## CERTIFICATION OF ENROLLMENT

## SUBSTITUTE HOUSE BILL 1568

Chapter 144, Laws of 2013

63rd Legislature 2013 Regular Session

BUSINESS LICENSING SERVICE PROGRAM

EFFECTIVE DATE: 07/28/13 - Except section 2, which becomes effective 07/01/14.

Passed by the House March 9, 2013 Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 17, 2013 Yeas 47 Nays 1

BRAD OWEN

President of the Senate

Approved May 7, 2013, 2:00 p.m.

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1568** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 7, 2013

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

## SUBSTITUTE HOUSE BILL 1568

Passed Legislature - 2013 Regular Session

## State of Washington 63rd Legislature 2013 Regular Session

**By** House Finance (originally sponsored by Representatives Carlyle, Nealey, and Ryu; by request of Department of Revenue)

READ FIRST TIME 02/22/13.

1 AN ACT Relating to the business licensing service program 2 administered by the department of revenue; amending RCW 15.13.250, 3 15.13.250, 15.13.280, 15.13.290, 15.49.011, 15.49.380, 15.49.390, 15.54.275, 15.58.180, 4 15.58.235, 18.44.031, 18.64.044, 19.02.010, 5 19.02.030, 19.02.035, 19.02.070, 19.02.075, 19.02.080, 19.02.085, 19.02.100, 19.02.110, 19.02.210, 6 19.02.090, 19.02.310, 19.02.115, 7 19.02.800, 19.02.890, 19.80.010, 19.80.075, 19.94.2582, 35.21.392, 35A.21.340, 36.110.130, 43.22.035, 46.72A.020, 50.12.290, 59.30.050, 8 9 59.30.090, 69.25.050, 69.25.060, 70.290.030, 76.48.121, 82.24.510, 82.24.520, 82.26.150, 90.76.010, and 90.76.020; reenacting and amending 10 RCW 15.58.030, 18.64.011, 19.02.020, 19.94.015, and 69.25.020; adding 11 12 a new section to chapter 19.80 RCW; adding a new section to chapter 70.290 RCW; creating a new section; repealing RCW 19.02.220, 19.02.810, 13 14 19.80.065, and 43.24.160; prescribing penalties; providing an effective date; and providing an expiration date. 15

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

17 **Sec. 1.** RCW 15.13.250 and 2007 c 335 s 1 are each amended to read 18 as follows:

19 For the purpose of this chapter:

(1) "Department" means the department of agriculture of the state
 of Washington.

3 (2) "Director" means the director of the department or the4 director's duly authorized representative.

5 (3) "Person" means any individual, firm, partnership, corporation,
6 company, society and association, and every officer, agent or employee
7 thereof.

8 (4) "Horticultural plant" includes, but is not limited to, any 9 horticultural, floricultural, or viticultural plant, or turf, for 10 planting, propagation or ornamentation growing or otherwise. The term 11 does not apply to potato, garlic, or onion planting stock or to cut 12 plant material, except plant parts used for propagative purposes.

(5) "Horticultural facilities" means, but is not limited to, the premises where horticultural plants or Christmas trees are grown, stored, handled or delivered for sale or transportation, or where records required under this chapter are stored or kept, and all vehicles and equipment used to transport horticultural plants or Christmas trees.

(6) "Plant pests" means, but is not limited to, a living stage of 19 20 insect, mite, or other arthropod; nematode; slug, snail, or other 21 mollusk; protozoa or other invertebrate animals; bacteria; fungus; 22 virus; viroid; phytoplasma; weed or parasitic plant; or any organisms similar to or allied with any of the plant pests listed in this 23 24 section; or any infectious substance; which can directly or indirectly 25 injure or cause disease or damage to any plant or plant product or that threatens the diversity or abundance of native species. 26

27 (7) "Inspection and/or certification" means, but is not limited to, the inspection by the director of horticultural plants or Christmas 28 trees at any time prior to, during, or subsequent to harvest or sale 29 and the issuance by the director of a written certificate stating if 30 31 the horticultural plants or Christmas trees are in compliance with the 32 provisions of this chapter and rules adopted under this chapter. Inspection may include, but is not limited to, examination of 33 horticultural plants or Christmas trees, taking samples, destructive 34 testing, conducting interviews, taking photographs, and examining 35 records. 36

37 (8) "Nursery dealer" means any person who sells horticultural

plants or plants, grows, receives, or handles horticultural plants for
 the purpose of selling or planting for another person.

3 (9) "Sell" means to sell, hold for sale, offer for sale, handle, or4 to use as an inducement for the sale of another article or product.

5 (10) "((Master-license)) <u>Business licensing</u> system" means the 6 mechanism established by chapter 19.02 RCW by which ((master)) <u>business</u> 7 licenses, endorsed for individual state-issued licenses, are issued and 8 renewed utilizing a ((master)) <u>business license</u> application and a 9 ((master)) <u>business</u> license expiration date common to each renewable 10 license endorsement.

(11) "Certificate" or "certificate of inspection" means an official document certifying compliance with the requirements of this chapter. The term "certificate" includes labels, rubber stamp imprints, tags, permits, written statements, or any other form of certification document that accompanies the movement of inspected and certified plant material, including Christmas trees.

17 (12) "Turf" means field-cultivated turf grass sod consisting of 18 grass varieties, or blends of grass varieties, and dichondra for use in 19 residential and commercial landscapes.

20 (13) "This chapter" means this chapter and the rules adopted under 21 this chapter.

(14) "Compliance agreement" means a written agreement between the department and a person engaged in growing, handling, or moving articles, plants, or plant products regulated under this chapter or title, in which the person agrees to comply with stipulated requirements.

(15) "Consignor" means the person named in the invoice, bill, or other shipping document accompanying a horticultural plant as the person from whom the horticultural plant has been received for shipment.

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(16) "Christmas tree" means a cut evergreen tree:

32 (a) Of a marketable species;

33 (b) Managed to produce trees meeting United States number 2 or 34 better standards for Christmas trees as specified by the United States 35 department of agriculture; and

36 (c) Evidencing periodic maintenance practices of shearing or 37 culturing, or both; weed and brush control; and one or more of the

following practices: Basal pruning, fertilization, insect and disease
 control, stump culture, soil cultivation, and irrigation.

3 (17) "Christmas tree grower" means any person who grows Christmas4 trees for sale.

5 **Sec. 2.** RCW 15.13.250 and 2000 c 144 s 1 are each amended to read 6 as follows:

7 For the purpose of this chapter:

8 (1) "Department" means the department of agriculture of the state 9 of Washington.

10 (2) "Director" means the director of the department or the 11 director's duly authorized representative.

(3) "Person" means any individual, firm, partnership, corporation,
 company, society and association, and every officer, agent or employee
 thereof.

15 (4) "Horticultural plant" includes, but is not limited to, any 16 horticultural, floricultural, or viticultural plant, or turf, for 17 planting, propagation or ornamentation growing or otherwise. The term 18 does not apply to potato, garlic, or onion planting stock or to cut 19 plant material, except plant parts used for propagative purposes.

20 (5) "Horticultural facilities" means, but is not limited to, the 21 premises where horticultural plants are grown, stored, handled or 22 delivered for sale or transportation, or where records required under 23 this chapter are stored or kept, and all vehicles and equipment used to 24 transport horticultural plants.

(6) "Plant pests" means, but is not limited to, a living stage of 25 26 insect, mite, or other arthropod; nematode; slug, snail, or other mollusk; protozoa or other invertebrate animals; bacteria; fungus; 27 virus; viroid; phytoplasma; weed or parasitic plant; or any organisms 28 similar to or allied with any of the plant pests listed in this 29 30 section; or any infectious substance; which can directly or indirectly 31 injure or cause disease or damage to any plant or plant product or that threatens the diversity or abundance of native species. 32

(7) "Inspection and/or certification" means, but is not limited to, the inspection by the director of horticultural plants at any time prior to, during, or subsequent to harvest or sale and the issuance by the director of a written certificate stating if the horticultural plants are in compliance with the provisions of this chapter and rules

adopted under this chapter. Inspection may include, but is not limited 1 2 to, examination of horticultural plants, taking samples, destructive testing, conducting interviews, taking photographs, and examining 3 records. 4

5 (8) "Nursery dealer" means any person who sells horticultural plants or plants, grows, receives, or handles horticultural plants for 6 7 the purpose of selling or planting for another person.

(9) "Sell" means to sell, hold for sale, offer for sale, handle, or 8 to use as an inducement for the sale of another article or product. 9

(10) "((Master-license)) Business\_licensing system" means the 10 mechanism established by chapter 19.02 RCW by which ((master)) business 11 12 licenses, endorsed for individual state-issued licenses, are issued and 13 renewed utilizing a ((master)) business license application and a 14 ((master)) business license expiration date common to each renewable license endorsement. 15

16 (11) "Certificate" or "certificate of inspection" means an official 17 document certifying compliance with the requirements of this chapter. The term "certificate" includes labels, rubber stamp imprints, tags, 18 permits, written statements, or any other form of certification 19 20 document that accompanies the movement of inspected and certified plant 21 material.

(12) "Turf" means field-cultivated turf grass sod consisting of 22 grass varieties, or blends of grass varieties, and dichondra for use in 23 24 residential and commercial landscapes.

25 (13) "This chapter" means this chapter and the rules adopted under 26 this chapter.

27 (14) "Compliance agreement" means a written agreement between the department and a person engaged in growing, handling, or moving 28 articles, plants, or plant products regulated under this chapter or 29 30 title, in which the person agrees to comply with stipulated 31 requirements.

32 (15) "Consignor" means the person named in the invoice, bill, or other shipping document accompanying a horticultural plant as the 33 person from whom the horticultural plant has been received for 34 35 shipment.

36 Sec. 3. RCW 15.13.280 and 2000 c 144 s 6 are each amended to read 37 as follows:

(1) No person ((shall)) may act as a nursery dealer without a 1 2 license for each place of business where horticultural plants are sold except as provided in RCW 15.13.270. Any person applying for such a 3 license ((shall)) must apply through the ((master license)) business 4 5 <u>licensing</u> system. The application ((shall)) <u>must</u> be accompanied by the appropriate fee. The director ((shall)) must establish a schedule of 6 7 fees for retail and wholesale nursery dealer licenses based upon the person's gross annual sales of horticultural plants at each place of 8 9 business. The schedule for retail licenses ((shall)) <u>must</u> include separate fees for at least the following two categories: 10

(a) A person whose gross annual sales of horticultural plants donot exceed two thousand five hundred dollars; and

(b) A person whose gross annual sales of horticultural plantsexceed two thousand five hundred dollars.

15 (2) A person conducting both retail and wholesale sales of 16 horticultural plants at the same place of business ((shall)) <u>must</u> 17 secure one of the following:

(a) A retail nursery dealer license if retail sales of thehorticultural plants exceed such wholesale sales; or

20 (b) A wholesale nursery dealer license if wholesale sales of the 21 horticultural plants exceed such retail sales.

(3) The director may issue a wholesale nursery dealer license to a person operating as a farmers market at which individual producers are selling directly to consumers. The license ((shall)) <u>must</u> be at the appropriate level to cover all persons selling horticultural plants at each site at which the person operates a market.

(4) The licensing fee that must accompany an application for a new license ((shall)) <u>must</u> be based upon the applicant's estimated gross sales of horticultural plants for the ensuing licensing year. The fee for renewing a license ((shall)) <u>must</u> be based upon the licensee's gross sales of these products during the preceding licensing year.

32 (5) The license expires on the ((master)) <u>business</u> license 33 expiration date unless it has been revoked or suspended prior to the 34 expiration date by the director for cause. Each license ((shall)) <u>must</u> 35 be posted in a conspicuous place open to the public in the location for 36 which it was issued.

37 (6) The department may audit licensees during normal business hours38 to determine that appropriate fees have been paid.

