

## CHAPTER 364

[Senate Bill No. 3427]

## INSURANCE HOLDING CORPORATIONS

AN ACT Relating to insurance holding corporations; amending RCW 48.07.030, 48.07.040, 48.07.050, and 48.07.070; and declaring an emergency.

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

Sec. 1. Section .07.03, chapter 79, Laws of 1947 and RCW 48.07.030 are each amended to read as follows:

The laws of this state relating to private corporations, except where inconsistent with the express provisions of this code, shall govern the corporate powers, duties, and relationships of incorporated domestic insurers and insurance holding corporations formed under the laws of the state of Washington.

Sec. 2. Section .07.04, chapter 79, Laws of 1947 as amended by section 4, chapter 70, Laws of 1965 ex. sess. and RCW 48.07.040 are each amended to read as follows:

Each incorporated domestic insurer shall, in the month of January, ((or)) February, ((or)) March, or April, hold the annual meeting of its shareholders or members for the purpose of receiving reports of its affairs and to elect directors. Each domestic insurance holding corporation shall hold an annual meeting of its shareholders at such time and place as may be stated in or fixed in accordance with its bylaws. Special meetings of the shareholders of an incorporated domestic insurer or domestic insurance holding corporation shall be called and held by such persons and in such a manner as stated in the articles of incorporation or bylaws.

Sec. 3. Section .07.05, chapter 79, Laws of 1947 as amended by section 21, chapter 193, Laws of 1957 and RCW 48.07.050 are each amended to read as follows:

Not less than three-fourths of the directors of an incorporated domestic insurer shall be United States citizens, and a majority of the board of directors of a mutual life insurer shall be residents of this state. The directors of a domestic insurer or domestic insurance holding corporation may be removed with cause by a vote of a majority of its voting capital stock or members (if a mutual insurer) at a valid meeting and said directors may be removed without cause by a vote of sixty-seven percent of its voting capital stock or members (if a mutual insurer) at a valid meeting.

Sec. 4. Section .07.07, chapter 79, Laws of 1947 as amended by section 38, chapter 302, Laws of 1981 and RCW 48.07.070 are each amended to read as follows:

(1) Unless a vote of a greater proportion of directors or shares is required by its articles of incorporation, amendments to the articles of incorporation of a domestic insurer or a domestic insurance holding corporation shall be made by a majority vote of its board of directors and the vote or written assent of ((two-thirds)) a majority of its voting capital stock, or two-thirds of the members (if a mutual insurer) voting at a valid meeting of members.

(2) The president and secretary of the insurer shall, under the corporate seal, certify the amendment in triplicate, and file it in the offices of the secretary of state, the commissioner, and the insurer, as required under this code for original articles of incorporation. Thereupon, subject to the requirements of RCW 48.08.010 relative to increase of capital stock of a stock insurer, the amendment shall become effective.

NEW SECTION. Sec. 5. If any provision of this 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. 6. 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 March 11, 1985.

Passed the House April 19, 1985.

Approved by the Governor May 20, 1985.

Filed in Office of Secretary of State May 20, 1985.

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## CHAPTER 365

[Engrossed Substitute Senate Bill No. 3346]

### AFFIRMATIVE ACTION—HIGHER EDUCATION, STATE EMPLOYMENT, AND STATE PATROL

AN ACT Relating to affirmative action programs in Washington state employment; amending RCW 28B.16.100, 28B.16.020, 41.06.020, 41.06.150, and 43.43.340; adding a new section to chapter 43.43 RCW; and adding a new chapter to Title 49 RCW.

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

Sec. 1. Section 10, chapter 36, Laws of 1969 ex. sess. as last amended by section 2, chapter 75, Laws of 1983 1st ex. sess. and RCW 28B.16.100 are each amended to read as follows:

The higher education personnel board shall adopt rules, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis and procedures to be followed for: