13, chapter 52, Laws of 1967 and RCW 35.49.010; amending section 35.49.020, chapter 7, Laws of 1965 and RCW 35.49.020; amending section 35.49.030, chapter 7, Laws of 1965 and RCW 35.49.030; amending section 35.50.005, chapter 7, Laws of 1965 and RCW 35.50.005; and repealing section 35-.43.090, chapter 7, Laws of 1965 and RCW 35-.43.090.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 35.43.040, chapter 7, Laws of 1965 and RCW 35.43.040 are each amended to read as follows:

Whenever the public interest or convenience may require, the legislative authority of any city or town may order the whole or any part of any local improvement including but not restricted to those, or any combination thereof, listed below to be constructed, reconstructed, repaired, or renewed and landscaping including but not restricted to the planting, setting out, cultivating, maintaining, and renewing of shade or ornamental trees and shrubbery thereon; may order any and all work to be done necessary for completion thereof; and may levy and collect special assessments on property specially benefited thereby to pay the whole or any part of the expense thereof, viz:

(1) Alleys, avenues, boulevards, lanes, park drives, parkways, public places, public squares, public streets, their grading, regrading, planking, replanking, paving, repaving, macadamizing, remacadamizing, graveling, regravelling, piling, repiling, capping, recapping,

or other improvement; if the management and control of park drives, parkways, and boulevards is vested in a board of park commissioners, the plans and specifications for their improvement must be approved by the board of park commissioners before their adoption;

(2) Auxiliary water systems;

(3) Auditoriums, field houses, gymnasiums, swimming pools, or other recreational or playground facilities or structures;

(4) Bridges, culverts, and trestles and approaches thereto;

(5) Bulkheads and retaining walls;

(6) Dikes and embankments;

(7) Drains, sewers and sewer appurtenances which as to trunk sewers shall include as nearly as possible all the territory which can be drained through the trunk sewer and subsewers connected thereto (~~(--In-distributing-assessments-in-the-case-of-trunk-sewers-there shall-be-levied-against-the-property-lying-between-the-termini-of-the improvement-and-back-to-the-middle-of-the-blocks-along-the-marginal lines-of-the-area-improved-such-amounts-as-would-represent--the-reasonable-cost-of-a-local--sewer-and--its-appurtenances-suited-to-the requirements-of-the-property,-and-the-remainder-of-the-cost-and-expense of-the-improvement-shall-be-distributed-over-and-assessed-against all-of-the-property-within-the-boundaries-of-the-district,-PROVIDED, That-if-it-is-necessary-to-construct-any-such-sewer-in-an-easement across-private-property-as-a-part-of-a-sewer-system-improvement-the authority-to-assess-for-special-benefits-conferred-by-the-improvement shall-be-the-same-as-if-such-sewer-were-constructed-in-a-public street))~~);

(8) Escalators or moving sidewalks together with the expense of operation and maintenance;

(9) Parks and playgrounds;

(10) Sidewalks, curbing, and crosswalks;

(11) Street lighting systems together with the expense of

furnishing electrical energy, maintenance, and operation;

(12) Underground utilities transmission lines;

(13) Water mains, hydrants and appurtenances which as to trunk water mains shall include as nearly as possible all the territory in the zone or district to which water may be distributed from the trunk water mains through lateral service and distribution mains and services (~~(In distributing assessments in the case of trunk water mains there shall be levied against the property lying between the termini of the improvement and back to the middle of the block along the marginal lines of the area improved, such amounts as would represent the reasonable cost of a local water main and appurtenances suited to the requirements of the property, and the remainder of the cost and expense of the improvement shall be distributed over and assessed against all of the property within the boundaries of the district;--PROVIDED, That if it is necessary to construct any such water main in an easement across private property as a part of a water main system improvement the authority to assess for special benefits conferred by the improvement shall be the same as if such water main were constructed in a public street))~~);

(14) Fences, culverts, syphons, or coverings or any other feasible safeguards along, in place of, or over open canals or ditches to protect the public from the hazards thereof. (~~(In distributing assessments in the case of any improvements within this subsection there shall be levied against all property lying within the improvement district such amounts as are required to pay all costs of the improvement, and it is presumed that all residential property and all land occupied by apartment buildings, trailer parks, and every other structure where persons regularly or from time to time or temporarily reside, and all property in public ownership devoted to the public use, and all places where children congregate--for any purpose, and all state-granted school land, and federal land subject to such conditions as congress may prescribe, lying within the local improvement~~