1 **Sec. 4.** RCW 15.13.290 and 2000 c 144 s 8 are each amended to read 2 as follows:

If any application for renewal of a nursery dealer license is not filed prior to the ((master)) <u>business</u> license expiration date, the ((master)) <u>business</u> license delinquency fee ((shall)) <u>must</u> be assessed under chapter 19.02 RCW and ((shall)) <u>must</u> be paid by the applicant before the renewal license is issued.

8 **Sec. 5.** RCW 15.49.011 and 1989 c 354 s 73 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.

(1) "Advertisement" means all representations, other than those on the label, disseminated in any manner or by any means, relating to seed within the scope of this chapter.

15 (2) "Agricultural seed" includes grass, forage, cereal, oil, fiber, 16 and other kinds of crop seeds commonly recognized within this state as 17 agricultural seeds, lawn seeds, and combinations of such seeds, and may 18 include common and restricted noxious weed seeds but not prohibited 19 noxious weed seeds.

(3) "Blend" means seed consisting of more than one variety of akind, each in excess of five percent by weight of the whole.

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(4) "Bulk seed" means seed distributed in a nonpackage form.

23 (5) "Certifying agency" means (a) an agency authorized under the laws of any state, territory, or possession to certify seed officially 24 and which has standards and procedures approved by the United States 25 26 secretary of agriculture to assure the genetic purity and identity of the seed certified; or (b) an agency of a foreign country determined by 27 the United States secretary of agriculture to adhere to procedures and 28 standards for seed certification comparable to those adhered to 29 30 generally by seed-certifying agencies under (a) of this subsection.

31 (6) "Conditioning" means drying, cleaning, scarifying, and other 32 operations that could change the purity or germination of the seed and 33 require the seed lot to be retested to determine the label information. 34 (7) "Dealer" means any person who distributes.

35 (8) "Department" means the department of agriculture of the state36 of Washington or its duly authorized representative.

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(9) "Director" means the director of the department of agriculture.

(10) "Distribute" means to import, consign, offer for sale, hold
 for sale, sell, barter, or otherwise supply seed in this state.

3 (11) "Flower seeds" includes seeds of herbaceous plants grown from
4 their blooms, ornamental foliage, or other ornamental parts, and
5 commonly known and sold under the name of flower seeds in this state.

6 (12) The terms "foundation seed," "registered seed," and "certified 7 seed" mean seed that has been produced and labeled in compliance with 8 the regulations of the department.

9 (13) "Germination" means the emergence and development from the 10 seed embryo of those essential structures which, for the kind of seed 11 in question, are indicative of the ability to produce a normal plant 12 under favorable conditions.

13 (14) "Hard seeds" means seeds that remain hard at the end of the 14 prescribed test period because they have not absorbed water due to an 15 impermeable seed coat.

16 (15) "Hybrid" means the first generation seed of a cross produced 17 by controlling the pollination and by combining (a) two or more inbred lines; (b) one inbred or a single cross with an open pollinated 18 variety; or (c) two varieties or species, except open-pollinated 19 varieties of corn (Zea mays). The second generation or subsequent 20 21 generations from such crosses ((shall)) are not ((be)) regarded as 22 hybrids. Hybrid designations ((shall)) must be treated as variety 23 names.

(16) "Inert matter" means all matter not seed, that includes broken
seeds, sterile florets, chaff, fungus bodies, and stones as determined
by methods defined by rule.

(17) "Kind" means one or more related species or subspecies that
singly or collectively is known by one common name, for example, corn,
oats, alfalfa, and timothy.

30 (18) "Label" includes a tag or other device attached to or written, 31 stamped, or printed on any container or accompanying any lot of bulk 32 seeds purporting to set forth the information required on the seed 33 label by this chapter, and it may include any other information 34 relating to the labeled seed.

35 (19) "Lot" means a definite quantity of seed identified by a lot 36 number or other mark, every portion or bag of which is uniform within 37 recognized tolerances for the factors that appear in the labeling.

1 (20) "Lot number" ((shall)) <u>must</u> identify the producer or dealer 2 and year of production or the year distributed for each lot of seed. 3 This requirement may be satisfied by use of a conditioner's or dealer's 4 code.

5 (21) "((Master-license)) <u>Business licensing</u> system" means the 6 mechanism established by chapter 19.02 RCW by which ((master)) <u>business</u> 7 licenses, endorsed for individual state-issued licenses, are issued and 8 renewed using a ((master)) <u>business license</u> application and a 9 ((master)) <u>business</u> license expiration date common to each renewable 10 license endorsement.

11 (22) "Mixture," "mix," or "mixed" means seed consisting of more 12 than one kind, each in excess of five percent by weight of the whole.

13 (23) "Official sample" means any sample of seed taken and 14 designated as official by the department.

15 (24) "Other crop seed" means seed of plants grown as crops, other 16 than the kind or variety included in the pure seed, as determined by 17 methods defined by rule.

18 (25) "Prohibited (primary) noxious weed seeds" are the seeds of 19 weeds which when established are highly destructive, competitive, 20 and/or difficult to control by cultural or chemical practices.

(26) "Person" means an individual, partnership, corporation,
 company, association, receiver, trustee, or agent.

23 (27) "Pure live seed" means the product of the percent of 24 germination plus hard or dormant seed multiplied by the percent of pure 25 seed divided by one hundred. The result is expressed as a whole 26 number.

(28) "Pure seed" means seed exclusive of inert matter and all other
seeds not of the seed being considered as determined by methods defined
by rule.

30 (29) "Restricted (secondary) noxious weed seeds" are the seeds of 31 weeds which are objectionable in fields, lawns, and gardens of this 32 state, but which can be controlled by cultural or chemical practices.

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(30) "Retail" means to distribute to the ultimate consumer.

34 (31) "Screenings" mean chaff, seed, weed seed, inert matter, and35 other materials removed from seed in cleaning or conditioning.

36 (32) "Seed labeling registrant" means a person who has obtained a
 37 permit to label seed for distribution in this state.

(33) "Seeds" mean agricultural or vegetable seeds or other seeds as
 determined by rules adopted by the department.

3 (34) "Stop sale, use, or removal order" means an administrative 4 order restraining the sale, use, disposition, and movement of a 5 specific amount of seed.

6 (35) "Treated" means that the seed has received an application of 7 a substance, or that it has been subjected to a process for which a 8 claim is made.

9 (36) "Type" means a group of varieties so nearly similar that the 10 individual varieties cannot be clearly differentiated except under 11 special conditions.

(37) "Variety" means a subdivision of a kind that is distinct, 12 uniform, and stable; "distinct" in the sense that the variety can be 13 differentiated identifiable 14 by or more morphological, one physiological, or other characteristics from all other varieties of 15 public knowledge; "uniform" in the sense that variations in essential 16 17 and distinctive characteristics are describable; and "stable" in the sense that the variety will remain unchanged in its essential and 18 distinctive characteristics and its uniformity when reproduced or 19 20 reconstituted as required by the different categories of varieties.

(38) "Vegetable seeds" includes the seeds of those crops that are grown in gardens and on truck farms and are generally known and sold under the name of vegetable or herb seeds in this state.

(39) "Weed seeds" include the seeds of all plants generally recognized as weeds within this state, and includes the seeds of prohibited and restricted noxious weeds as determined by regulations adopted by the department.

(40) "Inoculant" means a commercial preparation containing nitrogenfixing bacteria applied to the seed.

30 (41) "Coated seed" means seed that has been treated and has 31 received an application of inert material during the treatment process.

32 Sec. 6. RCW 15.49.380 and 2012 c 61 s 1 are each amended to read 33 as follows:

(1) No person ((shall)) may distribute seeds without having
 obtained a dealer's license for each regular place of business((÷
 PROVIDED, That no)). However, a license ((shall be)) is not required
 of a person who distributes seeds only in sealed packages of eight

ounces or less, packed by a seed labeling registrant and bearing the 1 2 name and address of the registrant((+ PROVIDED-FURTHER,-That)). <u>Moreover</u>, a license ((<del>shall-not-be</del>)) <u>is not</u> required of any grower 3 selling seeds of his or her own production exclusively. Such seed sold 4 5 by such grower must be properly labeled as provided in this chapter. Each dealer's license ((shall)) costs one hundred twenty-five dollars, 6 7 ((shall)) must be issued through the ((master)) business license system, ((shall)) must bear the date of issue, ((shall)) must expire on 8 9 the ((master-license)) <u>business\_licensing</u> expiration date, and ((shall)) <u>must</u> be prominently displayed in each place of business. 10

(2) Persons custom conditioning and/or custom treating seeds for others for remuneration ((shall-be)) are considered dealers for the purpose of this chapter.

(3) Application for a license to distribute seed ((shall)) <u>must</u> be through the ((master license)) <u>business licensing</u> system and ((shall)) <u>must</u> include the name and address of the person applying for the license, the name of a person domiciled in this state authorized to receive and accept service or legal notices of all kinds, and any other reasonable and practical information prescribed by the department necessary to carry out the purposes and provisions of this chapter.

21 Sec. 7. RCW 15.49.390 and 1982 c 182 s 25 are each amended to read 22 as follows:

If an application for renewal of the dealer's license provided for in RCW 15.49.380, is not filed prior to the ((master)) <u>business</u> license expiration date, the ((master)) <u>business</u> license delinquency fee ((shall)) <u>must</u> be assessed under chapter 19.02 RCW and ((shall)) <u>must</u> be paid by the applicant before the renewal license ((shall be)) <u>is</u> issued.

29 Sec. 8. RCW 15.54.275 and 1998 c 36 s 3 are each amended to read 30 as follows:

(1) No person may distribute a bulk fertilizer in this state until a license to distribute has been obtained by that person. An annual license is required for each out-of-state or in-state location that distributes bulk fertilizer in Washington state. An application for each location ((shall)) must be filed on forms provided by the ((master license)) business licensing system established under chapter 19.02 RCW

1 and ((shall)) must be accompanied by an annual fee of twenty-five 2 dollars per location. The license ((shall)) expires on the ((master)) 3 business license expiration date.

4 (2) An application for license ((shall)) <u>must</u> include the 5 following:

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(a) The name and address of licensee.

(b) Any other information required by the department by rule.

8 (3) The name and address shown on the license ((shall)) <u>must</u> be 9 shown on all labels, pertinent invoices, and storage facilities for 10 fertilizer distributed by the licensee in this state.

(4) If an application for license renewal provided for in this 11 section is not filed prior to the ((master)) business license 12 expiration date, a delinquency fee of twenty-five dollars ((shall)) 13 14 must be assessed and added to the original fee and ((shall)) must be paid by the applicant before the renewal license ((shall-be)) is 15 16 issued. The assessment of this delinquency fee ((shall)) does not 17 prevent the department from taking any other action as provided for in this chapter. The penalty ((shall)) does not apply if the applicant 18 furnishes an affidavit that he or she has not distributed this 19 20 commercial fertilizer subsequent to the expiration of his or her prior 21 license.

Sec. 9. RCW 15.58.030 and 2011 c 103 s 35 are each reenacted and amended to read as follows:

((As used in this chapter the words and phrases defined in this section shall have the meanings indicated)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Active ingredient" means any ingredient which will prevent,
destroy, repel, control, or mitigate pests, or which will act as a
plant regulator, defoliant, desiccant, or spray adjuvant.

31 (2) "Antidote" means the most practical immediate treatment in case32 of poisoning and includes first aid treatment.

(3) "Arthropod" means any invertebrate animal that belongs to the
phylum arthropoda, which in addition to insects, includes allied
classes whose members are wingless and usually have more than six legs;
for example, spiders, mites, ticks, centipedes, and isopod crustaceans.

(4) "Complete wood destroying organism inspection" means inspection 1 2 for the purpose of determining evidence of infestation, damage, or conducive conditions as part of the transfer, exchange, or refinancing 3 of any structure in Washington state. Complete wood destroying 4 5 organism inspections include any wood destroying organism inspection that is conducted as the result of telephone solicitation by an 6 7 inspection, pest control, or other business, even if the inspection would fall within the definition of a specific wood destroying organism 8 9 inspection.

