

be brought later than April 15, 1980, or thirty days from the effective date of this act, whichever is later. Notice of provisions of this subsection shall be published within five days after the effective date of this section of this 1980 act in a newspaper of general circulation within each county where a school district election was held on February 5, 1980, and where notice of such election was not published as provided in subsection (1) of this section.

NEW SECTION. Sec. 9. Section 8 of this 1980 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.

NEW SECTION. Sec. 10. 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.

Passed the House February 21, 1980.

Passed the Senate February 15, 1980.

Approved by the Governor February 28, 1980.

Filed in Office of Secretary of State February 28, 1980.

CHAPTER 36

[House Bill No. 277]

COMIC BOOKS

AN ACT Relating to comic books; and repealing sections 1 through 15, chapter 282, Laws of 1955 and RCW 19.18.010 through 19.18.900.

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

NEW SECTION. Section 1. Sections 1 through 15, chapter 282, Laws of 1955 and RCW 19.18.010 through 19.18.900 are each repealed.

Passed the House January 14, 1980.

Passed the Senate February 18, 1980.

Approved by the Governor February 29, 1980.

Filed in Office of Secretary of State February 29, 1980.

CHAPTER 37

[Substitute House Bill No. 1016]

EXCISE TAX EXEMPTIONS, DEDUCTIONS—SECTION DIVISION, RECODIFICATION

AN ACT Relating to the recodification of existing excise tax exemptions and deductions; dividing sales tax exemptions, use tax exemptions, and business and occupation tax deductions into separate sections; amending section 82.04.425, chapter 15, Laws of 1961 as amended by section 9, chapter 173, Laws of 1965 ex. sess. and RCW 82.04.425; amending section 82.12.020, chapter 15, Laws of 1961 as last amended by section 3, chapter 324, Laws of 1977 ex. sess. and RCW 82.12.020; amending section 6, chapter 196, Laws of

1979 ex. sess. and RCW 82.04.431; adding new sections to chapter 15, Laws of 1961 and to chapter 82.04 RCW; adding new sections to chapter 15, Laws of 1961 and to chapter 82.08 RCW; adding new sections to chapter 15, Laws of 1961 and to chapter 82.12 RCW; creating a new section; repealing section 82.04.430, chapter 15, Laws of 1961, section 5, chapter 293, Laws of 1961, section 11, chapter 173, Laws of 1965 ex. sess., section 5, chapter 65, Laws of 1970 ex. sess., section 2, chapter 101, Laws of 1970 ex. sess., section 1, chapter 13, Laws of 1971, section 1, chapter 105, Laws of 1977 ex. sess., section 5, chapter 196, Laws of 1979 ex. sess. and RCW 82.04.430; repealing section 1, chapter 12, Laws of 1979, section 6, chapter 266, Laws of 1979 ex. sess. and RCW 82.08.030; repealing section 2, chapter 12, Laws of 1979, section 7, chapter 266, Laws of 1979 ex. sess. and RCW 82.12.030; and declaring an emergency.

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

NEW SECTION. Section 1. The separation of sales tax exemption, use tax exemption, and business and occupation deduction sections into shorter sections is intended to improve the readability and facilitate the future amendment of these sections. This separation shall not change the meaning of any of the exemptions or deductions involved.

NEW SECTION. Sec. 2. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived by persons, other than those engaging in banking, loan, security, or other financial businesses, from investments or the use of money as such, and also amounts derived as dividends by a parent from its subsidiary corporations.

NEW SECTION. Sec. 3. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived from bona fide initiation fees, dues, contributions, donations, tuition fees, charges made for operation of privately operated kindergartens, and endowment funds. This paragraph shall not be construed to exempt any person, association, or society from tax liability upon selling tangible personal property or upon providing facilities or services for which a special charge is made to members or others. If dues are in exchange for any significant amount of goods or services rendered by the recipient thereof to members without any additional charge to the member, or if the dues are graduated upon the amount of goods or services rendered, the value of such goods or services shall not be considered as a deduction hereunder.

NEW SECTION. Sec. 4. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax the amount of cash discount actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extractive or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purposes of this tax, have been computed according to the provisions of RCW 82.04.450.

NEW SECTION. Sec. 5. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

NEW SECTION. Sec. 6. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax so much of the sale price of motor vehicle fuel as constitutes the amount of tax imposed by the state or the United States government upon the sale thereof.

NEW SECTION. Sec. 7. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived from business which the state is prohibited from taxing under the Constitution of this state or the Constitution or laws of the United States.

NEW SECTION. Sec. 8. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived by any person as compensation for the receiving, washing, sorting, and packing of fresh perishable horticultural products and the material and supplies used therein when performed for the person exempted in RCW 82.04.330, either as agent or as independent contractor.

NEW SECTION. Sec. 9. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived as compensation for services rendered or to be rendered to patients or from sales of prescription drugs as defined in section 46 of this 1979 [1980] act furnished as an integral part of services rendered to patients by a hospital, as defined in chapter 70.41 RCW, devoted to the care of human beings with respect to the prevention or treatment of disease, sickness, or suffering, when such hospital is operated by the United States or any of its instrumentalities, or by the state, or any of its political subdivisions.

