

**NEW SECTION.** Sec. 2. Section 1, chapter 201, Laws of 1961, section 25, chapter 32, Laws of 1967, section 3, chapter 27, Laws of 1983 and RCW 46.16.370 are each hereby repealed.

Passed the House February 15, 1986.

Passed the Senate March 4, 1986.

Approved by the Governor March 21, 1986.

Filed in Office of Secretary of State March 21, 1986.

## CHAPTER 109

[Substitute House Bill No. 1408]

### WATER DISTRICTS—WITHDRAWAL OF TERRITORY

AN ACT Relating to withdrawal of territory from a water district; and amending RCW 57.28.050.

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

Sec. 1. Section 5, chapter 55, Laws of 1941 and RCW 57.28.050 are each amended to read as follows:

The petition for withdrawal shall be heard at the time and place specified in such notice or the hearing may be adjourned from time to time, not exceeding one month in all, and any person may appear at such hearing and make objections to the withdrawal of such territory or to the proposed boundary lines thereof. Upon final hearing on the petition for withdrawal, the commissioners of the water district shall make such changes in the proposed boundary lines as they deem to be proper, except that no changes in the boundary lines shall be made by the commissioners to include lands not within the boundaries of the territory as described in such petition. In establishing and defining such boundaries the commissioners shall exclude any property which is then being furnished with water by ~~((said))~~ the water district or which is included in any distribution system the construction of which has been duly authorized or which is included within any duly established local improvement district or utility local improvement district, and the territory as finally established and defined must be substantial in area and consist of adjoining or contiguous properties. The ~~((said))~~ commissioners shall thereupon make and by resolution adopt findings of fact as to the following questions:

(1) ~~((Is the territory as so established and defined of such location or character that water cannot be furnished to it by such water district at reasonable cost?))~~

(2)) Would the withdrawal of such territory be of benefit to such territory?

~~((3))~~ (2) Would such withdrawal be conducive to the general welfare of the balance of the district?

~~((4) Does it appear that such territory was improvidently included within such water district at the time of the establishment thereof or annexation thereto?))~~

Such findings shall be entered in the records of the water district, together with any recommendations the ((said)) commissioners may by resolution adopt.

Passed the House February 10, 1986.

Passed the Senate March 6, 1986.

Approved by the Governor March 21, 1986.

Filed in Office of Secretary of State March 21, 1986.

## CHAPTER 110

[Engrossed Senate Bill No. 4645]

### UNEMPLOYMENT INSURANCE COVERAGE—CORPORATE OFFICERS

AN ACT Relating to unemployment insurance coverage of corporate officers; amending RCW 50.04.165; creating a new section; and providing an effective date.

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

Sec. 1. Section 13, chapter 35, Laws of 1981 as amended by section 4, chapter 23, Laws of 1983 1st ex. sess. and RCW 50.04.165 are each amended to read as follows:

Services performed ~~((after October 1, 1983, in the capacity of))~~ by corporate officers as defined in RCW 23A.08.470, other than those covered by chapter 50.44 RCW, shall not be considered services in employment. However, a corporation may elect to cover not less than all of its corporate officers under RCW 50.24.160. If an employer does not elect to cover its corporate officers under RCW 50.24.160, the employer must notify its corporate officers in writing that they are ineligible for unemployment benefits. If the employer fails to notify any corporate officer, then that person shall not be considered to be a corporate officer for the purposes of this section.

NEW SECTION. Sec. 2. If any part of this act is found to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements which are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

NEW SECTION. Sec. 3. 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.