~~is specially benefited by the removal of open canal hazards and subject to assessment therefor; PROVIDED, That this shall not prevent other and different land from being included and subject to assessment.)~~

Sec. 2. Section 1, chapter 52, Laws of 1967 and RCW 35.43.042 are each amended to read as follows:

Whenever the legislative authority of any city or town has provided pursuant to law for the acquisition, construction, reconstruction, purchase, condemnation and purchase, addition to, repair, or renewal of the whole or any portion of a:

(1) System for providing the city or town and the inhabitants thereof with water, which system includes as a whole or as a part thereof water mains, hydrants or appurtenances which are authorized subjects for local improvements under RCW 35.43.040(13) or other law; or a

(2) System for providing the city or town with sewerage and storm or surface water disposal, which system includes as a whole or as a part thereof drains, sewers or sewer appurtenances which are authorized subjects for local improvements under RCW 35.43.040(7) or other law (~~(7--and)~~); or

(3) Off-street parking facilities; and

Has further provided in accordance with any applicable provisions of the Constitution or statutory authority for the issuance and sale of revenue bonds to pay the cost of all or a portion of any such system, such legislative authority shall have the authority to establish utility local improvement districts, and to levy special assessments on all property specially benefited by any such local improvement to pay in whole or in part the damages or costs of any local improvements so provided for.

The initiation and formation of such utility local improvement districts and the levying, collection and enforcement of assessments shall be in the manner and subject to the same procedures and limita-

tions as are now or hereafter provided by law for the initiation and formation of local improvement districts in cities and towns and the levying, collection and enforcement of assessments pursuant thereto.

It must be specified in any petition or resolution initiating the formation of such a utility local improvement district in a city or town and in the ordinance ordered pursuant thereto, that the assessments shall be for the sole purpose of payment into such revenue bond fund as may be specified by the legislative authority for the payment of revenue bonds issued to defray the cost of such system or facilities or any portion thereof as provided for in this section.

Assessments in any such utility local improvement district may be made on the basis of special benefits up to but not in excess of the total cost of the local improvements portion of any system or facilities payable by issuance of revenue bonds. No warrants or bonds shall be issued in any such utility local improvement district, but the collection of interest and principal on all assessments in such utility local improvement district, when collected, shall be paid into any such revenue bond fund.

When in the petition or resolution for establishment of a local improvement district and in the ordinance ordered pursuant thereto, it is specified or provided that the assessments shall be for the sole purpose of payment into a revenue bond fund for the payment of revenue bonds, then the local improvement district shall be designated a "utility local improvement district".

The provisions of chapters 35.45, 35.47 and 35.48 RCW shall have no application to utility local improvement districts created under authority of this section.

Sec. 3. Section 35.43.080, chapter 7, Laws of 1965 as amended by section 5, chapter 52, Laws of 1967 and RCW 35.43.080 are each amended to read as follows:

Every ordinance ordering a local improvement to be paid in

whole or in part by assessments against the property specially benefited shall describe the improvement and establish a local improvement district to be known as "local improvement district No.," or a utility local improvement district to be known as "utility local improvement district No." which shall embrace as nearly as practicable all the property specially benefited by the improvement.

~~(Unless otherwise provided in the ordinance ordering the improvement, the improvement district shall include all the property between the termini of the improvement abutting upon, adjacent, vicinal, or proximate to the street, avenue, lane, alley, boulevard, park drive, parkway, public place or square proposed to be improved to a distance of ninety feet back from the marginal lines thereof or to the center line of the blocks facing or abutting thereon, whichever is greater (in the case of unplatted property, the distance back shall be the same as in the platted property immediately adjacent thereto).-- PROVIDED, That if the local improvement is such that the special benefits resulting therefrom extend beyond the boundaries as above set forth, the council may create an enlarged district to include as nearly as practicable all the property to be specially benefited by the improvement, the petition or resolution for an enlarged district and all proceedings pursuant thereto shall conform as nearly as practicable to the provisions relating to local improvement districts generally except that the petition or resolution must describe it as an enlarged district and state what proportion of the amount to be charged to the property specially benefited shall be charged to the property lying between the termini of the proposed improvement and extending back from the marginal lines thereof to the middle of the block (or ninety feet back) on each side thereof, and what proportion thereof to the remainder of the enlarged district.-- PROVIDED FURTHER, That whenever the nature of the improvement is such that the special benefits conferred on the property are not fairly reflected by the use of the aforesaid termini and zone method, the ordinance~~