NEW SECTION. Sec. 10. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived as compensation for services rendered to patients or from sales of prescription drugs as defined in section 46 of this 1979 [1980] act furnished as an integral part of services rendered to patients by a hospital, as defined in chapter 70.41 RCW, which is operated as a nonprofit corporation, nursing homes and homes for unwed mothers operated as religious or charitable organizations, but only if no part of the net earnings received

by such an institution inures directly or indirectly, to any person other than the institution entitled to deduction hereunder. In no event shall any such deduction be allowed, unless the hospital building is entitled to exemption from taxation under the property tax laws of this state.

NEW SECTION. Sec. 11. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived by a political subdivision of the state of Washington from another political subdivision of the state of Washington as compensation for services which are within the purview of RCW 82.04.290.

NEW SECTION. Sec. 12. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on nontransient residential properties.

NEW SECTION. Sec. 13. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest paid on all obligations of the state of Washington, its political subdivisions, and municipal corporations organized pursuant to the laws thereof.

NEW SECTION. Sec. 14. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts derived as interest on loans to bona fide farmers and ranchers, producers or harvesters of aquatic products, or their cooperatives by a lending institution which is owned exclusively by its borrowers or members and which is engaged solely in the business of making loans and providing finance-related services to bona fide farmers and ranchers, producers or harvesters of aquatic products, their cooperatives, rural residents for housing, or persons engaged in furnishing farm-related or aquatic-related services to these individuals or entities.

NEW SECTION. Sec. 15. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax by persons subject to payment of the tax on manufacturers pursuant to RCW 82.04.240, the value of articles to the extent of manufacturing activities completed outside the United States, if:

(1) Any additional processing of such articles in this state consists of minor final assembly only; and

(2) In the case of domestic manufacture of such articles, can be and normally is done at the place of initial manufacture; and

(3) The total cost of the minor final assembly does not exceed two percent of the value of the articles; and

(4) The articles are sold and shipped outside the state.

NEW SECTION. Sec. 16. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax that portion of amounts received by any funeral home licensed to do business in this state which is received as reimbursements for expenditures (for goods supplied or services rendered by a person not employed by or affiliated or associated with the funeral home) and advanced by such funeral home as an accommodation to the persons paying for a funeral, so long as such expenditures and advances are billed to the persons paying for the funeral at only the exact cost thereof and are separately itemized in the billing statement delivered to such persons.

NEW SECTION. Sec. 17. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

In computing tax there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization or by a municipal corporation or political subdivision.

NEW SECTION. Sec. 18. There is added to chapter 15, Laws of 1961 and to chapter 82.04 RCW a new section to read as follows:

(1) In computing tax there may be deducted from the measure of tax amounts used solely for repair, maintenance, replacement, management, or improvement of the residential structures and commonly held property, but excluding property where fees or charges are made for use by the public who are not guests accompanied by a member, which are derived by:

(a) A cooperative housing association, corporation, or partnership from a person who resides in a structure owned by the cooperative housing association, corporation, or partnership;

(b) An association of owners of property as defined in RCW 64.32.010, as now or hereafter amended, from a person who is an apartment owner as defined in RCW 64.32.010; or

(c) An association of owners of residential property from a person who is a member of the association. "Association of owners of residential property" means any organization of all the owners of residential property in a defined area who all hold the same property in common within the area.

(2) For the purposes of this section "commonly held property" includes areas required for common access such as reception areas, halls, stairways,

parking, etc., and may include recreation rooms, swimming pools and small parks or recreation areas; but is not intended to include more grounds than are normally required in a residential area, or to include such extensive areas as required for golf courses, campgrounds, hiking and riding areas, boating areas, etc.

(3) To qualify for the deductions under this section:

(a) The salary or compensation paid to officers, managers, or employees must be only for actual services rendered and at levels comparable to the salary or compensation of like positions within the county wherein the property is located;

(b) Dues, fees, or assessments in excess of amounts needed for the purposes for which the deduction is allowed must be rebated to the members of the association;

(c) Assets of the association or organization must be distributable to all members and must not inure to the benefit of any single member or group of members.

NEW SECTION. Sec. 19. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to casual and isolated sales of property or service, unless made by a person who is engaged in a business activity taxable under chapters 82.04 or 82.16 RCW: PROVIDED, That the exemption provided by this section shall not be construed as providing any exemption from the tax imposed by chapter 82.12 RCW.

NEW SECTION. Sec. 20. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales made by persons in the course of business activities with respect to which tax liability is specifically imposed under chapter 82.16 RCW, when the gross proceeds from such sales must be included in the measure of the tax imposed under said chapter.

NEW SECTION. Sec. 21. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to the distribution and newsstand sale of newspapers.

NEW SECTION. Sec. 22. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales which the state is prohibited from taxing under the Constitution of this state or the Constitution or laws of the United States.

