
SUBSTITUTE HOUSE BILL 3014

State of Washington 61st Legislature 2010 Regular Session

By House Finance (originally sponsored by Representatives Kessler, Morrell, and Van De Wege; by request of Governor Gregoire)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to modifying the sales and use tax deferral program
2 for investment projects in rural counties; amending RCW 82.60.010,
3 82.60.020, 82.60.030, 82.60.040, 82.60.049, 82.60.060, 82.60.070,
4 82.32.600, 82.60.100, and 82.62.010; adding new sections to chapter
5 82.60 RCW; creating a new section; decodifying RCW 82.60.900 and
6 82.60.901; repealing RCW 82.60.050 and 82.60.110; providing an
7 effective date; providing a contingent effective date; and providing
8 expiration dates.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 **Sec. 1.** RCW 82.60.010 and 1985 c 232 s 1 are each amended to read
11 as follows:

12 The legislature finds that there are several areas in the state
13 that are characterized by very high levels of unemployment and poverty.
14 The (~~legislative~~[legislature]) legislature further finds that
15 economic stagnation is the primary cause of this high unemployment rate
16 and poverty; that new state policies are necessary in order to promote
17 economic stimulation and new employment opportunities in these
18 distressed areas; and that policies providing incentives for economic
19 growth in these distressed areas are essential. For these reasons, the

1 legislature (~~(hereby)~~) reestablishes a tax deferral program to be
2 effective solely in distressed (~~(areas and under circumstances where~~
3 ~~the deferred tax payments are for investments or costs that result in~~
4 ~~the creation of a specified number of jobs)) counties. The legislature
5 declares that this limited program serves the vital public purpose of
6 creating employment opportunities and reducing poverty in the
7 distressed (~~(areas)~~) counties of the state.~~

8 **Sec. 2.** RCW 82.60.020 and 2006 c 142 s 1 are each amended to read
9 as follows:

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

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

14 (2) "Department" means the department of revenue.

15 (3) "Distressed county" means a county that has an unemployment
16 rate, as determined by the employment security department, which is at
17 least twenty percent above the state average for the three calendar
18 years immediately preceding the year in which the list of distressed
19 counties is established or updated, as the case may be, as provided in
20 section 3 of this act.

21 (4) "Eligible area" means (~~(a)~~):

22 (a) Through June 30, 2010:

23 (i) A rural county as defined in RCW 82.14.370; or

24 (ii) A designated community empowerment zone approved under RCW
25 43.31C.020 or a county containing a community empowerment zone; and

26 (b) Beginning July 1, 2010, a distressed county.

27 (~~(+4)~~) (5)(a) "Eligible investment project" means an investment
28 project that is located, as of the date the application required by RCW
29 82.60.030 is received by the department, in an eligible area as defined
30 in subsection (~~(+3)~~) (4) of this section.

31 (b) (~~(The lessor or owner of a qualified building is not eligible~~
32 ~~for a deferral unless:~~

33 (i) ~~The underlying ownership of the buildings, machinery, and~~
34 ~~equipment vests exclusively in the same person; or~~

35 (ii)(A) ~~The lessor by written contract agrees to pass the economic~~
36 ~~benefit of the deferral to the lessee;~~

1 ~~(B) The lessee that receives the economic benefit of the deferral~~
2 ~~agrees in writing with the department to complete the annual survey~~
3 ~~required under RCW 82.60.070; and~~

4 ~~(C) The economic benefit of the deferral passed to the lessee is no~~
5 ~~less than the amount of tax deferred by the lessor and is evidenced by~~
6 ~~written documentation of any type of payment, credit, or other~~
7 ~~financial arrangement between the lessor or owner of the qualified~~
8 ~~building and the lessee.~~

9 ~~(e))~~ "Eligible investment project" does not include any portion of
10 an investment project undertaken by a light and power business as
11 defined in RCW 82.16.010(~~(+5))~~ (4), other than that portion of a
12 cogeneration project that is used to generate power for consumption
13 within the manufacturing site of which the cogeneration project is an
14 integral part, or investment projects (~~(which))~~ that have already
15 received deferrals under this chapter.

16 ~~((+5))~~ (6) "Initiation of construction" has the same meaning as in
17 RCW 82.63.010.

18 (7) "Investment project" means an investment in qualified buildings
19 or qualified machinery and equipment, including labor and services
20 rendered in the planning, installation, and construction of the
21 project.