~~ordering the improvement may provide that the assessment shall be made against the property of the district in accordance with the special benefits it will derive from the improvement without regard to the zone and termini method.)~~

Sec. 4. Section 35.43.100, chapter 7, Laws of 1965 and RCW 35.43.100 are each amended to read as follows:

The council may continue the hearing upon any petition or resolution provided for in this chapter and shall retain jurisdiction thereof until it is finally disposed of. The action and decision of the council as to all matters passed upon by it in relation to any petition or resolution shall be final and conclusive. No lawsuit whatsoever may be maintained challenging the jurisdiction or authority of the council to proceed with the improvement and creating the local improvement district or in any way challenging the validity thereof or any proceedings relating thereto unless that lawsuit is served and filed no later than thirty days after the date of passage of the ordinance ordering the improvement and creating the district or, when applicable, no later than thirty days after the expiration of the thirty-day protest period provided in RCW 35.43.180.

Sec. 5. Section 35.43.120, chapter 7, Laws of 1965 and RCW 35.43.120 are each amended to read as follows:

Any local improvement (~~(, the assessment district for which does not extend beyond the termini of the improvement)~~) may be initiated upon a petition signed by the owners of property aggregating a majority (1) of the lineal frontage upon the improvement and (2) of the area within the proposed district. The petition must set forth the nature and territorial extent of the proposed improvement, the mode of payment, and what proportion of the lineal frontage upon the improvement and of the area within the proposed district is owned by the petitioners as shown by the records in the office of the county

auditor.

If any of the property within the area of the proposed district stands in the name of a deceased person, or of any person for whom a guardian has been appointed and not discharged, the signature of the executor, administrator, or guardian, as the case may be, shall be equivalent to the signature of the owner of the property on the petition. The petition must be filed with the clerk or with such other officer as the city or town by charter or ordinance may require.

Sec. 6. Section 35.44.020, chapter 7, Laws of 1965 and RCW 35.44.020 are each amended to read as follows:

There shall be included in the cost and expense of every local improvement for assessment against the property in the district created to pay the same, or any part thereof:

- (1) The cost of ~~((the))~~ all of the construction or improvement authorized for the district including, but not limited to, that portion of the improvement within the street intersections;
- (2) The estimated cost and expense of all engineering and surveying necessary for the improvement done under the supervision of the city or town engineer;
- (3) The estimated cost and expense of ascertaining the ownership of the lots or parcels of land included in the assessment district;
- (4) The estimated cost and expense of advertising, mailing, and publishing all necessary notices;
- (5) The estimated cost and expense of accounting, clerical labor, and of books and blanks extended or used on the part of the city or town clerk and city or town treasurer in connection with the improvement;
- (6) All cost of the acquisition of rights of way, property, easements or other facilities or rights, whether by eminent domain, purchase, gift, or in any other manner: PROVIDED, That any of the costs enumerated in this ~~((sub))~~ section may be excluded from the

cost and expense to be assessed against the property in such local improvement district if the legislative body of such city or town so designates by ordinance at any time and may be paid from any other moneys available therefor.

NEW SECTION. Sec. 7. There is added to chapter 35.44 RCW a new section to read as follows:

Notwithstanding the methods of assessment provided in RCW 35.44.030, 35.44.040 and 35.44.045, the city or town may use any other method or combination of methods to compute assessments which may be deemed to more fairly reflect the special benefits to the properties being assessed. The failure of the council to specifically recite in its ordinance ordering the improvement and creating the local improvement district that it will not use the zone and termini method of assessment shall not invalidate the use of any other method or methods of assessment.

Sec. 8. Section 35.44.220, chapter 7, Laws of 1965 and RCW 35.44.220 are each amended to read as follows:

At the time of filing the notice of appeal with the clerk of the superior court, the appellant shall execute and file with him a sufficient bond in the penal sum of two hundred dollars, with at least two sureties to be approved by the judge of the court, conditioned to prosecute the appeal without delay and, if unsuccessful, to pay all costs to which the city or town is put by reason of the appeal. Upon application therefor, the court may order the appellant to execute and file such additional bonds as the necessity of the case may require.

Sec. 9. Section 35.44.250, chapter 7, Laws of 1965 and RCW 35.44.250 are each amended to read as follows:

At the time fixed for hearing in the notice thereof or at such further time as may be fixed by the court, the superior court shall

hear and determine the appeal without a jury and the cause shall have preference over all other civil causes except proceedings relating to eminent domain in cities and towns and actions of forcible entry and detainer. The judgment of the court shall confirm, unless the court shall find from the evidence that such assessment is founded upon a fundamentally wrong basis and/or the decision of the council or other legislative body thereon was arbitrary or capricious; in which event the judgment of the court shall correct, change, modify, or annul the assessment insofar as it affects the property of the appellant.