NEW SECTION. Sec. 23. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes and sales of motor vehicle fuel taxable under chapter 82.36 RCW: PROVIDED, That the use of any such fuel upon which a refund of the motor vehicle fuel tax has been obtained shall be subject to the tax imposed by chapter 82.12 RCW.

NEW SECTION. Sec. 24. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales (including transfers of title through decree of appropriation) heretofore or hereafter made of the entire operating property of a publicly or privately owned public utility, or of a complete operating integral section thereof, to the state or a political subdivision thereof for use in conducting any business defined in RCW 82.16.010 (1), (2), (3), (4), (5), (6), (7), (8), (9), (10) or (11).

NEW SECTION. Sec. 25. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to auction sales made by or through auctioneers of tangible personal property (including household goods) which have been used in conducting a farm activity, when the seller thereof is a farmer and the sale is held or conducted upon a farm and not otherwise.

NEW SECTION. Sec. 26. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to corporations which have been incorporated under any act of the congress of the United States and whose principal purposes are to furnish volunteer aid to members of armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

NEW SECTION. Sec. 27. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of purebred livestock for breeding purposes where the animals are registered in a nationally recognized breed association; sales of cattle and milk cows used on the farm.

NEW SECTION. Sec. 28. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of tangible personal property (other than the type referred to in section 29 of this act) for use by the purchaser in connection with the business of operating as a private or common carrier by air, rail, or water in interstate or foreign commerce: PROVIDED, That any actual use of such property in this state

shall, at the time of such actual use, be subject to the tax imposed by chapter 82.12 RCW.

NEW SECTION. Sec. 29. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of airplanes, locomotives, railroad cars, or watercraft for use in conducting interstate or foreign commerce by transporting therein or therewith property and persons for hire or for use in conducting commercial deep sea fishing operations outside the territorial waters of the state; also sales of tangible personal property which becomes a component part of such airplanes, locomotives, railroad cars, or watercraft, and of motor vehicles or trailers whether owned by or leased with or without drivers and used by the holder of a carrier permit issued by the Interstate Commerce Commission authorizing transportation by motor vehicle across the boundaries of this state, in the course of constructing, repairing, cleaning, altering, or improving the same; also sales of or charges made for labor and services rendered in respect to such constructing, repairing, cleaning, altering, or improving.

NEW SECTION. Sec. 30. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of motor vehicles and trailers to be used for the purpose of transporting therein persons or property for hire in interstate or foreign commerce whether such use is by the owner or whether such motor vehicles and trailers are leased to the user with or without drivers: PROVIDED, That the purchaser or user must be the holder of a carrier permit issued by the Interstate Commerce Commission and that the vehicles will first move upon the highways of this state from the point of delivery in this state to a point outside of this state under the authority of a one-transit permit issued by the director of licensing pursuant to the provisions of RCW 46.16.160.

NEW SECTION. Sec. 31. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of motor vehicles, trailers, or campers to nonresidents of this state for use outside of this state, even though delivery be made within this state, but only when (1) the vehicles, trailers, or campers will be taken from the point of delivery in this state directly to a point outside this state under the authority of a one-transit permit issued by the director of licensing pursuant to the provisions of RCW 46.16.160, or (2) said motor vehicles, trailers, or campers will be registered and licensed immediately under the laws of the state of the purchaser's residence, will not be used in this state more than three months, and will not be required to be registered and licensed under the laws of this state.

NEW SECTION. Sec. 32. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to nonresidents of this state for use outside of this state of tangible personal property which becomes a component part of any machinery or other article of personal property belonging to such nonresident, in the course of installing, repairing, cleaning, altering, or improving the same and also sales of or charges made for labor and services rendered in respect to any installing, repairing, cleaning, altering, or improving, of personal property of or for a nonresident, but this section shall apply only when the seller agrees to, and does, deliver the property to the purchaser at a point outside this state, or delivers the property to a common or bona fide private carrier consigned to the purchaser at a point outside this state.

NEW SECTION. Sec. 33. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to nonresidents of this state for use outside of this state of watercraft requiring coast guard registration or registration by the state of principal use according to the Federal Boating Act of 1958, even though delivery be made within this state, but only when (1) the watercraft will not be used within this state for more than forty-five days and (2) an appropriate exemption certificate supported by identification ascertaining residence as provided by the department of revenue and signed by the purchaser or his agent establishing the fact that the purchaser is a nonresident and that the watercraft is for use outside of this state, one copy to be filed with the department of revenue with the regular report and a duplicate to be retained by the dealer.

NEW SECTION. Sec. 34. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of poultry for use in the production for sale of poultry or poultry products.

NEW SECTION. Sec. 35. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to nonresidents of this state for use outside of this state of machinery and implements for use in conducting a farming activity, when such machinery and implements will be transported immediately outside the state. As proof of exemption, an affidavit or certification in such form as the department of revenue shall require shall be made for each such sale, to be retained as a business record of the seller.