10 (5) "Defoliant" means any substance or mixture of substances 11 intended to cause the leaves or foliage to drop from a plant with or 12 without causing abscission.

13 (6) "Department" means the Washington state department of 14 agriculture.

15 (7) "Desiccant" means any substance or mixture of substances16 intended to artificially accelerate the drying of plant tissues.

17 (8) "Device" means any instrument or contrivance intended to trap, 18 destroy, control, repel, or mitigate pests, or to destroy, control, 19 repel or mitigate fungi, nematodes, or such other pests, as may be 20 designated by the director, but not including equipment used for the 21 application of pesticides when sold separately from the pesticides.

(9) "Director" means the director of the department or a dulyauthorized representative.

(10) "Distribute" means to offer for sale, hold for sale, sell,barter, or supply pesticides in this state.

(11) "EPA" means the United States environmental protection agency.
 (12) "EPA restricted use pesticide" means any pesticide with
 restricted uses as classified for restricted use by the administrator,
 EPA.

30 (13) "FIFRA" means the federal insecticide, fungicide, and 31 rodenticide act as amended (61 Stat. 163, 7 U.S.C. Sec. 136 et seq.).

32 (14) "Fungi" means all nonchlorophyll-bearing thallophytes (all 33 nonchlorophyll-bearing plants of a lower order than mosses and 34 liverworts); for example, rusts, smuts, mildews, molds, yeasts, and 35 bacteria, except those on or in living persons or other animals.

36 (15) "Fungicide" means any substance or mixture of substances37 intended to prevent, destroy, repel, or mitigate any fungi.

(16) "Herbicide" means any substance or mixture of substances
 intended to prevent, destroy, repel, or mitigate any weed.

3 (17) "Inert ingredient" means an ingredient which is not an active 4 ingredient.

(18) "Ingredient statement" means a statement of the name and 5 percentage of each active ingredient together with the total percentage 6 7 of the inert ingredients in the pesticide, and when the pesticide contains arsenic in any form, the ingredient statement ((shall)) must 8 9 also include percentages of total and water soluble arsenic, each calculated as elemental arsenic. The ingredient statement for a spray 10 adjuvant must be consistent with the labeling requirements adopted by 11 12 rule.

(19) "Insect" means any of the numerous small invertebrate animals whose bodies are more or less obviously segmented, and which for the most part belong to the class insecta, comprising six-legged, usually winged forms, for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, for example, spiders, mites, ticks, centipedes, and isopod crustaceans.

(20) "Insecticide" means any substance or mixture of substances
intended to prevent, destroy, repel, or mitigate any insects which may
be present in any environment whatsoever.

(21) "Inspection control number" means a number obtained from the department that is recorded on wood destroying organism inspection reports issued by a structural pest inspector in conjunction with the transfer, exchange, or refinancing of any structure.

(22) "Label" means the written, printed, or graphic matter on, or
attached to, the pesticide, device, or immediate container, and the
outside container or wrapper of the retail package.

30 (23) "Labeling" means all labels and other written, printed, or 31 graphic matter:

32 (a) Upon the pesticide, device, or any of its containers or33 wrappers;

34 (b) Accompanying the pesticide, or referring to it in any other35 media used to disseminate information to the public; and

36 (c) To which reference is made on the label or in literature 37 accompanying or referring to the pesticide or device except when 38 accurate nonmisleading reference is made to current official publications of the department, United States departments of agriculture; interior; education; health and human services; state agricultural colleges; and other similar federal or state institutions or agencies authorized by law to conduct research in the field of pesticides.

6 (24) "Land" means all land and water areas, including airspace and
7 all plants, animals, structures, buildings, devices and contrivances,
8 appurtenant thereto or situated thereon, fixed or mobile, including any
9 used for transportation.

10 (25) "((Master-license)) <u>Business licensing</u> system" means the 11 mechanism established by chapter 19.02 RCW by which ((master)) <u>business</u> 12 licenses, endorsed for individual state-issued licenses, are issued and 13 renewed using a ((master)) <u>business license</u> application and a 14 ((master)) <u>business</u> license expiration date common to each renewable 15 license endorsement.

16 (26) "Nematocide" means any substance or mixture of substances17 intended to prevent, destroy, repel, or mitigate nematodes.

18 (27) "Nematode" means any invertebrate animal of the phylum 19 nemathelminthes and class nematoda, that is, unsegmented round worms 20 with elongated, fusiform, or saclike bodies covered with cuticle, and 21 inhabiting soil, water, plants or plant parts, may also be called nemas 22 or eelworms.

(28) "Person" means any individual, partnership, association,
 corporation, or organized group of persons whether or not incorporated.

(29) "Pest" means, but is not limited to, any insect, rodent, nematode, snail, slug, weed and any form of plant or animal life or virus, except virus on or in a living person or other animal, which is normally considered to be a pest or which the director may declare to be a pest.

30 (30) "Pest control consultant" means any individual who sells or 31 offers for sale at other than a licensed pesticide dealer outlet or 32 location where they are employed, or who offers or supplies technical 33 advice or makes recommendations to the user of:

34

(a) Highly toxic pesticides, as determined under RCW 15.58.040;

35 (b) EPA restricted use pesticides or restricted use pesticides 36 which are restricted by rule to distribution by licensed pesticide 37 dealers only; or

(c) Any other pesticide except those pesticides which are labeled
 and intended for home and garden use only.

3

(31) "Pesticide" means, but is not limited to:

(a) Any substance or mixture of substances intended to prevent,
destroy, control, repel, or mitigate any insect, rodent, snail, slug,
fungus, weed, and any other form of plant or animal life or virus,
except virus on or in a living person or other animal which is normally
considered to be a pest or which the director may declare to be a pest;

9 (b) Any substance or mixture of substances intended to be used as 10 a plant regulator, defoliant or desiccant; and

11

(c) Any spray adjuvant.

12 (32) "Pesticide dealer" means any person who distributes any of the 13 following pesticides:

14

(a) Highly toxic pesticides, as determined under RCW 15.58.040;

(b) EPA restricted use pesticides or restricted use pesticides which are restricted by rule to distribution by licensed pesticide dealers only; or

18 (c) Any other pesticide except those pesticides which are labeled 19 and intended for home and garden use only.

20 (33) "Pesticide dealer manager" means the owner or other individual 21 supervising pesticide distribution at one outlet holding a pesticide 22 dealer license.

(34) "Plant regulator" means any substance or mixture of substances intended through physiological action, to accelerate or retard the rate of growth or maturation, or to otherwise alter the behavior of ornamental or crop plants or their produce, but ((shall)) <u>does</u> not include substances insofar as they are intended to be used as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments.

30 (35) "Registrant" means the person registering any pesticide under 31 the provisions of this chapter.

32 (36) "Restricted use pesticide" means any pesticide or device 33 which, when used as directed or in accordance with a widespread and 34 commonly recognized practice, the director determines, subsequent to a 35 hearing, requires additional restrictions for that use to prevent 36 unreasonable adverse effects on the environment including people, 37 lands, beneficial insects, animals, crops, and wildlife, other than 38 pests. 1 (37) "Rodenticide" means any substance or mixture of substances 2 intended to prevent, destroy, repel, or mitigate rodents, or any other 3 vertebrate animal which the director may declare by rule to be a pest.

4 (38) "Special local needs registration" means a registration issued
5 by the director pursuant to provisions of section 24(c) of FIFRA.

6 (39) "Specific wood destroying organism inspection" means an 7 inspection of a structure for purposes of identifying or verifying 8 evidence of an infestation of wood destroying organisms prior to pest 9 management activities.

10 (40) "Spray adjuvant" means any product intended to be used with a pesticide as an aid to the application or to the effect of the 11 12 pesticide, and which is in a package or container separate from the 13 pesticide. Spray adjuvant includes, but is not limited to, acidifiers, 14 compatibility agents, crop oil concentrates, defoaming agents, drift control agents, modified vegetable oil concentrates, 15 nonionic 16 surfactants, organosilicone surfactants, stickers, and water conditioning agents. Spray adjuvant does not include products that are 17 only intended to mark the location where a pesticide is applied. 18

(41) "Structural pest inspector" means any individual who performs
the service of conducting a complete wood destroying organism
inspection or a specific wood destroying organism inspection.

(42) "Unreasonable adverse effects on the environment" means any unreasonable risk to people or the environment taking into account the economic, social, and environmental costs and benefits of the use of any pesticide, or as otherwise determined by the director.

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(43) "Weed" means any plant which grows where not wanted.

(44) "Wood destroying organism" means insects or fungi that consume, excavate, develop in, or otherwise modify the integrity of wood or wood products. Wood destroying organism includes, but is not limited to, carpenter ants, moisture ants, subterranean termites, dampwood termites, beetles in the family Anobiidae, and wood decay fungi (wood rot).

33 (45) "Wood destroying organism inspection report" means any written 34 document that reports or comments on the presence or absence of wood 35 destroying organisms, their damage, and/or conducive conditions leading 36 to the establishment of such organisms. 1 **Sec. 10.** RCW 15.58.180 and 2008 c 285 s 16 are each amended to 2 read as follows:

3 (1) Except as provided in subsections (4) and (5) of this section, it is unlawful for any person to act in the capacity of a pesticide 4 5 dealer or advertise as or assume to act as a pesticide dealer without first having obtained an annual license from the director. The license 6 7 expires on the ((master)) business license expiration date. A license is required for each location or outlet located within this state from 8 which pesticides are distributed. A manufacturer, registrant, or 9 10 distributor who has no pesticide dealer outlet licensed within this state and who distributes pesticides directly into this state must 11 12 obtain a pesticide dealer license for his or her principal out-of-state 13 location or outlet, but such a licensed out-of-state pesticide dealer 14 is exempt from the pesticide dealer manager requirements.

(2) Application for a license must be accompanied by a fee of 15 16 sixty-seven dollars and must be made through the ((master-license)) 17 business licensing system and must include the full name of the person applying for the license and the name of the individual within the 18 state designated as the pesticide dealer manager. If the applicant is 19 20 a partnership, association, corporation, or organized group of persons, 21 the full name of each member of the firm or partnership or the names of 22 the officers of the association or corporation must be given on the application. The application must state the principal business address 23 24 of the applicant in the state and elsewhere, the name of a person 25 domiciled in this state authorized to receive and accept service of summons of legal notices of all kinds for the applicant, and any other 26 27 necessary information prescribed by the director.

(3) It is unlawful for any licensed dealer outlet to operatewithout a pesticide dealer manager who has a license of qualification.

30 (4) This section does not apply to (a) a licensed pesticide 31 applicator who sells pesticides only as an integral part of the 32 applicator's pesticide application service when pesticides are 33 dispensed only through apparatuses used for pesticide application, or 34 (b) any federal, state, county, or municipal agency that provides 35 pesticides only for its own programs.

36 (5) A user of a pesticide may distribute a properly labeled 37 pesticide to another user who is legally entitled to use that pesticide without obtaining a pesticide dealer's license if the exclusive purpose
 of distributing the pesticide is keeping it from becoming a hazardous
 waste as defined in chapter 70.105 RCW.

4 **Sec. 11.** RCW 15.58.235 and 1989 c 380 s 19 are each amended to 5 read as follows:

6 (1) If an application for renewal of a pesticide dealer license is 7 not filed on or before the ((master)) <u>business</u> license expiration date, 8 the ((master)) <u>business</u> license delinquency fee ((shall)) <u>must</u> be 9 assessed under chapter 19.02 RCW and ((shall)) <u>must</u> be paid by the 10 applicant before the renewal license is issued.