22 ~~((+6))~~ (8) "Manufacturing" means the same as defined in RCW
23 82.04.120. "Manufacturing" also includes:

24 (a) Before July 1, 2010: (i) Computer programming, the production
25 of computer software, and other computer-related services, but only
26 when the computer programming, production of computer software, or
27 other computer-related services are performed by a manufacturer as
28 defined in RCW 82.04.110 and contribute to the production of a new,
29 different, or useful substance or article of tangible personal property
30 for sale; (ii) the activities performed by research and development
31 laboratories and commercial testing laboratories(~~(7))~~; and (iii) the
32 conditioning of vegetable seeds; and

33 (b) Beginning July 1, 2010: (i) The activities performed by
34 research and development laboratories and commercial testing
35 laboratories; and (ii) the conditioning of vegetable seeds.

36 ~~((+7))~~ (9) "Person" has the meaning given in RCW 82.04.030.

37 ~~((+8))~~ (10) "Qualified buildings" means construction of new
38 structures, and expansion or renovation of existing structures for the

1 purpose of increasing floor space or production capacity used for
2 manufacturing (~~and~~) or research and development activities, including
3 plant offices and warehouses or other facilities for the storage of raw
4 material or finished goods if such facilities are an essential or an
5 integral part of a factory, mill, plant, or laboratory used for
6 manufacturing or research and development. If a building is used
7 partly for manufacturing or research and development and partly for
8 other purposes, the applicable tax deferral shall be determined by
9 apportionment of the costs of construction under rules adopted by the
10 department.

11 ~~((+9))~~ (11) "Qualified employment position" means a permanent
12 full-time employee employed in the eligible investment project during
13 the entire tax year. The term "entire tax year" means a full-time
14 position that is filled for a period of twelve consecutive months. The
15 term "full-time" means at least thirty-five hours a week, four hundred
16 fifty-five hours a quarter, or one thousand eight hundred twenty hours
17 a year.

18 ~~((+10))~~ (12) "Qualified machinery and equipment" means all new
19 industrial and research fixtures, equipment, and support facilities
20 that are an integral and necessary part of a manufacturing or research
21 and development operation. "Qualified machinery and equipment"
22 includes: Computers; software; data processing equipment; laboratory
23 equipment; manufacturing components such as belts, pulleys, shafts, and
24 moving parts; molds, tools, and dies; operating structures; and all
25 equipment used to control or operate the machinery.

26 ~~((+11))~~ (13) "Recipient" means a person receiving a tax deferral
27 under this chapter.

28 ~~((+12))~~ (14) "Research and development" means the development,
29 refinement, testing, marketing, and commercialization of a product,
30 service, or process before commercial sales have begun, but only when
31 such activities are intended to ultimately result in the production of
32 a new, different, or useful substance or article of tangible personal
33 property for sale. As used in this subsection, "commercial sales"
34 excludes sales of prototypes or sales for market testing if the total
35 gross receipts from such sales of the product, service, or process do
36 not exceed one million dollars.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.60 RCW
2 to read as follows:

3 The department, with the assistance of the employment security
4 department, must establish a list of distressed counties effective July
5 1, 2010. The list of distressed counties is effective for a twenty-
6 four month period and must be updated by July 1st of the year that is
7 two calendar years after the list was established or last updated, as
8 the case may be.

9 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.60 RCW
10 to read as follows:

11 The lessor or owner of a qualified building is not eligible for a
12 deferral unless:

13 (1) The underlying ownership of the buildings, machinery, and
14 equipment vests exclusively in the same person; or

15 (2)(a) The lessor by written contract agrees to pass the economic
16 benefit of the deferral to the lessee;

17 (b) The lessee that receives the economic benefit of the deferral
18 agrees in writing with the department to complete the annual survey
19 required under RCW 82.60.070; and

20 (c) The economic benefit of the deferral passed to the lessee is no
21 less than the amount of tax deferred by the lessor and is evidenced by
22 written documentation of any type of payment, credit, or other
23 financial arrangement between the lessor or owner of the qualified
24 building and the lessee.

25 **Sec. 5.** RCW 82.60.030 and 1994 sp.s. c 1 s 2 are each amended to
26 read as follows:

27 (1) Application for deferral of taxes under this chapter must be
28 made before initiation of the construction of the investment project or
29 acquisition of equipment or machinery. The application (~~((shall))~~) must
30 be made to the department in a form and manner prescribed by the
31 department. The application (~~((shall))~~) must contain information
32 regarding the location of the investment project, the applicant's
33 average employment in the state for the prior year, estimated or actual
34 new employment related to the project, estimated or actual wages of
35 employees related to the project, estimated or actual costs, time

1 schedules for completion and operation, and other information required
2 by the department. The department (~~shall~~) must rule on the
3 application within sixty days.