NEW SECTION. Sec. 10. There is added to chapter 35.44 RCW a new section to read as follows:

Whenever any land against which there has been levied any special assessment by any city or town shall have been sold in part or subdivided, the legislative authority of that city or town shall have the power to order a segregation of the assessment.

Any person desiring to have such a special assessment against a tract of land segregated to apply to smaller parts thereof shall apply to the city or town which levied the assessment. If the legislative authority thereof determines that a segregation should be made, it shall by resolution order the city or town treasurer to make segregation on the original assessment roll as directed in the resolution. The segregation shall be made as nearly as possible on the same basis as the original assessment was levied, and the total of the segregated parts of the assessment shall equal the assessment before segregation. The resolution shall describe the original tract, the amount and date of the original assessment, and shall define the boundaries of the divided parts and the amount of the assessment chargeable to each part. A certified copy of the resolution shall be delivered to the city or town treasurer who shall proceed to make the segregation ordered upon being tendered a fee of ten dollars for each tract of land for which a segregation is to be made. In addition to such

charge the legislative authority of the city or town may require as a condition to the order of segregation that the person seeking it pay the city or town the reasonable engineering and clerical costs incident to making the segregation. No segregation need be made if the legislative authority of the city or town shall find that by such segregation the security of the lien for such assessment will be so jeopardized as to reduce the security for any outstanding local improvement district obligations payable from such assessment.

Sec. 11. Section 35.45.020, chapter 7, Laws of 1965 as amended by section 1, chapter 81, Laws of 1969 and RCW 35.45.020 are each amended to read as follows:

Local improvement bonds shall be issued pursuant to ordinance and shall be made payable on or before a date not to exceed ((twelve)) thirty years from and after the date of issue, which latter date may be fixed by ((resolution)) ordinance of the council, and bear coupon and net effective interest not to exceed eight percent per annum ((, payable-annually-or-semiannually,--PROVIDED, That they may be made payable on or before a date not to exceed thirty years from and after the date of issue+

((1)--If the improvement lies wholly or partly within the boundaries of a commercial waterway district, or

((2)--If the city or town council having determined by unanimous vote that the period during which the bonds are payable will not exceed the life of the improvement, by unanimous vote adopts an ordinance which provides for their issuance payable on or before a date not to exceed thirty years from and after their date and also provides that the interest on the bonds issued for a period in excess of twenty years shall not exceed ten percent per annum and must be sold at not less than par)).

NEW SECTION. Sec. 12. There is added to chapter 35.45 RCW a new section to read as follows:

Any city or town having issued one or more installment notes pursuant to RCW 35.45.150 may refund all of such notes or the principal thereof then outstanding payable from any one local improvement district fund by the issuance of local improvement district bonds pursuant to chapter 35.45 RCW and by the payment into the city or town fund or funds holding such notes the then outstanding principal amount of such notes plus the interest thereon accrued to the date of such refunding. The bonds shall be payable from the same local improvement district fund from which such notes were payable; shall be payable no later than the final payment date of the notes being refunded; shall be in the same total principal amount as the outstanding principal amount of the notes being refunded less any sums in the local improvement district fund the city or town applies to the redemption of such notes; and shall be sold at not less than par plus accrued interest to date of delivery. Any interest payable on the bonds in excess of the interest payable on assessment installments payable into the local improvement district fund shall be paid from the general fund of the city or town in accordance with RCW 35.45.065. The principal proceeds and interest accrued to date of delivery of the bonds shall be paid into the local improvement district fund and the notes shall be redeemed on that date. The city or town shall pay all costs and expenses of such refunding from moneys available therefor.

Sec. 13. Section 35.49.010, chapter 7, Laws of 1965 as amended by section 13, chapter 52, Laws of 1967, and RCW 35.49.010 are each amended to read as follows:

All assessments for local improvements in local improvement districts shall be collected by the city treasurer and shall be kept

in a separate fund to be known as "local improvement fund, district No." and shall be used for no other purpose than the redemption of warrants drawn upon and bonds issued against the fund to provide payment for the cost and expense of the improvement.

All assessments for local improvements in a utility local improvement district shall be collected by the city treasurer, shall be paid into the appropriate revenue bond fund, and shall be used for no other purpose than the redemption of revenue bonds issued to provide funds for the cost and expense of the improvement.