NEW SECTION. Sec. 36. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales for use in states, territories and possessions of the United States which are not contiguous to any other state, but only when, as a necessary incident to the contract of sale, the seller delivers the subject matter of the sale to the purchaser or his designated agent at the usual receiving terminal of the carrier selected to transport the goods, under such circumstances that it is reasonably certain that the goods will be transported directly to a destination in such noncontiguous states, territories and possessions.

NEW SECTION. Sec. 37. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to municipal corporations, the state, and all political subdivisions thereof of tangible personal property consumed and/or of labor and services rendered in respect to contracts for watershed protection and/or flood prevention. This exemption shall be limited to that portion of the selling price which is reimbursed by the United States government according to the provisions of the Watershed Protection and Flood Prevention Act, Public Laws 566, as amended.

NEW SECTION. Sec. 38. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of semen for use in the artificial insemination of livestock.

NEW SECTION. Sec. 39. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to nonresidents of this state of tangible personal property for use outside this state when the purchaser has applied for and received from the department of revenue a permit certifying (1) that he is a bona fide resident of a state or possession or Province of Canada other than the state of Washington, (2) that such state, possession, or Province of Canada does not impose a retail sales tax or use tax of three percent or more or, if imposing such a tax, permits Washington residents exemption from otherwise taxable sales by reason of their residence, and (3) that he does agree, when requested, to grant the department of revenue access to such records and other forms of verification at his place of residence to assure that such purchases are not first used substantially in the state of Washington.

Any person claiming exemption from retail sales tax under the provisions of this section must display a nonresident permit as herein provided, and any vendor making a sale to a nonresident without collecting the tax must examine such permit, identify the purchaser as the person to whom the nonresident permit was issued, and maintain records which shall show the permit number attributable to each nontaxable sale.

Permits shall be personal and nontransferable, shall be renewable annually, and shall be issued by the department of revenue upon payment of a

fee of one dollar. The department may in its discretion designate independent agents for the issuance of permits, according to such standards and qualifications as the department may prescribe. Such agents shall pay over and account to the department for all permit fees collected, after deducting as a collection fee the sum of fifty cents for each permit issued.

Any person making fraudulent statements in order to secure a permit shall be guilty of perjury. Any person making tax exempt purchases by displaying a permit not his own, or a counterfeit permit, with intent to violate the provisions of this section shall be guilty of a misdemeanor and, in addition, may be subject to a penalty not to exceed the amount of the tax due on such purchases. Any vendor who makes sales without collecting the tax to a person who does not hold a valid permit, and any vendor who fails to maintain records of permit numbers as provided in this section shall be personally liable for the amount of tax due.

NEW SECTION. Sec. 40. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of form lumber to any person engaged in the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon or above real property of or for consumers: PROVIDED, That such lumber is used or to be used first by such person for the molding of concrete in a single such contract, project or job and is thereafter incorporated into the product of that same contract, project or job as an ingredient or component thereof.

NEW SECTION. Sec. 41. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of, cost of, or charges made for labor and services performed in respect to the mining, sorting, crushing, screening, washing, hauling, and stockpiling of sand, gravel and rock when such sand, gravel, or rock is taken from a pit or quarry which is owned by or leased to a county or a city, and such sand, gravel, or rock is (1) either stockpiled in said pit or quarry for placement or is placed on the street, road, place, or highway of the county or city by the county or city itself, or (2) sold by the county or city to a county, or a city at actual cost for placement on a publicly owned street, road, place, or highway. The exemption provided for in this section shall not apply to sales of, cost of, or charges made for such labor and services, if the sand, gravel, or rock is used for other than public road purposes or is sold otherwise than as provided for in this section.

NEW SECTION. Sec. 42. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of wearing apparel to persons who themselves use such wearing apparel only as a sample for display for the purpose of effecting sales of goods represented by such sample.

NEW SECTION. Sec. 43. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of pollen.

NEW SECTION. Sec. 44. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales to one political subdivision by another political subdivision directly or indirectly arising out of or resulting from the annexation or incorporation of any part of the territory of one political subdivision by another.

NEW SECTION. Sec. 45. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to the renting or leasing of motor vehicles and trailers to a nonresident of this state for use exclusively in transporting persons or property across the boundaries of this state and in intrastate operations incidental thereto when such motor vehicle or trailer is registered and licensed in a foreign state and for purposes of this exemption the term "nonresident" shall apply to a renter or lessee who has one or more places of business in this state as well as in one or more other states but the exemption for nonresidents shall apply only to those vehicles which are most frequently dispatched, garaged, serviced, maintained and operated from the renter's or lessee's place of business in another state.

NEW SECTION. Sec. 46. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of prescription drugs, including sales to the state or a political subdivision or municipal corporation thereof of drugs to be dispensed to patients by prescription without charge. The term "prescription drugs" shall include any medicine, drug, prescription lens, or other substance other than food for use in the diagnosis, cure, mitigation, treatment, or prevention of disease or other ailment in humans ordered by (1) the written prescription to a pharmacist by a practitioner authorized by law of this state or laws of another jurisdiction to issue prescriptions, or (2) upon an oral prescription of such practitioner which is reduced promptly to writing and filed by a duly licensed pharmacist, or (3) by refilling any such written or oral prescription if such refilling is authorized by the prescriber either in the original prescription or by oral order which is reduced promptly to writing and filed by the pharmacist, or (4) physicians or optometrists by way of written directions and specifications for the preparation, grinding, and fabrication of lenses intended to aid or correct visual defects or anomalies of humans.