4 (2) This section expires July 1, 2020.

5 **Sec. 6.** RCW 82.60.040 and 2004 c 25 s 4 are each amended to read
6 as follows:

7 (1) The department (~~shall~~) must issue a sales and use tax
8 deferral certificate for state and local sales and use taxes due under
9 chapters 82.08, 82.12, and 82.14 RCW on each eligible investment
10 project (~~that is located in an eligible area as defined in RCW~~
11 ~~82.60.020~~)).

12 (2) The department (~~shall~~) must keep a running total of all
13 deferrals granted under this chapter during each fiscal biennium.

14 (3) This section expires July 1, (~~2010~~) 2020.

15 **Sec. 7.** RCW 82.60.049 and 2004 c 25 s 5 are each amended to read
16 as follows:

17 (1) (~~For the purposes of this section:~~

18 ~~(a) "Eligible area" also means a designated community empowerment~~
19 ~~zone approved under RCW 43.31C.020 or a county containing a community~~
20 ~~empowerment zone.~~

21 ~~(b) "Eligible investment project" also means an investment project~~
22 ~~in an eligible area as defined in this section.~~

23 (~~2~~)) In addition to the provisions of RCW 82.60.040, the
24 department shall issue a sales and use tax deferral certificate for
25 state and local sales and use taxes due under chapters 82.08, 82.12,
26 and 82.14 RCW, on each eligible investment project that is located in
27 an eligible area as defined in RCW 82.60.020(4)(a)(ii), if the
28 applicant establishes that at the time the project is operationally
29 complete:

30 (a) The applicant will hire at least one qualified employment
31 position for each seven hundred fifty thousand dollars of investment
32 for which a deferral is requested; and

33 (b) The positions will be filled by persons who at the time of hire
34 are residents of the community empowerment zone. As used in this
35 subsection, "resident" means the person makes his or her home in the
36 community empowerment zone. A mailing address alone is insufficient to

1 establish that a person is a resident for the purposes of this section.
2 The persons must be hired after the date the application is filed with
3 the department.

4 ~~((+3))~~ (2) All other provisions and eligibility requirements of
5 this chapter apply to applicants eligible under this section.

6 ~~((+4))~~ (3) The qualified employment position must be filled by the
7 end of the calendar year following the year in which the project is
8 certified as operationally complete. If a person does not meet the
9 requirements for qualified employment positions by the end of the
10 second calendar year following the year in which the project is
11 certified as operationally complete, all deferred taxes are immediately
12 due.

13 (4) This section does not apply to applications received after June
14 30, 2010.

15 **Sec. 8.** RCW 82.60.060 and 2000 c 106 s 5 are each amended to read
16 as follows:

17 (1) The recipient (~~shall~~) must begin paying the deferred taxes in
18 the third year after the date certified by the department as the date
19 on which the (~~construction~~) investment project has been operationally
20 completed. The first payment will be due on December 31st of the third
21 calendar year after such certified date, with subsequent annual
22 payments due on December 31st of the following four years with amounts
23 of payment scheduled as follows:

24	Repayment Year	% of Deferred Tax Repaid
25	1	10%
26	2	15%
27	3	20%
28	4	25%
29	5	30%

30 (2) The department may authorize an accelerated repayment schedule
31 upon request of the recipient.

32 (3) Interest (~~shall~~) may not be charged on any taxes deferred
33 under this chapter for the period of deferral, although all other
34 penalties and interest applicable to delinquent excise taxes may be

1 assessed and imposed for delinquent payments under this chapter. The
2 debt for deferred taxes will not be extinguished by insolvency or other
3 failure of the recipient. Transfer of ownership does not terminate the
4 deferral. The deferral is transferred, subject to the successor
5 meeting the eligibility requirements of this chapter, for the remaining
6 periods of the deferral.

7 **Sec. 9.** RCW 82.60.070 and 2004 c 25 s 7 are each amended to read
8 as follows:

9 (1)(a) The legislature finds that accountability and effectiveness
10 are important aspects of setting tax policy. In order to make policy
11 choices regarding the best use of limited state resources the
12 legislature needs information on how a tax incentive is used.