(2) If application for renewal of any license provided for in this 11 chapter other than the pesticide dealer license is not filed on or 12 before the expiration date of the license, a penalty equivalent to the 13 license fee ((shall)) must be assessed and added to the original fee, 14 15 and ((shall)) must be paid by the applicant before the renewal license 16 is issued((: PROVIDED, That)). However, such penalty ((shall)) does not apply if the applicant furnishes an affidavit certifying that he or 17 she has not acted as a licensee subsequent to the expiration of the 18 19 license.

20 (3) Any license for which a renewal application has been made, all 21 other requirements have been met, and the proper fee paid, continues in 22 full force and effect until the director notifies the applicant that 23 the license has been renewed or the application has been denied.

24 **Sec. 12.** RCW 18.44.031 and 2010 c 34 s 3 are each amended to read 25 as follows:

An application for an escrow agent license ((shall)) <u>must</u> be in writing in such form as is prescribed by the director, and ((shall)) <u>must</u> be verified on oath by the applicant. An application for an escrow agent license ((shall)) <u>must</u> include the following:

30 (1) The applicant's form of business organization and place of 31 organization;

32 (2) Information concerning the identity of the applicant, and its 33 officers, directors, owners, partners, controlling persons, and 34 employees, including fingerprints for submission to the Washington 35 state patrol, the federal bureau of investigation, and any government 36 agency or subdivision authorized to receive information for state and

national criminal history background checks; personal history; 1 2 experience; business record; purposes; and other pertinent facts, as the director may reasonably require. The director may also request 3 criminal history record information, including nonconviction data, as 4 defined by RCW 10.97.030. The department may disseminate nonconviction 5 data obtained under this section only to criminal justice agencies. б 7 The applicant must pay the cost of fingerprinting and processing the 8 fingerprints by the department;

(3) If the applicant is a corporation or limited liability company, 9 the address of its physical location, a list of officers, controlling 10 persons, and directors of such corporation or company and their 11 12 residential addresses, telephone numbers, and other identifying 13 information as the director may determine by rule. If the applicant is a sole proprietorship or partnership, the address of its business 14 location, a list of owners, partners, or controlling persons and their 15 residential addresses, telephone numbers, and other 16 identifying information as the director may determine by rule. Any information in 17 the application regarding the personal residential address or telephone 18 19 number of any officer, director, partner, owner, controlling person, or 20 employee is exempt from the public records disclosure requirements of 21 chapter 42.56 RCW;

(4) In the event the applicant is doing business under an assumed name, a copy of the ((master)) business license <u>issued through the</u> <u>business licensing system established under chapter 19.02 RCW</u>, with the registered trade name shown;

26 (5) The qualifications and business history of the applicant and 27 all of its officers, directors, owners, partners, and controlling 28 persons;

(6) A personal credit report from a recognized credit reporting
 bureau satisfactory to the director on all officers, directors, owners,
 partners, and controlling persons of the applicant;

32 (7) Whether any of the officers, directors, owners, partners, or 33 controlling persons have been convicted of any crime within the 34 preceding ten years which relates directly to the business or duties of 35 escrow agents, or have suffered a judgment within the preceding five 36 years in any civil action involving fraud, misrepresentation, any 37 unfair or deceptive act or practice, or conversion;

(8) The identity of the licensed escrow officer designated by the
 escrow agent as the designated escrow officer responsible for
 supervising the agent's escrow activity;

4 (9) Evidence of compliance with the bonding and insurance 5 requirements of RCW 18.44.201; and

6 (10) Any other information the director may require by rule. The 7 director may share any information contained within a license 8 application, including fingerprints, with the federal bureau of 9 investigation and other regulatory or law enforcement agencies.

10 Sec. 13. RCW 18.64.011 and 2009 c 549 s 1008 are each reenacted 11 and amended to read as follows:

12 <u>The definitions in this section apply throughout this chapter</u> 13 <u>unless the context clearly requires otherwise((, definitions of terms</u> 14 <u>shall be as indicated when used in this chapter</u>)).

(1) "Administer" means the direct application of a drug or device,
whether by injection, inhalation, ingestion, or any other means, to the
body of a patient or research subject.

(2) "Board" means the Washington state board of pharmacy.

19 (3) "Compounding" ((shall be)) means the act of combining two or 20 more ingredients in the preparation of a prescription.

(4) "Controlled substance" means a drug or substance, or an
 immediate precursor of such drug or substance, so designated under or
 pursuant to the provisions of chapter 69.50 RCW.

(5) "Deliver" or "delivery" means the actual, constructive, or
attempted transfer from one person to another of a drug or device,
whether or not there is an agency relationship.

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(6) "Department" means the department of health.

(7) "Device" means instruments, apparatus, and contrivances, including their components, parts, and accessories, intended (a) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in human beings or other animals, or (b) to affect the structure or any function of the body of human beings or other animals.

33 (8) "Dispense" means the interpretation of a prescription or order 34 for a drug, biological, or device and, pursuant to that prescription or 35 order, the proper selection, measuring, compounding, labeling, or 36 packaging necessary to prepare that prescription or order for delivery. (9) "Distribute" means the delivery of a drug or device other than
 by administering or dispensing.

(10) ((The words)) "Drug" and "devices" ((shall)) do not include 3 surgical or dental instruments or laboratory materials, gas and oxygen, 4 5 therapy equipment, X-ray apparatus or therapeutic equipment, their component parts or accessories, or equipment, instruments, apparatus, 6 7 or contrivances used to render such articles effective in medical, surgical, or dental treatment, or for use or consumption in or for 8 mechanical, industrial, manufacturing, or scientific applications or 9 purposes((, nor shall the word)). "Drug" also does not include any 10 article or mixture covered by the Washington pesticide control act 11 (chapter 15.58 RCW), as enacted or hereafter amended, nor medicated 12 13 feed intended for and used exclusively as a feed for animals other than 14 human beings.

15 (11) "Drugs" means:

(a) Articles recognized in the official United States pharmacopoeia
 or the official homeopathic pharmacopoeia of the United States;

(b) Substances intended for use in the diagnosis, cure, mitigation,
 treatment, or prevention of disease in human beings or other animals;

(c) Substances (other than food) intended to affect the structure
or any function of the body of human beings or other animals; or

(d) Substances intended for use as a component of any substances
specified in (a), (b), or (c) of this subsection, but not including
devices or their component parts or accessories.

(12) "Health care entity" means an organization that provides health care services in a setting that is not otherwise licensed by the state. Health care entity includes a freestanding outpatient surgery center or a freestanding cardiac care center. It does not include an individual practitioner's office or a multipractitioner clinic.

30 (13) "Labeling" ((shall)) means the process of preparing and 31 affixing a label to any drug or device container. The label must 32 include all information required by current federal and state law and 33 pharmacy rules.

(14) "Legend drugs" means any drugs which are required by any
 applicable federal or state law or regulation to be dispensed on
 prescription only or are restricted to use by practitioners only.

37 (15) "Manufacture" means the production, preparation, propagation,38 compounding, or processing of a drug or other substance or device or

the packaging or repackaging of such substance or device, or the labeling or relabeling of the commercial container of such substance or device, but does not include the activities of a practitioner who, as an incident to his or her administration or dispensing such substance or device in the course of his or her professional practice, prepares, compounds, packages, or labels such substance or device.

7 (16) "Manufacturer" ((shall)) means a person, corporation, or other
8 entity engaged in the manufacture of drugs or devices.

9 (17) "((Master-license)) <u>Business\_licensing</u> system" means the 10 mechanism established by chapter 19.02 RCW by which ((master)) <u>business</u> 11 licenses, endorsed for individual state-issued licenses, are issued and 12 renewed utilizing a ((master)) <u>business\_license</u> application and a 13 ((master)) <u>business</u> license expiration date common to each renewable 14 license endorsement.

15 (18) "Nonlegend" or "nonprescription" drugs means any drugs which 16 may be lawfully sold without a prescription.

(19) "Person" means an individual, corporation, government,
 governmental subdivision or agency, business trust, estate, trust,
 partnership or association, or any other legal entity.

(20) "Pharmacist" means a person duly licensed by the Washingtonstate board of pharmacy to engage in the practice of pharmacy.

(21) "Pharmacy" means every place properly licensed by the board ofpharmacy where the practice of pharmacy is conducted.

(22) ((The word)) "Poison" ((shall)) does not include any article
 or mixture covered by the Washington pesticide control act (chapter
 15.58 RCW), as enacted or hereafter amended.

27 (23) "Practice of pharmacy" includes the practice of and responsibility for: Interpreting prescription orders; the compounding, 28 dispensing, labeling, administering, and distributing of drugs and 29 devices; the monitoring of drug therapy and use; the initiating or 30 modifying of drug therapy in accordance with written guidelines or 31 32 protocols previously established and approved for his or her practice by a practitioner authorized to prescribe drugs; the participating in 33 drug utilization reviews and drug product selection; the proper and 34 safe storing and distributing of drugs and devices and maintenance of 35 proper records thereof; the providing of information on legend drugs 36 37 which may include, but is not limited to, the advising of therapeutic 38 values, hazards, and the uses of drugs and devices.

(24) "Practitioner" means a physician, dentist, veterinarian,
 nurse, or other person duly authorized by law or rule in the state of
 Washington to prescribe drugs.

4 (25) "Prescription" means an order for drugs or devices issued by 5 a practitioner duly authorized by law or rule in the state of 6 Washington to prescribe drugs or devices in the course of his or her 7 professional practice for a legitimate medical purpose.

8 (26) "Secretary" means the secretary of health or the secretary's9 designee.

10 (27) "Wholesaler" ((shall)) means a corporation, individual, or 11 other entity which buys drugs or devices for resale and distribution to 12 corporations, individuals, or entities other than consumers.

13 Sec. 14. RCW 18.64.044 and 2005 c 388 s 5 are each amended to read 14 as follows:

(1) A shopkeeper registered as provided in this section may sell nonprescription drugs, if such drugs are sold in the original package of the manufacturer.

(2) Every shopkeeper not a licensed pharmacist, desiring to secure 18 19 the benefits and privileges of this section, is ((hereby)) required to 20 register as a shopkeeper through the ((master license system)) business 21 licensing system established under chapter 19.02 RCW, and he or she 22 ((<del>shall</del>)) <u>must</u> pay the fee determined by the secretary for registration, and on a date to be determined by the secretary 23 24 thereafter the fee determined by the secretary for renewal of the registration; and ((shall)) must at all times keep said registration or 25 26 the current renewal thereof conspicuously exposed in the location to 27 In event such shopkeeper's registration is not which it applies. renewed by the ((master)) business license expiration date, no renewal 28 29 or new registration ((shall)) may be issued except upon payment of the 30 registration renewal fee and the ((master)) business license 31 delinguency fee under chapter 19.02 RCW. This registration fee ((shall)) does not authorize the sale of legend drugs or controlled 32 33 substances.

34 (3) The registration fees determined by the secretary under 35 subsection (2) of this section ((shall)) may not exceed the cost of 36 registering the shopkeeper.

1 (4) Any shopkeeper who ((shall)) vends or sells, or offers to sell 2 to the public any such nonprescription drug or preparation without 3 having registered to do so as provided in this section, ((shall be)) is 4 guilty of a misdemeanor and each sale or offer to sell ((shall)) 5 constitutes a separate offense.

(5) A shopkeeper who is not a licensed pharmacy may purchase 6 7 products containing any detectable quantity of ephedrine, pseudoephedrine, or phenylpropanolamine, or their salts, isomers, or 8 salts of isomers, only from a wholesaler licensed by the department 9 10 under RCW 18.64.046 or from a manufacturer licensed by the department under RCW 18.64.045. The board ((shall)) must issue a warning to a 11 12 shopkeeper who violates this subsection, and may suspend or revoke the 13 registration of the shopkeeper for a subsequent violation.