NEW SECTION. Sec. 47. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of returnable containers for beverages and foods, including but not limited to soft drinks, milk, beer, and mixers.

NEW SECTION. Sec. 48. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of insulin, prosthetic devices, and medically prescribed oxygen.

NEW SECTION. Sec. 49. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of food products for human consumption.

"Food products" include cereals and cereal products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products.

"Food products" include milk and milk products, milk shakes, malted milks, and any other similar type beverages which are composed at least in part of milk or a milk product and which require the use of milk or a milk product in their preparation.

"Food products" include all fruit juices, vegetable juices, and other beverages except bottled water, spirituous, malt or vinous liquors or carbonated beverages, whether liquid or frozen.

"Food products" do not include medicines and preparations in liquid, powdered, granular, tablet, capsule, lozenge, and pill form sold as dietary supplements or adjuncts.

The exemption of "food products" provided for in this paragraph shall not apply: (a) When the food products are furnished, prepared, or served for consumption at tables, chairs, or counters or from trays, glasses, dishes, or other tableware whether provided by the retailer or by a person with whom the retailer contracts to furnish, prepare, or serve food products to others, or (b) when the food products are ordinarily sold for immediate consumption on or near a location at which parking facilities are provided primarily for the use of patrons in consuming the products purchased at the location, even though such products are sold on a "takeout" or "to go" order and are actually packaged or wrapped and taken from the premises of the retailer, or (c) when the food products are sold for consumption within a place, the entrance to which is subject to an admission charge, except for national and state parks and monuments.

NEW SECTION. Sec. 50. There is added to chapter 15, Laws of 1961 and to chapter 82.08 RCW a new section to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of ferry vessels to the state of Washington or to a local governmental unit in the state of Washington for use in transporting pedestrians, vehicles, and goods within or outside the territorial waters of the state; also sales of tangible personal property which becomes a component part of such ferry vessels; also sales of or charges made for labor and services rendered in respect to constructing or improving such ferry vessels.

NEW SECTION. Sec. 51. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any article of tangible personal property brought into the state by a nonresident thereof for his use or enjoyment while temporarily within the state unless such property is used in conducting a nontransitory business activity within the state; or in respect to the use by a nonresident of this state of a motor vehicle which is registered or licensed under the laws of the state of his residence and is not used in this state more than three months, and which is not required to be registered or licensed under the laws of this state; or in respect to the use of household goods, personal effects and private automobiles by a bona fide resident of this state, if such articles were acquired and used by such person in another state while a bona fide resident thereof and such acquisition and use occurred more than thirty days prior to the time he entered this state.

NEW SECTION. Sec. 52. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any article of tangible personal property purchased at retail or acquired by lease, gift or bailment if the sale thereof to, or the use thereof by, the present user or his bailor or donor has already been subjected to the tax under chapter 82.08 or 82.12 RCW and such tax has been paid by the present user or by his bailor or donor; or in respect to the use of property acquired by bailment and such tax has once been paid based on reasonable rental as determined by RCW 82.12.060 measured by the value of the article at time of first use multiplied by the tax rate imposed by chapter 82.08 or 82.12 RCW as of the time of first use; or in respect to the use of any article of tangible personal property acquired by bailment, if the property was acquired by a previous bailee from the same bailor for use in the same general activity and such original bailment was prior to June 9, 1961.

NEW SECTION. Sec. 53. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any article of tangible personal property the sale of which is specifically taxable under chapter 82.16 RCW.

NEW SECTION. Sec. 54. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any airplane, locomotive, railroad car, or watercraft used primarily in conducting interstate or foreign commerce by transporting therein or therewith property and persons for hire or used primarily in commercial deep sea fishing operations outside the territorial waters of the state, and in respect to use of tangible personal property which becomes a component part of any such airplane, locomotive, railroad car, or watercraft, and in respect to the use by a nonresident of this state of any motor vehicle or trailer used exclusively in transporting persons or property across the boundaries of this state and in intrastate operations incidental thereto when such motor vehicle or trailer is registered and licensed in a foreign state and in respect to the use by a nonresident of this state of any motor vehicle or trailer so registered and licensed and used within this state for a period not exceeding fifteen consecutive days under such rules as the department of revenue shall adopt: PROVIDED, That under circumstances determined to be justifiable by the department of revenue a second fifteen day period may be authorized consecutive with the first fifteen day period; and for the purposes of this exemption the term "nonresident" as used herein, shall include a user who has one or more places of business in this state as well as in one or more other states, but the exemption for nonresidents shall apply only to those vehicles which are most frequently dispatched, garaged, serviced, maintained, and operated from the user's place of business in another state; and in respect to the use by the holder of a carrier permit issued by the Interstate Commerce Commission of any motor vehicle or trailer whether owned by or leased with or without driver to the permit holder and used in substantial part in the normal and ordinary course of the user's business for transporting therein persons or property for hire across the boundaries of this state if the first use of which within this state is actual use in conducting interstate or foreign commerce; and in respect to the use of any motor vehicle or trailer while being operated under the authority of a one-transit permit issued by the director of licensing pursuant to RCW 46.16.160 and moving upon the highways from the point of delivery in this state to a point outside this state; and in respect to the use of tangible personal property which becomes a component part of any motor vehicle or trailer used by the holder of a carrier permit issued by the Interstate Commerce Commission authorizing transportation by motor vehicle across the boundaries of this state whether such motor vehicle or trailer is owned by or leased with or without driver to the permit holder.