As soon as the assessment roll has been placed in the hands of the city or town treasurer for collection, he shall publish a notice in the official newspaper of the city or town (~~for-ten-consecutive daily-or-two-consecutive-weekly-issues~~) once a week for two consecutive weeks, that the roll is in his hands for collection and that all or any portion of the assessment may be paid within thirty days from the date of the first publication of the notice without penalty, interest or costs.

Sec. 14. Section 35.49.020, chapter 7, Laws of 1965 and RCW 35.49.020 are each amended to read as follows:

In all cases where bonds are issued to pay the cost and expense of a local improvement, the ordinance levying the assessments shall provide that the sum charged against any lot, tract, and parcel of land or other property, or any portion thereof, may be paid during the thirty day period allowed for the payment of assessments without penalty or interest and that thereafter the sum remaining unpaid may be paid in equal annual installments. The number of installments shall be less by two than the number of years which the bonds issued to pay for the improvement are to run. Interest on the whole amount unpaid at the rate fixed by the ordinance shall be due on the due date of the first installment of principal and each year thereafter on the

due date of each installment of principal: PROVIDED, That the ~~((city-council-of-a-city-of-the-first-class-having-a-population-of-three-hundred-thousand-or-more))~~ legislative authority of any city or town having made a bond issue payable on or before twenty-two years after the date of issue may provide by ordinance that all assessments and portions of assessments unpaid after the thirty day period allowed for payment of assessments without penalty or interest may be paid in ten equal installments beginning with the eleventh year and ending with the twentieth year from the expiration of said thirty day period, together with interest on the unpaid installments at the rate fixed by such ordinance, and that in each year after the said thirty day period, to and including the tenth year thereafter, one installment of interest on the principal sum of the assessment at the rate so fixed shall be paid and collected, and that beginning with the eleventh year after the thirty day period one installment of the principal, together with the interest due thereon, and on all installments thereafter to become due shall be paid and collected.

Sec. 15. Section 35.49.030, chapter 7, Laws of 1965 and RCW 35.49.030 are each amended to read as follows:

Every city and town shall prescribe by ordinance within what time assessments or installments thereof shall be paid, and shall provide for the payment and collection of interest thereon at a rate not to exceed eight and one-half percent per annum. Assessments or installments thereof, when delinquent, in addition to such interest, shall bear such penalty not less than five percent as shall be by general ordinance prescribed.

Sec. 16. Section 35.50.005, chapter 7, Laws of 1965 and RCW 35.50.005 are each amended to read as follows:

Within fifteen days after any city or town has ~~((awarded-a-contract-for-the-making-of-a-local-improvement;-or-within-fifteen-days-after-commencement-of-work-on-said-improvement-when-the-work-is-done-by-the-city-or-town))~~ ordered a local improvement and created a

local improvement district, the city or town (~~(awarding-said-contract)~~) shall cause to be filed with the officer authorized by law to collect the assessments for such improvement, the title of the improvement and district number and a copy of the diagram or print showing the boundaries of the district and preliminary assessment roll or abstract of same showing thereon the lots, tracts and parcels of land that will be (~~(especially)~~) specially benefited thereby and the estimated cost and expense of such improvement to be borne by each lot, tract, or parcel of land. Such officer shall immediately post the proposed assessment roll upon his index of local improvement assessments against the properties affected by the local improvement.

NEW SECTION. Sec. 17. The following sections are hereby repealed:

(1) Section 35.43.090, chapter 7, Laws of 1965 and RCW 35.43-.090.

Passed the House May 11, 1969
Passed the Senate May 10, 1969
Approved by the Governor May 23, 1969
Filed in office of Secretary of State May 23, 1969

CHAPTER 259
[Engrossed House Bill No. 382]
PUBLIC ASSISTANCE, FUNERAL EXPENSES--
PARTICIPATING MORTUARY--MORTICIANS OR
EMPLOYEES DISQUALIFIED AS CORONER

AN ACT Relating to public assistance; and amending section 74.08.120, chapter 26, Laws of 1959 as last amended by section 1, chapter ..., Laws of 1969 (ESB NO. 228) ex. sess., and RCW 74.08.120; and adding a section to Chapter 36.24 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 74.08.120, chapter 26, Laws of 1959 as last amended by section 1, chapter ..., Laws of 1969 ex. sess. (ESB No. 228) and RCW 74.08.120 are each amended to read as follows:

The term "funeral" shall mean the proper preparation and care of the remains of a deceased person with needed facilities and appro-