14 (6) A shopkeeper who has purchased products containing any 15 detectable quantity of ephedrine, pseudoephedrine, or 16 phenylpropanolamine, or their salts, isomers, or salts of isomers, in 17 a suspicious transaction as defined in RCW 69.43.035, is subject to the 18 following requirements:

(a) The shopkeeper may not sell any quantity of ephedrine, 19 pseudoephedrine, or phenylpropanolamine, or their salts, isomers, or 20 21 salts of isomers, if the total monthly sales of these products exceed ten percent of the shopkeeper's total prior monthly sales 22 of nonprescription drugs in March through October. In November through 23 24 February, the shopkeeper may not sell any quantity of ephedrine, 25 pseudoephedrine, or phenylpropanolamine, or their salts, isomers, or salts of isomers, if the total monthly sales of these products exceed 26 27 twenty percent of the shopkeeper's total prior monthly sales of nonprescription drugs. For purposes of this section, "monthly sales" 28 means total dollars paid by buyers. The board may suspend or revoke 29 the registration of a shopkeeper who violates this subsection. 30

(b) The shopkeeper ((shall)) <u>must</u> maintain inventory records of the receipt and disposition of nonprescription drugs, utilizing existing inventory controls if an auditor or investigator can determine compliance with (a) of this subsection, and otherwise in the form and manner required by the board. The records must be available for inspection by the board or any law enforcement agency and must be maintained for two years. The board may suspend or revoke the

1 registration of a shopkeeper who violates this subsection. For 2 purposes of this subsection, "disposition" means the return of product 3 to the wholesaler or distributor.

4 **Sec. 15.** RCW 19.02.010 and 1982 c 182 s 1 are each amended to read 5 as follows:

6 (1) Experience under the pilot program of the business coordination 7 act suggests that the number of state licenses required for new 8 businesses and the renewal of existing licenses places an undue burden 9 on business. Studies under this act also show that the state can reduce its costs by coordinating and consolidating application forms, 10 11 information, and licenses. Therefore, the legislature extends the business coordination act by establishing a business license program 12 and license center to develop and implement the following goals and 13 objectives: 14

15 (((1))) (a) The first goal of this system is to provide a 16 convenient, accessible, and timely one-stop system for the business 17 community to acquire and maintain the necessary state licenses to 18 conduct business. This system ((shall)) must be developed and operated 19 in the most cost-efficient manner for the business community and state. 20 The objectives of this goal are:

((<del>(a)</del>)) <u>(i)</u> To provide a service whereby information is available to the business community concerning all state licensing and regulatory requirements, and to the extent feasible, include local and federal information concerning the same regulated activities;

25 ((<del>(b)</del>)) <u>(ii)</u> To provide a system which ((<del>will</del>)) enables state 26 agencies to efficiently store, retrieve, and exchange license 27 information with due regard to privacy statutes; to issue and renew 28 ((<del>master</del>)) <u>business</u> licenses where such licenses are appropriate; and 29 to provide appropriate support services for this objective;

30 ((<del>(c)</del>)) <u>(iii)</u> To provide at designated locations one consolidated 31 application form to be completed by any given applicant; and

32 ((<del>(d)</del>)) <u>(iv)</u> To provide a statewide system of common business 33 identification.

34 ((<del>(2)</del>)) <u>(b)</u> The second goal of this system is to aid business and 35 the growth of business in Washington state by instituting a ((<del>master</del>)) 36 <u>business</u> license system that ((<del>will</del>)) reduce<u>s</u> the paperwork burden on 1 business, and promote the elimination of obsolete and duplicative 2 licensing requirements by consolidating existing licenses and 3 applications.

4 (2) It is the intent of the legislature that the authority for
5 determining if a requested license ((shall-be)) is issued ((shall))
6 remains with the agency legally authorized to issue the license.

7 (3) It is the further intent of the legislature that those licenses
8 which no longer serve a useful purpose in regulating certain business
9 activities should be eliminated.

10 Sec. 16. RCW 19.02.020 and 2011 c 298 s 4 are each reenacted and 11 amended to read as follows:

12 The definitions in this section apply throughout this chapter 13 unless the context clearly requires otherwise.

14 (1) <u>"Business license" means the single document designed for</u> 15 <u>public\_display\_issued\_by\_the\_business\_licensing\_service, which</u> 16 <u>certifies state agency or local government license approval and which</u> 17 <u>incorporates the endorsements for individual licenses included in the</u> 18 <u>business licensing system, which the state or local government requires</u> 19 <u>for any person subject to this chapter.</u>

20 (2) "Business license application" means a document incorporating 21 pertinent data from existing applications for licenses covered under 22 this chapter.

23 (3) "Business ((license-center)) licensing service" means the 24 business registration and licensing ((center)) service established by 25 this chapter and located in and under the administrative control of the 26 department of revenue.

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

27

28 ((<del>(3)</del>)) <u>(5)</u> "Director" means the director of ((revenue)) the 29 department.

30 (((4))) (6) "License" means the whole or part of any agency or 31 local government permit, license, certificate, approval, registration, 32 charter, or any form or permission required by law, including agency 33 rule, to engage in any activity.

34 ((<del>(5)</del>)) <u>(7)</u> "License information packet" means a collection of 35 information about licensing requirements and application procedures 36 custom-assembled for each request.

1 (((<del>(6) "Master application" means a document incorporating pertinent</del> 2 data-from-existing-applications-for-licenses-covered-under-this 3 chapter.

4 (7) "Master license" means the single document designed for public display-issued-by-the-business-license-center-which-certifies-state agency or local government license approval and which incorporates the endorsements-for-individual-licenses-included-in-the-master-license system, which-the-state-or-local-government-requires for any person subject to this chapter.))

10 (8) "Participating local government" means a municipal corporation 11 or political subdivision that participates in the ((master license)) 12 <u>business licensing</u> system established by this chapter.

13 (9) "Person" means any individual, sole proprietorship, 14 partnership, association, cooperative, corporation, nonprofit organization, state or local government agency, and any other 15 16 organization required to register with the state or a participating 17 local government to do business in the state or the participating local government and to obtain one or more licenses from the state or any of 18 19 its agencies or the participating local government.

20 (10) "Regulatory" means all licensing and other governmental or 21 statutory requirements pertaining to business or professional 22 activities.

(11) "Regulatory agency" means any state agency, board, commission,
 division, or local government that regulates one or more professions,
 occupations, industries, businesses, or activities.

(12) "Renewal application" means a document used to collectpertinent data for renewal of licenses covered under this chapter.

(13) "System" or "((master-license)) <u>business licensing</u> system" means the procedure by which ((master)) <u>business</u> licenses are issued and renewed, license and regulatory information is collected and disseminated with due regard to privacy statutes, and account data is exchanged by the agencies and participating local governments.

33 Sec. 17. RCW 19.02.030 and 2011 c 298 s 5 are each amended to read 34 as follows:

35 (1) There is located within the department a business ((license 36 center)) licensing service. 1 (2) The duties of the ((center)) <u>business\_licensing\_service</u> 2 include:

3 (a) Developing and administering a computerized one-stop ((master 4 license)) business licensing system capable of storing, retrieving, and 5 exchanging license information with due regard to privacy statutes, as 6 well as issuing and renewing ((master)) business licenses in an 7 efficient manner;

8 (b) Providing a license information service detailing requirements9 to establish or engage in business in this state;

10 (c) Providing for staggered ((master)) business license renewal
11 dates;

12 (d) Identifying types of licenses appropriate for inclusion in the 13 ((master license)) <u>business licensing</u> system;

(e) Recommending in reports to the governor and the legislature the
 elimination, consolidation, or other modification of duplicative,
 ineffective, or inefficient licensing or inspection requirements; and

17 (f) Incorporating licenses into the ((master-license)) business
18 licensing system.

(3) The department may adopt under chapter 34.05 RCW such rules asmay be necessary to effectuate the purposes of this chapter.

21 **Sec. 18.** RCW 19.02.035 and 1982 c 182 s 4 are each amended to read 22 as follows:

(1) The business ((license center shall)) licensing service must 23 24 compile information regarding the regulatory programs associated with each of the licenses obtainable under the ((master license)) business 25 26 <u>licensing</u> system. This information ((shall)) <u>must</u> include, at a minimum, a listing of the statutes and administrative rules requiring 27 the licenses and pertaining to the regulatory programs that are 28 29 directly related to the licensure. For example, for pesticide dealers' 30 licenses, the information ((shall)) <u>must</u> include the statutes and rules 31 requiring licensing as well as those pertaining to the subject of registering or distributing pesticides. 32

33 (2) The business ((license center shall)) licensing service must 34 provide information governed by this section to any person requesting 35 it. Materials used by the ((center to describe the services provided 36 by-the-center-shall)) business\_licensing\_service\_to\_describe\_its 37 services must indicate that this information is available upon request.

1 Sec. 19. RCW 19.02.070 and 2011 c 298 s 7 are each amended to read
2 as follows:

(1) Any person requiring licenses ((which)) that have been
incorporated into the system must submit a ((master)) business license
application to the department requesting the issuance of the licenses.
The ((master)) business license application form must contain in
consolidated form information necessary for the issuance of the
licenses.

9 (2) The applicant must include with the application the sum of all 10 fees and deposits required for the requested individual license 11 endorsements as well as the handling fee established by the department 12 under the authority of RCW 19.02.075.

13 (3) Irrespective of any authority delegated to the department to 14 implement the provisions of this chapter, the authority for approving issuance and renewal of any requested license that requires a 15 prelicensing or renewal investigation, inspection, testing, or other 16 17 judgmental review by the regulatory agency otherwise legally authorized to issue the license must remain with that agency. The business 18 ((license center)) licensing service has the authority to issue those 19 licenses for which proper fee payment and a completed application form 20 21 have been received and for which no prelicensing or renewal approval 22 action is required by the regulatory agency.

(4) Upon receipt of the application and proper fee payment for any 23 24 license for which issuance is subject to regulatory agency action under 25 subsection (3) of this section, the department must immediately notify the regulatory agency with authority to approve issuance or renewal of 26 27 the license requested by the applicant. Each regulatory agency must advise the department within a reasonable time after receiving the 28 notice: (a) That the agency approves the issuance of the requested 29 license and will advise the applicant of any specific conditions 30 31 required for issuing the license; (b) that the agency denies the 32 issuance of the license and gives the applicant reasons for the denial; or (c) that the application is pending. 33

34 (5) The department must issue a ((master)) <u>business</u> license 35 endorsed for all the approved licenses to the applicant and advise the 36 applicant of the status of other requested licenses. It is the 37 responsibility of the applicant to contest the decision regarding conditions imposed or licenses denied through the normal process
 established by statute or by the regulatory agency with the authority
 for approving issuance of the license.

4 (6) Regulatory agencies must be provided information from the 5 ((master)) <u>business\_license</u> application for their licensing and 6 regulatory functions.

7 **Sec. 20.** RCW 19.02.075 and 2011 c 298 s 8 are each amended to read 8 as follows:

9 The department must collect a handling fee on each ((master)) business license application and each renewal application filing. 10 The 11 department must set the amount of the handling fees by rule, as 12 authorized by RCW 19.02.030. The handling fees may not exceed nineteen dollars for each ((master)) business license application, and eleven 13 dollars for each business license renewal application filing, and must 14 15 be deposited in the ((master license fund)) business license account. 16 The department may increase handling and renewal fees for the purposes 17 of making improvements in the ((master-license)) business\_licensing 18 service program, including improvements in technology and customer services, expanded access, and infrastructure. 19

20 **Sec. 21.** RCW 19.02.080 and 1992 c 107 s 3 are each amended to read 21 as follows:

All fees collected under the system ((shall)) <u>must</u> be deposited with the state treasurer. Upon issuance or renewal of the ((master)) <u>business</u> license or supplemental licenses, the department ((shall)) <u>must</u> distribute the fees, except for fees covered under RCW 19.02.210 and for fees covered under RCW 19.80.075, to the appropriate accounts under the applicable statutes for those agencies' licenses.

