

A person imprisoned in a detention or correctional facility who has not obtained a bail bond shall be transferred to a state institution designated by the secretary pending the appeal of a felony conviction after the thirtieth day and before the forty-first day from the date on which the judgment was entered. Upon a showing of good cause, a superior court judge may order the prisoner detained in the county jail for an additional period not to exceed ten days; except that this provision does not apply to persons sentenced for a felony who are held in the facility as a condition of probation or who are specifically sentenced to confinement in the facility.

NEW SECTION. Sec. 21. RCW 35.21.330 as now or hereafter amended is decodified and is recodified in chapter 70.48 RCW.

NEW SECTION. Sec. 22. Sections 1 through 8 of this act are each added to chapter 70.48 RCW.

NEW SECTION. Sec. 23. 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, and shall take effect immediately.

Passed the Senate June 1, 1979.

Passed the House June 1, 1979.

Approved by the Governor June 15, 1979.

Filed in Office of Secretary of State June 15, 1979.

CHAPTER 233

[Senate Bill No. 2508]

INSURANCE PREMIUMS—ANNUITY CONTRACTS—TAXATION

AN ACT Relating to the taxation of insurance premiums; amending section .14.02, chapter 79, Laws of 1947 as amended by section 9, chapter 241, Laws of 1969 ex. sess. and RCW 48.14.020; creating new sections; and providing an effective date.

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

NEW SECTION. Section 1. It is the intent of the legislature to eliminate existing tax discrimination between qualified and nonqualified pension plans which are effectuated by annuity contracts, by excluding the consideration paid for such contracts from premiums subject to the premium tax.

Sec. 2. Section .14.02, chapter 79, Laws of 1947 as amended by section 9, chapter 241, Laws of 1969 ex. sess. and RCW 48.14.020 are each amended to read as follows:

(1) Subject to other provisions of this chapter, each authorized insurer except title insurers shall on or before the first day of March of each year pay to the state treasurer through the commissioner's office a tax on premiums. Except as provided in subsection (2) of this section, such tax shall be in the amount of two percent of all premiums, excluding amounts returned to or the amount of reductions in premiums allowed to holders of industrial

life policies for payment of premiums directly to an office of the insurer, collected or received by the insurer during the preceding calendar year in the case of foreign and alien insurers, and in the amount of one percent of all such premiums in the case of domestic insurers, for direct insurances, other than ocean marine and foreign trade insurances, after deducting premiums paid to policyholders as returned premiums, upon risks or property resident, situated, or to be performed in this state. For the purposes of this section the consideration received by an insurer for the granting of an annuity ((is)) shall not be deemed to be a premium.

(2) In the case of insurers which require the payment by their policyholders at the inception of their policies of the entire premium thereon in the form of premiums or premium deposits which are the same in amount, based on the character of the risks, regardless of the length of term for which such policies are written, such tax shall be in the amount of two percent of the gross amount of such premiums and premium deposits upon policies on risks resident, located, or to be performed in this state, in force as of the thirty-first day of December next preceding, less the unused or unabsorbed portion of such premiums and premium deposits computed at the average rate thereof actually paid or credited to policyholders or applied in part payment of any renewal premiums or premium deposits on one-year policies expiring during such year.

(3) Each authorized insurer shall with respect to all ocean marine and foreign trade insurance contracts written within this state during the preceding calendar year, on or before the first day of March of each year pay to the state treasurer through the commissioner's office a tax of three-quarters of one percent on its gross underwriting profit. Such gross underwriting profit shall be ascertained by deducting from the net premiums (i.e., gross premiums less all return premiums and premiums for reinsurance) on such ocean marine and foreign trade insurance contracts the net losses paid (i.e., gross losses paid less salvage and recoveries on reinsurance ceded) during such calendar year under such contracts. In the case of insurers issuing participating contracts, such gross underwriting profit shall not include, for computation of the tax prescribed by this subsection, the amounts refunded, or paid as participation dividends, by such insurers to the holders of such contracts.

(4) The state does hereby preempt the field of imposing excise or privilege taxes upon insurers or their agents, other than title insurers, and no county, city, town or other municipal subdivision shall have the right to impose any such taxes upon such insurers or their agents.

(5) If an authorized insurer collects or receives any such premiums on account of policies in force in this state which were originally issued by another insurer and which other insurer is not authorized to transact insurance in this state on its own account, such collecting insurer shall be liable for and shall pay the tax on such premiums.

(6) This section shall be effective as to and shall govern the payment of all taxes falling due after the effective date of this code.

NEW SECTION. Sec. 3. If any provision of this amendatory 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. 4. This 1979 amendatory act shall become effective beginning upon and after January 1, 1980.

Passed the Senate March 30, 1979.

Passed the House May 29, 1979.

Approved by the Governor June 15, 1979.

Filed in Office of Secretary of State June 15, 1979.

CHAPTER 234

[Substitute Senate Bill No. 2639]

STATE AND LOCAL WATER SUPPLY FACILITIES CONSTRUCTION—BOND ISSUE—REFERENDUM

AN ACT Relating to financing water supply facilities; adding a new chapter to Title 43 RCW; and providing for submission of this act to a vote of the people.

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

NEW SECTION. Section 1. The long-range development goals for the state of Washington must include the provision of those supportive public services necessary for the development and expansion of industry, commerce, and employment including the furnishing of an adequate supply of water for domestic, industrial, agricultural, municipal, fishery, recreational, and other beneficial uses.

NEW SECTION. Sec. 2. For the purpose of providing funds for the planning, acquisition, construction, and improvement of water supply facilities within the state, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of one hundred twenty-five million dollars, or so much thereof as may be required, to finance the improvements defined in this chapter and all costs incidental thereto. These bonds shall be paid and discharged within thirty years of the date of issuance in accordance with Article VIII, section 1 of the state Constitution. No bonds authorized by this chapter may be offered for sale without prior legislative appropriation of the proceeds of the bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this chapter shall be deposited in the state and local improvements revolving account—water supply facilities hereby created in the general fund and shall be used exclusively for the purpose specified in this chapter