13 (b) Each recipient of a deferral granted under this chapter after
14 June 30, 1994, (~~shall~~) must complete an annual survey. If the
15 economic benefits of the deferral are passed to a lessee as provided in
16 (~~RCW 82.60.020(4)~~) section 4 of this act, the lessee (~~shall agree~~
17 ~~to~~) must complete the annual survey and the applicant is not required
18 to complete the annual survey. The survey is due by March 31st of the
19 year following the calendar year in which the investment project is
20 certified by the department as having been operationally complete and
21 the seven succeeding calendar years. The survey shall include the
22 amount of tax deferred, the number of new products or research projects
23 by general classification, and the number of trademarks, patents, and
24 copyrights associated with activities at the investment project. The
25 survey (~~shall~~) must also include the following information for
26 employment positions in Washington:

27 (i) The number of total employment positions;

28 (ii) Full-time, part-time, and temporary employment positions as a
29 percent of total employment;

30 (iii) The number of employment positions according to the following
31 wage bands: Less than thirty thousand dollars; thirty thousand dollars
32 or greater, but less than sixty thousand dollars; and sixty thousand
33 dollars or greater. A wage band containing fewer than three
34 individuals may be combined with another wage band; and

35 (iv) The number of employment positions that have employer-provided
36 medical, dental, and retirement benefits, by each of the wage bands.

1 (c) As part of the survey, the department may request additional
2 information necessary to measure the results of, or determine
3 eligibility for, the deferral program, to be submitted at the same time
4 as the survey.

5 (d) All information collected under this subsection, except the
6 amount of the tax deferral taken, is deemed taxpayer information under
7 RCW 82.32.330 and is not disclosable. Information on the amount of tax
8 deferral taken is not subject to the confidentiality provisions of RCW
9 82.32.330 and may be disclosed to the public upon request.

10 (e) The department (~~shall~~) must use the information from this
11 section to prepare summary descriptive statistics by category. No
12 fewer than three taxpayers (~~shall~~) may be included in any category.
13 The department shall report these statistics to the legislature each
14 year by September 1st.

15 (f) The department (~~shall~~) must also use the information to study
16 the tax deferral program authorized under this chapter. The department
17 (~~shall~~) must report to the legislature by December 1, (~~2009~~) 2019.
18 The report (~~shall~~) must measure the effect of the program on job
19 creation, the number of jobs created for residents of eligible areas,
20 company growth, the introduction of new products, the diversification
21 of the state's economy, growth in research and development investment,
22 the movement of firms or the consolidation of firms' operations into
23 the state, and such other factors as the department selects.

24 (2)(a) Except as provided in section 11 of this act, if, on the
25 basis of a survey under this section or other information, the
26 department finds that an investment project is not eligible for tax
27 deferral under this chapter, the amount of deferred taxes outstanding
28 for the project (~~shall be immediately due~~), according to the
29 repayment schedule in RCW 82.60.060, will be immediately due. For
30 purposes of this subsection (2)(a), the repayment schedule in RCW
31 82.60.060 is tolled during the period of time that a taxpayer is
32 receiving relief from repayment of deferred taxes under section 11 of
33 this act.

34 (b) If a recipient of the deferral fails to complete the annual
35 survey required under subsection (1) of this section by the date due,
36 twelve and one-half percent of the deferred tax (~~shall~~) will be
37 immediately due. If the economic benefits of the deferral are passed

1 to a lessee as provided in (~~RCW 82.60.020(4)~~) section 4 of this act,
2 the lessee (~~shall be~~) is responsible for payment to the extent the
3 lessee has received the economic benefit.

4 (3) Notwithstanding any other subsection of this section, deferred
5 taxes need not be repaid on machinery and equipment for lumber and wood
6 products industries, and sales of or charges made for labor and
7 services, of the type which qualifies for exemption under RCW
8 82.08.02565 or 82.12.02565 to the extent the taxes have not been repaid
9 before July 1, 1995.

10 (4) Notwithstanding any other subsection of this section, deferred
11 taxes on the following need not be repaid:

12 (a) Machinery and equipment, and sales of or charges made for labor
13 and services, which at the time of purchase would have qualified for
14 exemption under RCW 82.08.02565; and

15 (b) Machinery and equipment which at the time of first use would
16 have qualified for exemption under RCW 82.12.02565.