28 Sec. 22. RCW 19.02.085 and 1992 c 107 s 5 are each amended to read 29 as follows:

To encourage timely renewal by applicants, a ((master)) business license delinquency fee ((shall be)) is imposed on licensees who fail to renew by the ((master)) business license expiration date. The ((master)) business license delinquency fee ((shall)) must be the lesser of one hundred fifty dollars or fifty percent of a base comprised of the licensee's renewal fee minus corporate licensing

taxes, corporation annual report fee, and any interest fees or penalties charged for late taxes or corporate renewals. The ((master)) <u>business</u> license delinquency fee ((shall)) <u>must</u> be added to the renewal fee and paid by the licensee before a ((master)) <u>business</u> license ((shall-be)) <u>is</u> renewed. The delinquency fee ((shall)) <u>must</u> be deposited in the ((master license fund)) <u>business license account</u>.

7 **Sec. 23.** RCW 19.02.090 and 1982 c 182 s 8 are each amended to read 8 as follows:

9 (1) The department ((shall)) <u>must</u> assign an expiration date for 10 each ((master)) <u>business</u> license. All renewable licenses endorsed on 11 that ((master)) <u>business</u> license ((shall)) <u>must</u> expire on that date. 12 License fees ((shall)) <u>must</u> be prorated to accommodate the staggering 13 of expiration dates.

(2) All renewable licenses endorsed on a ((master)) business
 license ((shall)) must be renewed by the department under conditions
 originally imposed unless a regulatory agency advises the department of
 conditions or denials to be imposed before the endorsement is renewed.

18 Sec. 24. RCW 19.02.100 and 2011 c 298 s 9 are each amended to read 19 as follows:

20 (1) The department may ((not)) <u>refuse to</u> issue or renew a 21 ((master)) <u>business</u> license to any person if:

(a) The person does not have a valid tax registration, if requiredby a regulatory agency;

(b) The person is a corporation delinquent in fees or penalties 24 25 owing to the secretary of state or is not validly registered under Title 23B RCW, chapter 18.100 RCW, Title 24 RCW, or any other statute 26 27 now or hereafter adopted which gives corporate or business licensing responsibilities to the secretary of state if the person is required to 28 29 be so registered <u>and the regulatory agency having the authority to</u> 30 approve the issuance or renewal of the license requires, as a condition of such approval, that the person be so registered or not delinquent in 31 fees or penalties owing to the secretary of state; or 32

33 (c) The person has not submitted the sum of all fees and deposits 34 required for the requested individual license endorsements, any 35 outstanding ((master)) <u>business</u> license delinquency fee, or other fees 36 and penalties to be collected through the system. 1 (2) Nothing in this section prevents registration by the state of 2 a business for taxation purposes, or an employer for the purpose of 3 paying an employee of that employer industrial insurance or 4 unemployment insurance benefits.

5 ((<del>(3)</del>-The-department-must-immediately-suspend-the-license-or certificate-of-a-person-who-has-been-certified-pursuant-to-RCW б 7 74.20A.320 by the department of social and health services as a person 8 who-is-not-in-compliance-with-a-support-order. If-the-person-has 9 continued to meet all other requirements for reinstatement during the 10 suspension, reissuance of the license or certificate is automatic upon 11 the-department's-receipt-of-a-release-issued-by-the-department-of 12 social and health services stating that the licensee is in compliance 13 with the order.))

14 **Sec. 25.** RCW 19.02.110 and 2007 c 52 s 1 are each amended to read 15 as follows:

16 (1) In addition to the licenses processed under the ((master 17 license)) business licensing system prior to April 1, 1982, on July 1, 18 1982, use of the ((master license system shall be)) business licensing 19 system is expanded as provided by this section.

20 (2) Applications for the following ((shall)) <u>must</u> be filed with the 21 business ((license-center-and-shall)) <u>licensing service and must</u> be 22 processed, and renewals ((shall)) <u>must</u> be issued, under the ((master 23 license)) <u>business licensing</u> system:

24 ((<del>(1)</del>)) <u>(a)</u> Nursery dealer's licenses required by chapter 15.13 25 RCW;

26

((<del>(2)</del>)) <u>(b)</u> Seed dealer's licenses required by chapter 15.49 RCW;

27 ((<del>(3)</del>)) <u>(c)</u> Pesticide dealer's licenses required by chapter 15.58 28 RCW;

29 ((<del>(4)</del>)) <u>(d)</u> Shopkeeper's licenses required by chapter 18.64 RCW;

30 ((<del>(5)</del>)) <u>(e)</u> Egg dealer's licenses required by chapter 69.25 RCW.

31 **Sec. 26.** RCW 19.02.115 and 2011 c 298 s 12 are each amended to 32 read as follows:

33 (1) For purposes of this section:

34 (a) "Disclose" means to make known to any person in any manner35 licensing information;

(b) "Licensing information" means any information created or 1 2 obtained by the department in the administration of this chapter and chapters 19.80 and 59.30 RCW, which information relates to any person 3 who: (i) Has applied for or has been issued a license or trade name; 4 5 or (ii) has been issued an assessment or delinquency fee. Licensing information includes ((master applications, renewal applications, and 6 7 master)) initial and renewal business license applications, and 8 business licenses; ((and))

9 (c) <u>"Person" has the same meaning as in RCW 82.04.030 and also</u> 10 <u>includes the state and the state's departments and institutions; and</u>

11 (d) "State agency" means every Washington state office, department, 12 division, bureau, board, commission, or other state agency.

13 (2) Licensing information is confidential and privileged, and 14 except as authorized by this section, neither the department nor any 15 other person may disclose any licensing information. Nothing in this 16 chapter requires any person possessing licensing information made 17 confidential and privileged by this section to delete information from 18 such information so as to permit its disclosure.

19 (3) This section does not prohibit the department of revenue, or 20 <u>any other person receiving licensing information from the department</u> 21 <u>under this subsection</u>, from:

(a) Disclosing licensing information in a civil or criminaljudicial proceeding or an administrative proceeding:

(i) In which the person about whom such licensing information is
 sought and the department, another state agency, or a local government
 are adverse parties in the proceeding; or

27 (ii) Involving a dispute arising out of the department's 28 administration of chapter  $((\frac{19.02}{7}))$  19.80 $((\frac{1}{7}))$  or 59.30 RCW, or this 29 <u>chapter</u> if the licensing information relates to a party in the 30 proceeding;

31 (b) Disclosing, subject to such requirements and conditions as the 32 director prescribes by rules adopted pursuant to chapter 34.05 RCW, such licensing information regarding a license applicant or license 33 holder to such license applicant or license holder or to such person or 34 persons as that license applicant or license holder may designate in a 35 request for, or consent to, such disclosure, or to any other person, at 36 37 the license applicant's or license holder's request, to the extent 38 necessary to comply with a request for information or assistance made

by the license applicant or license holder to such other person. 1 2 However, licensing information not received from the license applicant or holder must not be so disclosed if the director determines that such 3 disclosure would compromise any investigation or litigation by any 4 5 federal, state, or local government agency in connection with the civil or criminal liability of the license applicant, license holder, or 6 7 another person, or that such disclosure would identify a confidential 8 informant, or that such disclosure is contrary to any agreement entered 9 into by the department that provides for the reciprocal exchange of information with other government agencies, which agreement requires 10 confidentiality with respect to such information unless 11 such information is required to be disclosed to the license applicant or 12 13 license holder by the order of any court;

14 (c) Publishing statistics so classified as to prevent the 15 identification of particular licensing information;

(d) Disclosing licensing information for official purposes only, to the governor or attorney general, or to any state agency, or to any committee or subcommittee of the legislature dealing with matters of taxation, revenue, trade, commerce, the control of industry or the professions, or licensing;

(e) Permitting the department's records to be audited and examined
by the proper state officer, his or her agents and employees;

(f) Disclosing any licensing information to a peace officer as 23 24 defined in RCW 9A.04.110 or county prosecuting attorney, for official 25 purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for 26 27 the purpose of criminal tax or license enforcement. A peace officer or county prosecuting attorney who receives the licensing information may 28 disclose that licensing information only for use in the investigation 29 and a related court proceeding, or in the court proceeding for which 30 31 the licensing information originally was sought;

(g) Disclosing, in a manner that is not associated with other licensing information, the name of a license applicant or license holder, entity type, registered trade name, business address, mailing address, unified business identifier number, list of licenses issued to a person through the ((master-license)) <u>business\_licensing</u> system established in <u>this</u> chapter ((<del>19.02</del>-RCW)) and their issuance and expiration dates, and the dates of opening of a business((<del>...The</del>

1 department is authorized to give, sell, or provide access to lists of 2 licensing information under this subsection (3)(g) that will be used 3 for commercial purposes));

4 (h) Disclosing licensing information that is also maintained by 5 another Washington state or local governmental agency as a public 6 record available for inspection and copying under the provisions of 7 chapter 42.56 RCW or is a document maintained by a court of record and 8 is not otherwise prohibited from disclosure;

9 (i) Disclosing any licensing information when the disclosure is 10 specifically authorized under any other section of the Revised Code of 11 Washington;

(j) Disclosing licensing information to the proper officer of the licensing or tax department of any city, town, or county of this state, for official purposes. If the licensing information does not relate to a license issued by the city, town, or county requesting the licensing information, disclosure may be made only if the laws of the requesting city, town, or county grants substantially similar privileges to the proper officers of this state; or

(k) Disclosing licensing information to the federal government forofficial purposes.

(4) ((The department)) Notwithstanding anything to the contrary in this section, a state agency or local government agency may disclose licensing information relating to a license issued on its behalf by the department pursuant to this chapter if the disclosure is authorized by another statute, local law, or administrative rule.

26 (5) The department, any other state agency, or local government may 27 refuse to disclose licensing information that is otherwise disclosable 28 under subsection (3) of this section if such disclosure would violate 29 federal law or any information sharing agreement between the state or 30 local government and federal government.

31 (((5))) <u>(6)</u> Any person acquiring knowledge of any licensing 32 information in the course of his or her employment with the department and any person acquiring knowledge of any licensing information as 33 provided under subsection (3)(d), (e), (f), (j), or (k) of this 34 section, who discloses any such licensing information to another person 35 not entitled to knowledge of such licensing information under the 36 37 provisions of this section, is guilty of a misdemeanor. If the person 38 guilty of such violation is an officer or employee of the state, such 1 person must forfeit such office or employment and is incapable of 2 holding any public office or employment in this state for a period of 3 two years thereafter.

4 **Sec. 27.** RCW 19.02.210 and 1992 c 107 s 4 are each amended to read 5 as follows:

6 The ((master license fund)) business license account is created in 7 the state treasury. Unless otherwise indicated in RCW 19.02.075, all 8 receipts from handling and ((master)) business license delinquency fees ((shall)) must be deposited into the ((fund)) account. Moneys in the 9 ((fund)) account may be spent only after appropriation beginning in 10 11 fiscal year 1993. Expenditures from the ((fund)) account may be used only to administer the ((master license services)) business licensing 12 service program. 13

14 **Sec. 28.** RCW 19.02.310 and 2005 c 201 s 1 are each amended to read 15 as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the department ((shall)) may administer a performance-based grant program that provides funding assistance to public agencies that issue business licenses and that wish to join with the department's ((master)) business licensing service.

(2) The department may determine among interested grant applicants the order and the amount of the grant. In making grant determinations, consideration must be given, but not limited to, the following criteria: Readiness of the public agency to participate; the number of renewable licenses; and the reduced regulatory impact to businesses subject to licensure relative to the overall investment required by the department.

(3) The department ((shall)) <u>must</u> invite and encourage
 participation by all Washington city and county governments having
 interests or responsibilities relating to business licensing.

(4) The total amount of grants provided under this section may not
 exceed seven hundred fifty thousand dollars in any one fiscal year.

(5) The source of funds for this grant program is the ((master))
 <u>business</u> license account.