NEW SECTION. Sec. 55. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any article of tangible personal property which the state is prohibited from taxing under the Constitution of the state or under the Constitution or laws of the United States.

NEW SECTION. Sec. 56. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes and motor vehicle fuel taxable under chapter 82.36 RCW: **PROVIDED**, That the use of such fuel upon which a refund of the motor vehicle fuel tax is obtained shall not be exempt, and the director of licensing shall deduct from the amount of such tax to be refunded the amount of tax due under this chapter and remit the same each month to the department of revenue.

NEW SECTION. Sec. 57. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any article of tangible personal property included within the transfer of the title to the entire operating property of a publicly or privately owned public utility, or of a complete operating integral section thereof, by the state or a political subdivision thereof in conducting any business defined in RCW 82.16.010 (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), or (11).

NEW SECTION. Sec. 58. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of tangible personal property (including household goods) which have been used in conducting a farm activity, if such property was purchased from a farmer at an auction sale held or conducted by an auctioneer upon a farm and not otherwise.

NEW SECTION. Sec. 59. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of tangible personal property by corporations which have been incorporated under any act of the congress of the United States and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, flood, and other national calamities and to devise and carry on measures for preventing the same.

NEW SECTION. Sec. 60. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of purebred livestock for breeding purposes where said animals are registered

in a nationally recognized breed association; sales of cattle and milk cows used on the farm.

NEW SECTION. Sec. 61. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of poultry in the production for sale of poultry or poultry products.

NEW SECTION. Sec. 62. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of fuel by the extractor or manufacturer thereof when used directly in the operation of the particular extractive operation or manufacturing plant which produced or manufactured the same.

NEW SECTION. Sec. 63. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of motor vehicles, equipped with dual controls, which are loaned to and used exclusively by a school in connection with its driver training program: PROVIDED, That this exemption and the term "school" shall apply only to (1) the University of Washington, Washington State University, the regional universities, The Evergreen State College and the state community colleges or (2) any public, private or parochial school accredited by either the state board of education or by the University of Washington (the state accrediting station) or (3) any public vocational school meeting the standards, courses and requirements established and prescribed or approved in accordance with the Community College Act of 1967 (chapter 8, Laws of 1967 first extraordinary session).

NEW SECTION. Sec. 64. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use by a bailee of any article of tangible personal property which is entirely consumed in the course of research, development, experimental and testing activities conducted by the user, provided the acquisition or use of such articles by the bailor was not subject to the taxes imposed by chapter 82.08 RCW or chapter 82.12 RCW.

NEW SECTION. Sec. 65. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use by residents of this state of motor vehicles and trailers acquired and used while such persons are members of the armed services and are stationed outside this state pursuant to military orders, but this exemption shall not apply to members of the armed services called to active duty for training purposes for periods of less than six months and shall not apply to the use of motor

vehicles or trailers acquired less than thirty days prior to the discharge or release from active duty of any person from the armed services.

NEW SECTION. Sec. 66. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of semen in the artificial insemination of livestock.

NEW SECTION. Sec. 67. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of form lumber by any person engaged in the constructing, repairing, decorating or improving of new or existing buildings or other structures under, upon or above real property of or for consumers: **PROVIDED**, That such lumber is used or to be used first by such person for the molding of concrete in a single such contract, project or job and is thereafter incorporated into the product of that same contract, project or job as an ingredient or component thereof.

NEW SECTION. Sec. 68. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of any sand, gravel, or rock to the extent of the cost of or charges made for labor and services performed in respect to the mining, sorting, crushing, screening, washing, hauling, and stockpiling such sand, gravel, or rock, when such sand, gravel, or rock is taken from a pit or quarry which is owned by or leased to a county or a city, and such sand, gravel, or rock is (1) either stockpiled in said pit or quarry for placement or is placed on the street, road, place, or highway of the county or city by the county or city itself, or (2) sold by the county or city to a county, or a city at actual cost for placement on a publicly owned street, road, place, or highway. The exemption provided for in this section shall not apply to the use of such material to the extent of the cost of or charge made for such labor and services, if the material is used for other than public road purposes or is sold otherwise than as provided for in this section.

