

Sec. 1. Section 3, chapter 223, Laws of 1987 and RCW 70.58.107 are each amended to read as follows:

The department of social and health services shall charge a fee of eleven dollars for certified copies of records and for copies or information provided for research, statistical, or administrative purposes, and eight dollars for a search of the files or records when no copy is made. The department shall prescribe by regulation fees to be paid for preparing sealed files and for opening sealed files.

No fee may be demanded or required for furnishing certified copies of a birth, death, fetal death, marriage, divorce, annulment, or legal separation record for use in connection with a claim for compensation or pension pending before the veterans administration.

The state department of social and health services shall keep a true and correct account of all fees received and turn the fees over to the state treasurer on a weekly basis.

Local registrars shall charge the same fees as the state as hereinabove provided and as prescribed by department regulation, except that local registrars shall charge eleven dollars for the first copy of a death certificate and six dollars for each additional copy of the same death certificate when the additional copies are ordered at the same time as the first copy. All such fees collected, except for three dollars of each fee for the issuance of a certified copy, shall be paid to the jurisdictional health department.

All local registrars in cities and counties shall keep a true and correct account of all fees received under this section for the issuance of certified copies and shall turn three dollars of the fee over to the state treasurer on or before the first day of January, April, July, and October.

Three dollars of each fee imposed for the issuance of certified copies, except for copies suitable for display issued under RCW 70.58.085, at both the state and local levels shall be held by the state treasurer in the death investigations account established by RCW 43.79.445.

Passed the Senate February 11, 1988.

Passed the House February 29, 1988.

Approved by the Governor March 11, 1988.

Filed in Office of Secretary of State March 11, 1988.

CHAPTER 41

[Engrossed Substitute House Bill No. 1450]

TAX DEFERRAL PROGRAM FOR MANUFACTURING OR RESEARCH AND DEVELOPMENT PROJECTS—EXTENSION

AN ACT Relating to excise tax deferrals and credits for manufacturing and research and development activities; and amending RCW 82.61.010, 82.61.040, 82.61.070, 82.62.040, and 82.60.050.

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

Sec. 1. Section 1, chapter 2, Laws of 1985 ex. sess. as last amended by section 1, chapter 497, Laws of 1987 and RCW 82.61.010 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Applicant" means a person applying for a tax deferral under this chapter.

(2) "Person" has the meaning given in RCW 82.04.030.

(3) "Department" means the department of revenue.

(4) "Eligible investment project" means:

(a) Construction of new buildings and the acquisition of new related machinery and equipment when the buildings, machinery, and equipment are to be used for either manufacturing or research and development activities, which construction is commenced prior to December 31, ~~((1988))~~ 1994; or

(b) Acquisition prior to December 31, ~~((1988))~~ 1994, of new machinery and equipment to be used for either manufacturing or research and development if the machinery and equipment is housed in a new leased structure: PROVIDED, That the lessor/owner of the structure is not eligible for a deferral unless the underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(c) Acquisition of all new or used machinery, equipment, or other personal property for use in the production or casting of aluminum at an aluminum smelter or at facilities related to an aluminum smelter, if the plant was in operation prior to 1975 and has ceased operations or is in imminent danger of ceasing operations for economic reasons, as determined by the department, and if the person applying for a deferral (i) has consulted with any collective bargaining unit that represented employees of the plant pursuant to a collective bargaining agreement that was in effect either immediately prior to the time the plant ceased operations or during the period when the plant was in imminent danger of ceasing operations, on the proposed operation of the plant and on the terms and conditions of employment for wage and salaried employees and (ii) has obtained a written concurrence from the bargaining unit on the decision to apply for a deferral under this chapter (~~((or has received a concurrence waiver from the department of trade and economic development))~~); or

(d) Modernization projects involving construction, acquisition, or upgrading of equipment or machinery, including services and labor, which are commenced after May 19, 1987, and are intended to increase the operating efficiency of existing plants which are either aluminum smelters or aluminum rolling mills or of facilities related to such plants, if the plant was in operation prior to 1975, and if the person applying for a deferral (i) has consulted with any collective bargaining unit that represents employees of

the plant on the proposed operation of the plant and the terms and conditions of employment for wage and salaried employees and (ii) has obtained a written concurrence from the bargaining unit on the decision to apply for a deferral under this chapter (~~(or has received a concurrence waiver from the department of trade and economic development)~~).