1 Sec. 29. RCW 19.02.800 and 2011 c 298 s 10 are each amended to
2 read as follows:

Except as provided in RCW 43.07.200, the provisions of this chapter regarding the processing of license applications and renewals under ((a master license)) the business licensing system do not apply to those business or professional activities that are licensed or regulated under chapter 31.04, 31.12, or 31.13 RCW or under Title 30, 32, 33, or 8 48 RCW.

9 **Sec. 30.** RCW 19.02.890 and 1982 c 182 s 18 are each amended to 10 read as follows:

11 This chapter may be known and cited as the business ((<del>license</del> 12 <del>center</del>)) <u>licensing service</u> act.

13 <u>NEW SECTION.</u> Sec. 31. A new section is added to chapter 19.80 RCW 14 to read as follows:

15 (1) The department may require the renewal of trade names and 16 establish a process for renewing trade names. Any such renewal process 17 may not require renewals of trade names more often than annually and 18 must allow persons to renew their trade name at the same time they are 19 required to renew their business license.

20 (2) The department may cancel a person's trade name upon request of 21 the person the trade name is registered to or when the person's 22 business license account with the department's business licensing 23 service is inactive. The department may also provide for the cancellation of trade names under circumstances as defined by the 24 25 department by rule, which may include failure to renew a trade name 26 under a renewal process as may be established by the department under the authority of subsection (1) of this section. 27

28 (3)(a) The department must make a reasonable effort to notify a 29 person that the department intends to cancel the person's trade name. 30 This notice is not required when a request for cancelation of a trade name is received by the department from the person the trade name was 31 or the person's authorized representative. 32 registered to The department may comply with this subsection either by mailing the notice 33 34 to the person's last known address on record with the department or by 35 providing the notice electronically instead of by mail. Such 36 electronic notice is not subject to the confidentiality provisions of

1 RCW 19.02.115 and may be sent by e-mail to the person's last known 2 e-mail address on record with the department. However, if the 3 department sends a notice by e-mail and is notified that the e-mail is 4 undeliverable, the department must resend the notice by mail to the 5 person's last known address on record with the department.

6 (b) The department may cancel a trade name unless, within twenty 7 days of sending the notice required under this subsection, the person 8 notifies the department in writing not to cancel the person's trade 9 name and pays any applicable renewal fee.

10 (4) The department may remove any canceled trade names from its 11 database of trade names.

12 (5) "Business license" and "business licensing service" have the13 same meaning as in RCW 19.02.020.

14 **Sec. 32.** RCW 19.80.010 and 2011 c 298 s 14 are each amended to 15 read as follows:

Each person or persons who carries on, conducts, or transacts business in this state under any trade name must register that trade name with the department as provided in this section.

(1) Sole proprietorship or general partnership: The registration must set forth the true and real name or names of each person conducting the same, together with the post office address or addresses of each such person and the name of the general partnership, if applicable.

(2) Foreign or domestic limited partnership: The registration must
 set forth the limited partnership name as filed with the office of the
 secretary of state.

(3) Foreign or domestic limited liability company: The
registration must set forth the limited liability company name as filed
with the office of the secretary of state.

30 (4) Foreign or domestic corporation: The registration must set 31 forth the corporate name as filed with the office of the secretary of 32 state.

33 (5) Other business entities: The registration must set forth the 34 entity's name as required by the department.

35 **Sec. 33.** RCW 19.80.075 and 2011 c 298 s 17 are each amended to 36 read as follows:

All fees collected by the department under this chapter must be deposited with the state treasurer and credited to the ((master license fund)) business license account.

4 **Sec. 34.** RCW 19.94.015 and 2011 c 298 s 19 and 2011 c 103 s 38 are 5 each reenacted and amended to read as follows:

(1) Except as provided in subsection (4) of this section for the 6 7 initial registration of an instrument or device, no weighing or 8 measuring instrument or device may be used for commercial purposes in the state unless its commercial use is registered annually. 9 If its commercial use is within a city that has a city sealer and a weights 10 and measures program as provided by RCW 19.94.280, the commercial use 11 of the instrument or device must be registered with the city if the 12 city has adopted fees pursuant to subsection (2) of this section. 13 Ιf its commercial use is outside of such a city, the commercial use of the 14 15 instrument or device must be registered with the department.

16 (2) A city with such a sealer and program may establish an annual fee for registering the commercial use of such a weighing or measuring 17 instrument or device with the city. The annual fee may not exceed the 18 fee established in RCW 19.94.175 for registering the use of a similar 19 instrument or device with the department. Fees upon weighing or 20 21 measuring instruments or devices within the jurisdiction of the city that are collected under this subsection by city sealers must be 22 23 deposited into the general fund, or other account, of the city as 24 directed by the governing body of the city.

(3) Registrations with the department are accomplished as part of
the ((master license)) business licensing system under chapter 19.02
RCW. Payment of the registration fee for a weighing or measuring
instrument or device under the ((master license)) business licensing
system constitutes the registration required by this section.

30 (4) The fees established by or under RCW 19.94.175 for registering 31 a weighing or measuring instrument or device must be paid to the department of revenue concurrently with an application for a ((master)) 32 business license under chapter 19.02 RCW or with the annual renewal of 33 a ((master)) business license under chapter 19.02 RCW. A weighing or 34 measuring instrument or device must be initially registered with the 35 36 state at the time the owner applies for a ((master)) business license 37 for a new business or at the first renewal of the license that occurs

1 after the instrument or device is first placed into commercial use.
2 The department of revenue must remit to the department of agriculture
3 all fees collected under this provision less reasonable collection
4 expenses.

5 (5) Each city charging registration fees under this section must 6 notify the department of agriculture at the time such fees are adopted 7 and whenever changes in the fees are adopted.

8 **Sec. 35.** RCW 19.94.2582 and 2006 c 358 s 5 are each amended to 9 read as follows:

10 (1) Each request for an official registration certificate ((shall)) 11 <u>must</u> be in writing, under oath, and on a form prescribed by the 12 department and ((shall)) <u>must</u> contain any relevant information as the 13 director may require, including but not limited to the following:

(a) The name and address of the person, corporation, partnership,or sole proprietorship requesting registration;

16 (b) The names and addresses of all individuals requesting an 17 official registration certificate from the department; and

(c) The tax registration number as required under RCW 82.32.030 or ((uniform)) <u>unified</u> business identifier provided on a ((master)) <u>business</u> license issued under RCW 19.02.070.

(2) Each individual when submitting a request for an official registration certificate or a renewal of such a certificate ((shall)) <u>must</u> pay a fee to the department in the amount of one hundred sixty dollars per individual.

(3) The department ((shall)) <u>must</u> issue a decision on a request for an official registration certificate within twenty days of receipt of the request. If an individual is denied their request for an official registration certificate, the department must notify that individual in writing stating the reasons for the denial and ((shall)) <u>must</u> refund any payments made by that individual in connection with the request.

31 **Sec. 36.** RCW 35.21.392 and 2011 c 298 s 22 are each amended to 32 read as follows:

A city that issues a business license to a person required to be registered under chapter 18.27 RCW may verify that the person is registered under chapter 18.27 RCW and report violations to the

1 department of labor and industries. The department of revenue must 2 conduct the verification for cities that participate in the ((master 3 license)) business licensing system.

4 Sec. 37. RCW 35A.21.340 and 2011 c 298 s 23 are each amended to 5 read as follows:

A city that issues a business license to a person required to be registered under chapter 18.27 RCW may verify that the person is registered under chapter 18.27 RCW and report violations to the department of labor and industries. The department of revenue must conduct the verification for cities that participate in the ((master license)) business licensing system.

12 **Sec. 38.** RCW 36.110.130 and 1995 c 154 s 3 are each amended to 13 read as follows:

14 In the event of a failure such as a bankruptcy or dissolution, of 15 a private sector business, industry, or nonprofit organization engaged 16 in a free venture industry agreement, responsibility for obligations 17 under Title 51 RCW ((shall)) must be borne by the city or county responsible for establishment of the free venture industry agreement, 18 19 as if the city or county had been the employing agency. To ensure that 20 this obligation can be clearly identified and accomplished, and to 21 provide accountability for purposes of the department of labor and 22 industries, a free venture jail industry agreement entered into by a 23 city or county and private sector business, industry, or nonprofit organization should be filed under a separate ((master-business 24 25 application)) business license application in accordance with chapter 19.02 RCW, establishing a new and separate account with the department 26 of labor and industries, and not be reported under an existing account 27 for parties to the free venture industry agreement. 28

29 Sec. 39. RCW 43.22.035 and 2007 c 287 s 2 are each amended to read 30 as follows:

When an employer initially files a ((master)) <u>business license</u> application under chapter 19.02 RCW for the purpose, in whole or in part, of registering to pay industrial insurance taxes, the department ((shall)) <u>must</u> send to the employer any printed material the department

1 recommends or requires the employer to post. Any time the printed 2 material has substantive changes in the information, the department 3 ((shall)) must send a copy to each employer.

4 **Sec. 40.** RCW 46.72A.020 and 2011 c 374 s 2 are each amended to 5 read as follows:

6 (1) Contact by a customer or customer's agent to engage the 7 services of a carrier's limousine must be initiated by a customer or customer's agent at a time and place different from the customer's time 8 9 and place of departure. The fare for service must be agreed upon prior to departure. Under no circumstances may customers or customers' 10 11 agents make arrangements to immediately engage the services of a 12 carrier's limousine with the chauffeur, even if the chauffeur is an owner or officer of the company, with the single exception of stand-13 hail limousines only at a facility owned and operated by a port 14 15 district in a county with a population of one million or more that are 16 licensed and restricted by the rules and policies set forth by the port 17 district.

(2) At the time of the conduct of the commercial limousine 18 business, the chauffeur of a limousine and the limousine carrier 19 20 business must possess written or electronic records substantiating the 21 prearrangement of the carrier's services for any customer carried for compensation, except for vehicles meeting the requirements of the 22 23 exception for stand-hail limousines described in subsection (1) of this 24 section. Limousine carriers and limousine chauffeurs operating as an 25 independent business must list a physical address on their ((master)) 26 business license <u>issued\_under\_chapter\_19.02\_RCW</u> where records substantiating the prearrangement of the carrier's services may be 27 reviewed by an enforcement officer. A limousine carrier must retain 28 these records for a minimum of one calendar year, and failure to do so 29 is a class 3 civil infraction against the carrier for each record that 30 31 is missing or fails to include all of the information described in rules adopted under subsection (4) of this section. 32

33 (3) Limousine carriers and limousine chauffeurs operating as an 34 independent business must list a telephone or pager number that is used 35 to prearrange the carrier's services for any customer carried for 36 compensation.

1 (4) The department ((shall)) <u>must</u> adopt rules specifying the 2 content and retention schedule of the records required for compliance 3 with subsection (2) of this section.

(5) The failure of a chauffeur who is operating a limousine to 4 5 immediately provide, on demand by an enforcement officer, written or electronic records required by the department substantiating the 6 7 prearrangement of the carrier's services for any customer carried for compensation, except for limousines meeting the requirements of the 8 exception for stand-hail limousines described in subsection (1) of this 9 section, is a class 2 civil infraction and is subject to monetary 10 penalties under RCW 7.80.120. It is a class 1 civil infraction for a 11 12 repeat offense under this subsection during the same calendar year.

13 (6) The department ((shall)) <u>must</u> define by rule conditions under 14 which a chauffeur is considered to be operating a limousine, including 15 when the limousine is parked in a designated passenger load zone.