17 **Sec. 10.** RCW 82.32.600 and 2009 c 461 s 8 are each amended to read
18 as follows:

19 (1) Persons required to file annual surveys or annual reports under
20 RCW 82.04.4452, 82.32.5351, 82.32.545, 82.32.610, 82.32.630, 82.82.020,
21 82.32.632, 82.60.070, or 82.74.040 must electronically file with the
22 department all surveys, reports, returns, and any other forms or
23 information the department requires in an electronic format as provided
24 or approved by the department. As used in this section, "returns" has
25 the same meaning as "return" in RCW 82.32.050.

26 (2) Any survey, report, return, or any other form or information
27 required to be filed in an electronic format under subsection (1) of
28 this section is not filed until received by the department in an
29 electronic format.

30 (3) The department may waive the electronic filing requirement in
31 subsection (1) of this section for good cause shown.

32 NEW SECTION. **Sec. 11.** A new section is added to chapter 82.60 RCW
33 to read as follows:

34 (1) Subject to the conditions in this section, a person is not
35 liable for the amount of deferred taxes outstanding for an investment
36 project when the person temporarily ceases to use its qualified

1 buildings and qualified machinery and equipment for manufacturing or
2 research and development activities in a county with a population of
3 less than twenty thousand persons for a period not to exceed twenty-
4 four months from the date that the department sent its assessment for
5 the amount of outstanding deferred taxes to the taxpayer.

6 (2) The relief from repayment of deferred taxes under this section
7 does not apply unless the number of qualified employment positions
8 maintained at the investment project after manufacturing or research
9 and development activities are temporarily ceased is at least ten
10 percent of the number of qualified employment positions employed at the
11 investment project at the time the deferral was approved by the
12 department. If a person has been approved for more than one deferral
13 under this chapter, relief from repayment of deferred taxes under this
14 section does not apply unless the number of qualified employment
15 positions maintained at the investment project after manufacturing or
16 research and development activities are temporarily ceased is at least
17 ten percent of the highest number of qualified employment positions at
18 the investment project at the time any of the deferrals were approved
19 by the department. If, at any time during the twenty-four month period
20 after the department has sent the taxpayer an assessment for
21 outstanding deferred taxes resulting from the person temporarily
22 ceasing to use its qualified buildings and qualified machinery and
23 equipment for manufacturing or research and development activities, the
24 number of qualified employment positions falls below the ten percent
25 threshold in this subsection, the amount of deferred taxes outstanding
26 for the project is immediately due.

27 (3) The lessor of an investment project for which a deferral has
28 been granted under this chapter who has passed the economic benefits of
29 the deferral to the lessee is not eligible for relief from the payment
30 of deferred taxes under this section.

31 (4) A person seeking relief from the payment of deferred taxes
32 under this section must apply to the department in a form and manner
33 prescribed by the department. The application required under this
34 subsection must be received by the department within thirty days of the
35 date that the department sent its assessment for outstanding deferred
36 taxes resulting from the person temporarily ceasing to use its
37 qualified buildings and qualified machinery and equipment for

1 manufacturing or research and development activities. The department
2 must approve applications that meet the requirements in this section
3 for relief from the payment of deferred taxes.

4 (5) A person is entitled to relief under this section only once.

5 (6) A person whose application for relief from the payment of
6 deferred taxes has been approved under this section must continue to
7 file an annual survey as required under RCW 82.60.070(1) or any
8 successor statute. In addition, the person must file, in a form and
9 manner prescribed by the department, a report on the status of the
10 business and the outlook for commencing manufacturing or research and
11 development activities.

12 **Sec. 12.** RCW 82.60.100 and 1987 c 49 s 1 are each amended to read
13 as follows:

14 Applications, reports, and any other information received by the
15 department under this chapter (~~shall~~), except applications not
16 approved by the department, are not (~~be~~) confidential and (~~shall~~
17 ~~be~~) are subject to disclosure.

18 **Sec. 13.** RCW 82.62.010 and 2007 c 485 s 1 are each amended to read
19 as follows:

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

22 (1) "Applicant" means a person applying for a tax credit under this
23 chapter.

24 (2) "Department" means the department of revenue.

25 (3) "Eligible area" means (~~an area~~) a "rural county" as defined
26 in RCW (~~82.60.020~~) 82.14.370.

