

such shipments involved a sale of, or a transfer of title to, the merchandise within this state) by the total shipments of such merchandise by the taxpayer during the preceding year from that stock. As used in this section, the word "merchandise" means goods, wares, merchandise or material which were not manufactured in this state by the taxpayer and which were acquired by him (in any other manner whatsoever, including manufacture by him outside of this state) for the purpose of sale or shipment in substantially the same form in which they were acquired by him within this state or were brought into this state by him. Breaking of packages or of bulk shipments, packaging, repackaging, labeling or relabeling shall not be considered as a change in form within the meaning of this section. A taxpayer who has made no shipments of merchandise, either out-of-state or in-state, during the preceding year, may compute the percentage to be applied to the stock of merchandise on the basis of his experience from March 1 of the preceding year to the last day of February of the current year, in lieu of computing the percentage on the basis of his experience during the preceding year. The rule of strict construction shall not apply to this section.

All rights, title or interest in or to any aircraft parts, equipment, furnishings, or accessories (but not engines or major structural components) which are manufactured outside of the state of Washington and are owned by purchasers of the aircraft constructed, under construction or to be constructed in the state of Washington, and are shipped into the state of Washington for installation in or use in connection with the operation of such aircraft shall be exempt from taxation prior to and during construction of such aircraft and while held in this state for periods preliminary to and during the transportation of such aircraft from the state of Washington.

Passed the House February 16, 1973.

Passed the Senate March 8, 1973.

Approved by the Governor March 20, 1973.

Filed in Office of Secretary of State March 20, 1973.

CHAPTER 150

[House Bill No. 60]

IRRIGATION DISTRICTS--SURPLUS REAL PROPERTY-- DISPOSAL AUTHORITY

AN ACT Relating to irrigation districts; and amending section 2, chapter 125, Laws of 1971 ex.sess. and RCW 87.03.820; and adding a new section to chapter 58.17 RCW.

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

Section 1. Section 2, chapter 125, Laws of 1971 ex.sess. and RCW 87.03.820 are each amended to read as follows:

Whenever as the result of abandonment of an irrigation district right of way real property held by an irrigation district is to be sold or otherwise disposed of, notice shall be given to the owners of lands adjoining that real property and such owners shall have a ~~((preference))~~ right of first refusal to ~~((the))~~ purchase ~~((of))~~ at the appraised price all or any part of the real property to be sold or otherwise disposed of which adjoins or is adjacent to their land.

Real property to be sold or otherwise disposed of under this section shall have been first appraised by the county assessor or by a person designated by him.

Notice under this section shall be sufficient if sent by registered mail to the owner, and at the address, as shown in the tax records of the county in which the land is situated. Notice under this section shall be in addition to any other notice required by law.

After sixty days from the date of sending of notice, if no applications for purchase have been received by the irrigation district or other person or entity sending notice, the ~~((preference))~~ rights of first refusal of owners of adjoining lands shall be deemed to have been waived, and the real property may be sold or otherwise disposed of.

If two or more owners of adjoining lands apply to purchase the same real property, or apply to purchase overlapping parts of the real property, the respective rights of the applicants may be determined in the superior court of the county in which the real property is situated; and the court may divide the real property in question between some or all of the applicants or award the whole to one applicant, as justice may require.

Any sale or other disposal of real property pursuant to chapters 87.52, 87.53, and 87.56 RCW shall be made in accordance with the requirements of this section.

NEW SECTION. Sec. 2. There is added to chapter 58.17 RCW a new section to read as follows:

In addition to any other requirements imposed by the provisions of this chapter, the legislative authority of any city, town, or county shall not approve a short plat or final plat, as defined in RCW 58.17.020, for any subdivision, short subdivision, lot, tract, parcel, or site which lies in whole or in part in an irrigation district organized pursuant to chapter 87.03 RCW unless there has been provided an irrigation water right of way for each parcel of land in such district and such rights of way shall be evidenced by the respective plats submitted for final approval to the

appropriate legislative authority. Compliance with the requirements of this section together with all other applicable provisions of this chapter shall be a prerequisite, within the expressed purpose of this chapter, to any sale, lease, or development of land in this state.

Passed the House March 3, 1973.

Passed the Senate March 1, 1973.

Approved by the Governor March 20, 1973.

Filed in Office of Secretary of State March 20, 1973.

CHAPTER 151

[House Bill No. 652]

INSURANCE COMPANIES--INVESTMENT
REQUIREMENTS

AN ACT Relating to insurance; amending section .12.18, chapter 79, Laws of 1947 and RCW 48.12.180; amending section .13.01, chapter 79, Laws of 1947 and RCW 48.13.010; amending section .13.16, chapter 79, Laws of 1947 as last amended by section 7, chapter 241, Laws of 1969 ex. sess. and RCW 48.13.160; amending section .13.22, chapter 79, Laws of 1947 as amended by section 18, chapter 190, Laws of 1949 and RCW 48.13.220; and amending section .13.29 chapter 79, Laws of 1947 and RCW 48.13.290.

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

Section 1. Section .12.18, chapter 79, Laws of 1947 and RCW 48.12.180 are each amended to read as follows:

(1) Securities, other than those referred to in RCW 48.12.170, held by an insurer shall be valued, in the discretion of the commissioner, at their market value, or at their appraised value, or at prices determined by him as representing their fair market value, all consistent with any current method for the valuation of any such security formulated or approved by the National Association of Insurance Commissioners.

(2) Preferred or guaranteed stocks or shares while paying full dividends may be carried at a fixed value in lieu of market value, at the discretion of the commissioner and in accordance with such method of computation as he may approve.

(3) The stock of a subsidiary of an insurer shall be valued on the basis of the ((value of only such of the assets of such subsidiary as would constitute lawful investments for the insurer if acquired or held directly by the insurer)) greater of (a) the value