(5) "Manufacturing" means all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials so that as a result thereof a new, different, or useful substance or article of tangible personal property is produced for sale or commercial or industrial use and includes the production or fabrication of specially made or custom-made articles.

(6) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun.

(7) "Buildings" means only those new structures used for either manufacturing or research and development activities, including plant offices and warehouses or other facilities for the storage of raw materials or finished goods if such facilities are an essential or an integral part of a factory, mill, plant, or laboratory used for manufacturing or research and development purposes. If a building is used partly for manufacturing or research and development and partly for other purposes, the applicable tax deferral shall be determined by apportionment of the costs of construction under rules adopted by the department.

(8) "Machinery and equipment" means all industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified machinery and equipment" includes computers; software; data processing equipment; laboratory equipment; manufacturing components such as belts, pulleys, shafts, and moving parts; molds, tools, and dies; operating structures; and all equipment used to control or operate the machinery. For purposes of this chapter, new machinery and equipment means either new to the taxing jurisdiction of the state or new to the certificate holder. Used machinery and equipment may be treated as new equipment and machinery if the certificate holder either brings the machinery and equipment into Washington or makes a retail purchase of the machinery and equipment in Washington or elsewhere.

(9) "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year.

(10) "Recipient" means a person receiving a tax deferral under this chapter.

(11) "Certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(12) "Operationally complete" means constructed or improved to the point of being functionally useable for the intended purpose.

(13) "Initiation of construction" means that date upon which on-site construction commences.

~~((14) "Concurrence waiver" means a written waiver of an otherwise required concurrence from a bargaining unit. The department of trade and economic development may issue a concurrence waiver only if:~~

~~(a) The department determines an applicant has made a good faith effort to obtain the required concurrence from a bargaining unit; and~~

~~(b) The department determines that granting the concurrence waiver is clearly in the best interests of the people of this state.))~~

Sec. 2. Section 8, chapter 2, Laws of 1985 ex. sess. as amended by section 10, chapter 116, Laws of 1986 and RCW 82.61.040 are each amended to read as follows:

RCW 82.61.020 and 82.61.030 shall expire July 1, ~~((+1988))~~ 1994.

Sec. 3. Section 6, chapter 2, Laws of 1985 ex. sess. as amended by section 11, chapter 116, Laws of 1986 and RCW 82.61.070 are each amended to read as follows:

The department and the department of trade and economic development shall jointly report to the legislature about the effects of this chapter on new manufacturing and research and development activities in this state. The report shall contain information concerning the number of deferral certificates granted, the amount of sales tax deferred, the number of jobs created and other information useful in measuring such effects. Reports shall be submitted by January 1, 1986, and by January 1 of each year through ~~((+1989))~~ 1995.

Sec. 4. Section 22, chapter 116, Laws of 1986 and RCW 82.62.040 are each amended to read as follows:

RCW 82.62.020 and 82.62.030 shall expire July 1, ~~((+1988))~~ 1994.

Sec. 5. Section 10, chapter 232, Laws of 1985 and RCW 82.60.050 are each amended to read as follows:

RCW 82.60.030 and 82.60.040 shall expire July 1, ~~((+1991))~~ 1994.

NEW SECTION. Sec. 6. 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.

Passed the House March 7, 1988.

Passed the Senate March 4, 1988.

Approved by the Governor March 15, 1988.

Filed in Office of Secretary of State March 15, 1988.