NEW SECTION. Sec. 69. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of wearing apparel only as a sample for display for the purpose of effecting sales of goods represented by such sample.

NEW SECTION. Sec. 70. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of tangible personal property held for sale and displayed in single trade shows for a period not in excess of thirty days, the primary purpose of which is to promote the sale of products or services.

NEW SECTION. Sec. 71. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of pollen.

NEW SECTION. Sec. 72. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of the personal property of one political subdivision by another political subdivision directly or indirectly arising out of or resulting from the annexation or incorporation of any part of the territory of one political subdivision by another.

NEW SECTION. Sec. 73. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of prescription drugs, including the use by the state or a political subdivision or municipal corporation thereof of drugs to be dispensed to patients by prescription without charge. The term "prescription drugs" shall include any medicine, drug, prescription lens, or other substance other than food for use in the diagnosis, cure, mitigation, treatment, or prevention of disease or other ailment in humans ordered by (1) the written prescription to a pharmacist by a practitioner authorized by law of this state or laws of another jurisdiction to issue prescriptions, or (2) upon an oral prescription of such practitioner which is reduced promptly to writing and filed by a duly licensed pharmacist, or (3) by refilling any such written or oral prescription if such refilling is authorized by the prescriber either in the original prescription or by oral order which is reduced promptly to writing and filed by the pharmacist, or (4) physicians or optometrists by way of written directions and specifications for the preparation, grinding, and fabrication of lenses intended to aid or correct visual defects or anomalies of humans.

NEW SECTION. Sec. 74. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of returnable containers for beverages and foods, including but not limited to soft drinks, milk, beer, and mixers.

NEW SECTION. Sec. 75. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of insulin, prosthetic devices, and medically prescribed oxygen.

NEW SECTION. Sec. 76. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of food products for human consumption.

"Food products" include cereals and cereal products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products.

"Food products" include milk and milk products, milk shakes, malted milks, and any other similar type beverages which are composed at least in part of milk or a milk product and which require the use of milk or a milk product in their preparation.

"Food products" include all fruit juices, vegetable juices, and other beverages except bottled water, spirituous, malt or vinous liquors or carbonated beverages, whether liquid or frozen.

"Food products" do not include medicines and preparations in liquid, powdered, granular, tablet, capsule, lozenge, and pill form sold as dietary supplements or adjuncts.

The exemption of "food products" provided for in this paragraph shall not apply: (a) When the food products are furnished, prepared, or served for consumption at tables, chairs, or counters or from trays, glasses, dishes, or other tableware whether provided by the retailer or by a person with whom the retailer contracts to furnish, prepare, or serve food products to others, or (b) when the food products are ordinarily sold for immediate consumption on or near a location at which parking facilities are provided primarily for the use of patrons in consuming the products purchased at the location, even though such products are sold on a "takeout" or "to go" order and are actually packaged or wrapped and taken from the premises of the retailer, or (c) when the food products are sold for consumption within a place, the entrance to which is subject to an admission charge, except for national and state parks and monuments.

NEW SECTION. Sec. 77. There is added to chapter 15, Laws of 1961 and to chapter 82.12 RCW a new section to read as follows:

The provisions of this chapter shall not apply in respect to the use of ferry vessels of the state of Washington or of local governmental units in the state of Washington in transporting pedestrian or vehicular traffic within and outside the territorial waters of the state and in respect to the use of tangible personal property which becomes a component part of any such ferry vessel.

Sec. 78. Section 82.04.425, chapter 15, Laws of 1961 as amended by section 9, chapter 173, Laws of 1965 ex. sess. and RCW 82.04.425 are each amended to read as follows:

This chapter shall not apply to sales for resale by persons regularly engaged in the business of making sales of the type of property so sold to other persons similarly engaged in the business of selling such property where (1) the amount paid by the buyer does not exceed the amount paid by the seller to his vendor in the acquisition of the article and (2) the sale is made

as an accommodation to the buyer to enable him to fill a bona fide existing order of a customer or is made within fourteen days to reimburse in kind a previous accommodation sale by the buyer to the seller; nor to sales by a wholly owned subsidiary of a person making sales at retail which are exempt under (~~RCW 82.08.030(11)~~) section 29 of this 1979 [1980] act when the parent corporation shall have paid the tax imposed under this chapter.