27 (4)(a) "Eligible business project" means manufacturing or research
28 and development activities which are conducted by an applicant in an
29 eligible area at a specific facility, provided the applicant's average
30 qualified employment positions at the specific facility will be at
31 least fifteen percent greater in the four consecutive full calendar
32 quarters after the calendar quarter during which the first qualified
33 employment position is filled than the applicant's average qualified
34 employment positions at the same facility in the four consecutive full
35 calendar quarters immediately preceding the calendar quarter during
36 which the first qualified employment position is filled.

1 (b) "Eligible business project" does not include any portion of a
2 business project undertaken by a light and power business as defined in
3 RCW 82.16.010(~~(+5+)~~) (4) or that portion of a business project creating
4 qualified full-time employment positions outside an eligible area.

5 (5) "First qualified employment position" means the first qualified
6 employment position filled for which a credit under this chapter is
7 sought.

8 (6) "Manufacturing" means the same as defined in RCW 82.04.120.
9 "Manufacturing" also includes:

10 (a) Before July 1, 2010: (i) Computer programming, the production
11 of computer software, and other computer-related services, but only
12 when the computer programming, production of computer software, or
13 other computer-related services are performed by a manufacturer as
14 defined in RCW 82.04.110 and contribute to the production of a new,
15 different, or useful substance or article of tangible personal property
16 for sale; and (ii) the activities performed by research and development
17 laboratories and commercial testing laboratories; and

18 (b) Beginning July 1, 2010, the activities performed by research
19 and development laboratories and commercial testing laboratories.

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

21 (8)(a)(i) "Qualified employment position" means a permanent full-
22 time employee employed in the eligible business project during four
23 consecutive full calendar quarters.

24 (ii) For seasonal employers, "qualified employment position" also
25 includes the equivalent of a full-time employee in work hours for four
26 consecutive full calendar quarters.

27 (b) For purposes of this subsection, "full time" means a normal
28 work week of at least thirty-five hours.

29 (c) Once a permanent, full-time employee has been employed, a
30 position does not cease to be a qualified employment position solely
31 due to periods in which the position goes vacant, as long as:

32 (i) The cumulative period of any vacancies in that position is not
33 more than one hundred twenty days in the four-quarter period; and

34 (ii) During a vacancy, the employer is training or actively
35 recruiting a replacement permanent, full-time employee for the
36 position.

37 (9) "Recipient" means a person receiving tax credits under this
38 chapter.

1 (10) "Research and development" means the development, refinement,
2 testing, marketing, and commercialization of a product, service, or
3 process before commercial sales have begun, but only when such
4 activities are intended to ultimately result in the production of a
5 new, different, or useful substance or article of tangible personal
6 property for sale. As used in this subsection, "commercial sales"
7 excludes sales of prototypes or sales for market testing if the total
8 gross receipts from such sales of the product, service, or process do
9 not exceed one million dollars.

10 (11) "Seasonal employee" means an employee of a seasonal employer
11 who works on a seasonal basis. For the purposes of this subsection and
12 subsection (12) of this section, "seasonal basis" means a continuous
13 employment period of less than twelve consecutive months.

14 (12) "Seasonal employer" means a person who regularly hires more
15 than fifty percent of its employees to work on a seasonal basis.

16 NEW SECTION. Sec. 14. RCW 82.60.900 and 82.60.901 are each
17 decodified.

18 NEW SECTION. Sec. 15. The following acts or parts of acts are
19 each repealed:

20 (1) RCW 82.60.050 (Expiration of RCW 82.60.030 and 82.60.040) and
21 2004 c 25 s 6, 1994 sp.s. c 1 s 7, 1993 sp.s. c 25 s 404, 1988 c 41 s
22 5, & 1985 c 232 s 10; and

23 (2) RCW 82.60.110 (Competing projects--Impact study) and 1998 c 245
24 s 169 & 1994 sp.s. c 1 s 8.

25 NEW SECTION. Sec. 16. Sections 1, 2, 4 through 8, and 12 through
26 15 of this act take effect July 1, 2010.

27 NEW SECTION. Sec. 17. Sections 9 and 10 of this act take effect
28 July 1, 2010, if the legislature does not enact Substitute House Bill
29 No. 1597 by July 1, 2010.

30 NEW SECTION. Sec. 18. If any provision of this act or its
31 application to any person or circumstance is held invalid, the
32 remainder of the act or the application of the provision to other
33 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 19.** The amendments to the definitions of
2 "manufacturing" and "research and development" in sections 2 and 13 of
3 this act apply retroactively as well as prospectively.

--- END ---