

and expert witness costs may be allowed by the court to reimburse the condemnee.

Passed the House March 5, 1988.

Passed the Senate March 2, 1988.

Approved by the Governor March 18, 1988.

Filed in Office of Secretary of State March 18, 1988.

CHAPTER 130

[Senate Bill No. 6297]

MEDICAL AID, ACCIDENT, AND RESERVE FUNDS—INVESTMENT POLICIES AND PROCEDURES

AN ACT Relating to investment of funds of the department of labor and industries; amending RCW 43.33A.110; creating a new section; and making appropriations.

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

Sec. 1. Section 11, chapter 3, Laws of 1981 as amended by section 4, chapter 219, Laws of 1981 and RCW 43.33A.110 are each amended to read as follows:

The state investment board may make appropriate rules and regulations for the performance of its duties. The board shall establish investment policies and procedures designed exclusively to maximize return at a prudent level of risk. However, until July 1, 1989, in the case of the department of labor and industries' accident, medical aid, and reserve funds, the board shall establish investment policies and procedures designed to attempt to limit fluctuations in industrial insurance premiums and, subject to this purpose, to maximize return at a prudent level of risk. The board shall adopt rules to ensure that its members perform their functions in compliance with chapter 42.18 RCW. Rules adopted by the board shall be adopted pursuant to chapter 34.04 RCW.

NEW SECTION. Sec. 2. At the start of the 1989 regular legislative session, the state investment board shall present to the financial institutions and insurance committee of the senate and the commerce and labor committee of the house of representatives, or the appropriate successor committees, a report recommending, where necessary, changes in current investment policies. The report shall study current investment needs of the department of labor and industries and casualty insurance industry investment policies; analyze statutory and regulatory constraints and the need to encourage stability in Washington's industrial insurance rates; and recommend investment policies for determination of asset allocation. The report shall include recommendations for appropriate accounting policies that will allow stabilization of rates and maximization of investment return and a plan making recommendations for investment of state industrial insurance funds in both equity and fixed investments.

NEW SECTION. Sec. 3. There is appropriated from the medical aid fund and the accident fund in equal parts one hundred thousand dollars, or so much thereof as may be necessary, to the state investment board for the biennium ending June 30, 1989, for the purposes of this act.

Passed the Senate March 10, 1988.

Passed the House March 9, 1988.

Approved by the Governor March 18, 1988.

Filed in Office of Secretary of State March 18, 1988.

CHAPTER 131

[Substitute House Bill No. 1373]

TAX EXEMPTIONS FOR REAL OR PERSONAL PROPERTY—NEWLY ACQUIRED REAL PROPERTY

AN ACT Relating to property tax exemptions; and amending RCW 84.36.815.

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

Sec. 1. Section 9, chapter 40, Laws of 1973 2nd ex. sess. as last amended by section 10, chapter 220, Laws of 1984 and RCW 84.36.815 are each amended to read as follows:

In order to qualify for exempt status for real or personal property pursuant to the provisions of chapter 84.36 RCW, as now or hereafter amended, all foreign national governments, churches, cemeteries, nongovernmental nonprofit corporations, organizations, and associations, private schools or colleges, and soil and water conservation districts shall file an initial application on or before March 31 with the state department of revenue. All applications shall be filed on forms prescribed by the department and shall be signed by an authorized agent of the applicant.

In order to requalify for exempt status, such applicants except nonprofit cemeteries shall file a renewal application on or before March 31 of the fourth year following the date of such initial application and on or before March 31 of every fourth year thereafter. An applicant previously granted exemption shall annually file, on forms prescribed by the department, an affidavit certifying the exempt status of the real or personal property owned by the exempt organization. When an organization acquires real property qualified for exemption or converts real property to exempt status, such organization shall file an initial application for the property within sixty days following the acquisition or conversion. If the application is filed after the expiration of the sixty-day period a late filing penalty shall be imposed pursuant to RCW 84.36.825, as now or hereafter amended.

When organizations acquire real property qualified for exemption or convert real property to an exempt use, the property, upon approval of the application for exemption, is entitled to a ~~((cancellation of the pro-rata portion of taxes payable for the remaining portion of the year from the date~~