Sec. 79. Section 82.12.020, chapter 15, Laws of 1961 as last amended by section 3, chapter 324, Laws of 1977 ex. sess. and RCW 82.12.020 are each amended to read as follows:

There is hereby levied and there shall be collected from every person in this state a tax or excise for the privilege of using within this state as a consumer any article of tangible personal property purchased at retail, or acquired by lease, gift, repossession, or bailment, or extracted or produced or manufactured by the person so using the same, or otherwise furnished to a person engaged in any business taxable under RCW 82.04.280, subsections (2) or (7). This tax will not apply with respect to the use of any article of tangible personal property purchased, extracted, produced or manufactured outside this state until the transportation of such article has finally ended or until such article has become commingled with the general mass of property in this state. This tax shall apply to the use of every article of tangible personal property, including property acquired at a casual or isolated sale, and including byproducts used by the manufacturer thereof, except as hereinafter provided, irrespective of whether the article or similar articles are manufactured or are available for purchase within this state. Except as provided in (~~subdivision (2) of RCW 82.12.030~~) section 52 of this 1979 [1980] act, payment by one purchaser or user of tangible personal property of the tax imposed by chapter 82.08 or 82.12 RCW shall not have the effect of exempting any other purchaser or user of the same property from the taxes imposed by such chapters. The tax shall be levied and collected in an amount equal to the value of the article used by the taxpayer multiplied by the rate of four and one-half percent: PROVIDED, That from and after the first day of June, 1976, until the thirtieth day of June, 1979, such tax shall be levied and collected in an amount equal to the value of the article used by the taxpayer multiplied by the rate of four and six-tenths percent.

Sec. 80. Section 6, chapter 196, Laws of 1979 ex. sess. and RCW 82.04.431 are each amended to read as follows:

(1) For the purposes of (~~RCW 82.04.430(16)~~) section 17 of this 1979 [1980] act, the term "health or social welfare organization" means an organization which renders health or social welfare services as defined in subsection (2) of this section, which is a not-for-profit corporation under chapter 24.03 RCW and which is managed by a governing board of not less than eight individuals none of whom is a paid employee of the organization or which is a corporation sole under chapter 24.12 RCW. In addition a

corporation in order to be exempt under (~~(RCW 82.04.430(16))~~) section 17 of this 1979 [1980] act shall satisfy the following conditions:

(a) No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the corporation in accordance with its purposes and bylaws;

(b) Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the public service of the state;

(c) Assets of the corporation must be irrevocably dedicated to the activities for which the exemption is granted and, on the liquidation, dissolution, or abandonment by the corporation, may not inure directly or indirectly to the benefit of any member or individual except a nonprofit organization, association, or corporation which also would be entitled to the exemption;

(d) The corporation must be duly licensed or certified where licensing or certification is required by law or regulation;

(e) The amounts received qualifying for exemption must be used for the activities for which the exemption is granted;

(f) Services must be available regardless of race, color, national origin, or ancestry; and

(g) The director of revenue shall have access to its books in order to determine whether the corporation is exempt from taxes within the intent of (~~(RCW 82.04.430(16))~~) section 17 of this 1979 [1980] act and this section.

(2) The term "health or social welfare services" includes and is limited to:

(a) Mental health, drug, or alcoholism counseling or treatment;

(b) Family counseling;

(c) Health care services;

(d) Therapeutic, diagnostic, rehabilitative, or restorative services for the care of the sick, aged, or physically, developmentally, or emotionally-disabled individuals;

(e) Activities which are for the purpose of preventing or ameliorating juvenile delinquency or child abuse, including recreational activities for those purposes;

(f) Care of orphans or foster children;

(g) Day care of children;

(h) Employment development, training, and placement; and

(i) Legal services to the indigent.

NEW SECTION. Sec. 81. The following acts or parts of acts are each repealed:

(1) Section 82.04.430, chapter 15, Laws of 1961, section 5, chapter 293, Laws of 1961, section 11, chapter 173, Laws of 1965 ex. sess., section 5, chapter 65, Laws of 1970 ex. sess., section 2, chapter 101, Laws of 1970 ex. sess., section 1, chapter 13, Laws of 1971, section 1, chapter 105, Laws of

1977 ex. sess., section 5, chapter 196, Laws of 1979 ex. sess. and RCW 82.04.430;

(2) Section 1, chapter 12, Laws of 1979, section 6, chapter 266, Laws of 1979 ex. sess. and RCW 82.08.030; and

(3) Section 2, chapter 12, Laws of 1979, section 7, chapter 266, Laws of 1979 ex. sess. and RCW 82.12.030.

NEW SECTION. Sec. 82. 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 House January 23, 1980.

Passed the Senate February 18, 1980.

Approved by the Governor February 29, 1980.

Filed in Office of Secretary of State February 29, 1980.

CHAPTER 38

[Second Substitute House Bill No. 1141]

STATE PARKS RESERVATIONS—RESIDENCY

AN ACT Relating to state parks; and amending section 85, chapter 270, Laws of 1979 ex. sess. (uncodified).

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

Section 1. Section 85, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund Appropriation—State	\$	24,749,000
General Fund Appropriation—Federal	\$	100,000
General Fund Appropriation—Private/Local	\$	258,000
General Fund—Trust Land Purchase Account Appropriation	\$	2,522,000
General Fund—Winter Recreation Parking Account Appropriation	\$	64,000
General Fund—Outdoor Recreation Account Appropriation	\$	70,000
Motor Vehicle Fund Appropriation	\$	800,000
Total Appropriation	\$	28,563,000

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) No currently operating state park will be closed due to budgetary constraints.

(3) \$155,000 shall be expended within the park operation program for continuation of contractual agreements with Grays Harbor and Pacific