16 **Sec. 41.** RCW 50.12.290 and 2007 c 287 s 1 are each amended to read 17 as follows:

When an employer initially files a ((master)) business license 18 application under chapter 19.02 RCW for the purpose, in whole or in 19 20 part, of registering to pay unemployment insurance taxes, the 21 employment security department ((shall)) <u>must</u> send to the employer any 22 printed material the department recommends or requires the employer to 23 post. Any time the printed material has substantive changes in the 24 information, the department ((shall)) must send a copy to each employer. 25

26 **Sec. 42.** RCW 59.30.050 and 2011 c 298 s 31 are each amended to 27 read as follows:

must ((annually)) register 28 (1)The department all 29 manufactured/mobile home communities, which registration must be 30 <u>renewed annually</u>. Each community must be registered separately. The must ((deliver — by — certified)) mail 31 department registration notifications to all known manufactured/mobile home 32 community 33 landlords. Registration information packets must include:

34 (a) Registration forms; and

35 (b) Registration assessment information, including registration due

dates and late fees, and the collections procedures, liens, and
 charging costs to tenants.

(2) To apply for registration or registration renewal, the landlord 3 of a manufactured/mobile home community must file with the department 4 an application for registration or registration renewal on a form 5 provided by the department and must pay a registration fee as described 6 7 in subsection (3) of this section. The department may require the submission of information necessary to assist in identifying and 8 locating a manufactured/mobile home community and other information 9 10 that may be useful to the state, which must include, at a minimum:

11 (a) The names and addresses of the owners of the 12 manufactured/mobile home community;

(b) The name and address of the manufactured/mobile home community;
(c) The name and address of the landlord and manager of the manufactured/mobile home community;

16 (d) The number of lots within the manufactured/mobile home 17 community that are subject to chapter 59.20 RCW; and

18 (e) The addresses of each manufactured/mobile home lot within the 19 manufactured/mobile home community that is subject to chapter 59.20 20 RCW.

21 (3) Each manufactured/mobile home community landlord must pay to 22 the department:

(a) A one-time ((master)) <u>business license</u> application fee for the
 first year of registration and, in subsequent years, an annual
 ((master)) renewal application fee, as provided in RCW 19.02.075; and

(b) An annual registration assessment of ten dollars for each 26 27 manufactured/mobile home that is subject to chapter 59.20 RCW within a manufactured/mobile home community. Manufactured/mobile home community 28 landlords may charge a maximum of five dollars of this assessment to 29 Nine dollars of the registration assessment for each 30 tenants. manufactured/mobile home must be deposited into the manufactured/mobile 31 32 home dispute resolution program account created in RCW 59.30.070 to fund the costs associated with the manufactured/mobile home dispute 33 resolution program. The remaining one dollar must be deposited into 34 the ((master-license-fund)) business license account created in RCW 35 19.02.210. The annual registration assessment must be reviewed once 36 37 each biennium by the department and the attorney general and may be 38 adjusted to reasonably relate to the cost of administering this

chapter. The registration assessment may not exceed ten dollars, but 1 2 if the assessment is reduced, the portion allocated to the manufactured/mobile home dispute resolution program account and the 3 ((master-license-fund)) business license account must be adjusted 4 5 proportionately.

(4) Initial registrations of manufactured/mobile home communities 6 7 must be filed before November 1, 2007, or within three months of the availability of mobile home lots for rent within the community. 8 The manufactured/mobile home community is subject to a delinquency fee of 9 10 two hundred fifty dollars for late initial registrations. The delinquency fee must be deposited in the ((master-license-fund)) 11 12 business license account. Renewal registrations that are not renewed 13 by the expiration date as assigned by the department are subject to 14 delinguency fees under RCW 19.02.085.

(5) Thirty days after sending late fee notices to a noncomplying 15 landlord, the department may issue a warrant under RCW 59.30.090 for 16 17 the unpaid registration assessment and delinquency fee. If a warrant is issued by the department under RCW 59.30.090, the department must 18 add a penalty of ten percent of the amount of the unpaid registration 19 assessment and delinquency fee, but not less than ten dollars. 20 The 21 warrant penalty must be deposited into the ((master-license-fund)) 22 business license account created in RCW 19.02.210. Chapter 82.32 RCW applies to the collection of warrants issued under RCW 59.30.090. 23

(6) Registration is effective on the date determined by the department, and the department must issue a registration number to each registered manufactured/mobile home community. The department must provide an expiration date, assigned by the department, to each manufactured/mobile home community who registers.

29 Sec. 43. RCW 59.30.090 and 2011 c 298 s 33 are each amended to 30 read as follows:

(1) If any registration assessment or delinquency fee is not paid in full within thirty days after sending late fee notices to a noncomplying landlord, the department may issue a warrant in the amount of such unpaid sums, together with interest thereon from the date the warrant is issued until the date of payment.

36 (2) Interest must be computed on a daily basis on the amount of 37 outstanding registration assessment and delinquency fee imposed under 1 RCW 59.30.050 at the rate as computed under RCW 82.32.050(2). The rate 2 so computed must be adjusted on the first day of January of each year 3 for use in computing interest for that calendar year. Interest must be 4 deposited in the ((master-license-fund)) <u>business license account</u> 5 created in RCW 19.02.210.

(3) The department may file a copy of the warrant with the clerk of 6 7 the superior court of any county of the state in which real or personal property of the owner of the manufactured/mobile home community may be 8 The clerk is entitled to a filing fee under RCW 36.18.012(10). 9 found. Upon filing, the clerk must enter in the judgment docket the name of 10 the owner of the manufactured/mobile home community mentioned in the 11 warrant and the amount of the registration assessment and delinquency 12 13 fee, or portion thereof, and any increases and penalties for which the 14 warrant is issued, and the date when the copy is filed.

(4) The amount of the warrant so docketed becomes a lien upon the 15 16 title to, and interest in, all real and personal property of the owner 17 of the manufactured/mobile home community against whom the warrant is issued the same as a judgment in a civil case duly docketed in the 18 office of the clerk. The warrant so docketed is sufficient to support 19 the issuance of writs of garnishment in favor of the state in the 20 21 manner provided by law in the case of judgments wholly or partially 22 unsatisfied.

23 (5) The lien is not superior to bona fide interests of third 24 persons that had vested prior to the filing of the warrant. The phrase 25 "bona fide interests of third persons" does not include any mortgage of real or personal property or any other credit transaction that results 26 27 in the mortgagee or the holder of the security acting as trustee for unsecured creditors of the owner of the manufactured/mobile home 28 community mentioned in the warrant who executed the chattel or real 29 30 property mortgage or the document evidencing the credit transaction.

31 Sec. 44. RCW 69.25.020 and 2011 c 306 s 1 are each reenacted and 32 amended to read as follows:

33 ((When-used-in-this-chapter-the-following-terms-shall-have-the 34 indicated meanings,)) The definitions in this section apply throughout 35 this chapter unless the context <u>clearly</u> otherwise requires((÷)).

36 (1) "Adulterated" applies to any egg or egg product under one or 37 more of the following circumstances:

(a) If it bears or contains any poisonous or deleterious substance ((which)) that may render it injurious to health; but in case the substance is not an added substance, such article ((shall)) is not ((be)) considered adulterated under this clause if the quantity of such substance in or on such article does not ordinarily render it injurious to health;

7 (b) If it bears or contains any added poisonous or added 8 deleterious substance (other than one which is: (i) A pesticide 9 chemical in or on a raw agricultural commodity; (ii) a food additive; 10 or (iii) a color additive) which may, in the judgment of the director, 11 make such article unfit for human food;

(c) If it is, in whole or in part, a raw agricultural commodity and such commodity bears or contains a pesticide chemical which is unsafe within the meaning of RCW 69.04.392, as enacted or hereafter amended;

15 (d) If it bears or contains any food additive which is unsafe 16 within the meaning of RCW 69.04.394, as enacted or hereafter amended;

(e) If it bears or contains any color additive which is unsafe within the meaning of RCW 69.04.396; however, an article which is not otherwise deemed adulterated under ((subsection (1)))(c), (d), or (e) of this ((section-shall)) subsection are nevertheless ((be)) deemed adulterated if use of the pesticide chemical, food additive, or color additive, in or on such article, is prohibited by regulations of the director in official plants;

(f) If it consists in whole or in part of any filthy, putrid, ordecomposed substance, or if it is otherwise unfit for human food;

26 (g) If it consists in whole or in part of any damaged egg or eggs 27 to the extent that the egg meat or white is leaking, or it has been 28 contacted by egg meat or white leaking from other eggs;

(h) If it has been prepared, packaged, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;

(i) If it is an egg which has been subjected to incubation or theproduct of any egg which has been subjected to incubation;

(j) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;

37 (k) If it has been intentionally subjected to radiation, unless the

1 use of the radiation was in conformity with a regulation or exemption 2 in effect pursuant to RCW 69.04.394; or

3 (1) If any valuable constituent has been in whole or in part 4 omitted or abstracted therefrom; or if any substance has been 5 substituted, wholly or in part therefor; or if damage or inferiority 6 has been concealed in any manner; or if any substance has been added 7 thereto or mixed or packed therewith so as to increase its bulk or 8 weight, or reduce its quality or strength, or make it appear better or 9 of greater value than it is.

10 (2) "Ambient temperature" means the atmospheric temperature 11 surrounding or encircling shell eggs.

12 (3) "At retail" means any transaction in intrastate commerce13 between a retailer and a consumer.

(4) "Candling" means the examination of the interior of eggs by theuse of transmitted light used in a partially dark room or place.

16 (5) "Capable of use as human food" ((shall apply)) applies to any 17 egg or egg product unless it is denatured, or otherwise identified, as 18 required by regulations prescribed by the director, to deter its use as 19 human food.

20 (6) "Check" means an egg that has a broken shell or crack in the21 shell but has its shell membranes intact and contents not leaking.

(7) "Clean and sound shell egg" means any egg whose shell is freeof adhering dirt or foreign material and is not cracked or broken.

(8) "Consumer" means any person who purchases eggs for his or her
own family use or consumption; or any restaurant, hotel, boarding
house, bakery, or other institution or concern which purchases eggs for
serving to guests or patrons thereof, or for its own use in cooking or
baking.

(9) "Container" or "package" includes any box, can, tin, plastic,or other receptacle, wrapper, or cover.

31 (10) "Department" means the department of agriculture of the state 32 of Washington.

33 (11) "Director" means the director of the department or his duly 34 authorized representative.

35 (12) "Dirty egg" means an egg that has a shell that is unbroken and 36 has adhering dirt or foreign material.

37 (13) "Egg" means the shell egg of the domesticated chicken, turkey,38 duck, goose, or guinea, or any other specie of fowl.

1 (14) "Egg handler" or "dealer" means any person who produces, 2 contracts for or obtains possession or control of any eggs or egg 3 products for the purpose of sale to another dealer or retailer, or for 4 processing and sale to a dealer, retailer or consumer. For the purpose 5 of this chapter, "sell" or "sale" includes the following: Offer for 6 sale, expose for sale, have in possession for sale, exchange, barter, 7 trade, or as an inducement for the sale of another product.

(15)(a) "Egg product" means any dried, frozen, or liquid eggs, with 8 or without added ingredients, excepting products which contain eggs 9 only in a relatively small proportion, or historically have not been, 10 in the judgment of the director, considered by consumers as products of 11 12 the egg food industry, and which may be exempted by the director under 13 such conditions as the director may prescribe to assure that the egg 14 ingredients are not adulterated and are not represented as egg 15 products.

16 (b) The following products are not included in the definition of 17 "egg product" if they are prepared from eggs or egg products that have been either inspected by the United States department of agriculture or 18 by the department under a cooperative agreement with the United States 19 20 department of agriculture: Freeze-dried products, imitation egg 21 products, eqq substitutes, dietary foods, dried no-bake custard mixes, 22 eggnog mixes, acidic dressings, noodles, milk and egg dip, cake mixes, French toast, balut and other similar ethnic delicacies, and sandwiches 23 24 containing eggs or egg products.

(16) "Immediate container" means any consumer package, or any othercontainer in which egg products, not consumer-packaged, are packed.

(17) "Incubator reject" means an egg that has been subjected to
incubation and has been removed from incubation during the hatching
operations as infertile or otherwise unhatchable.

30 (18) "Inedible" means eggs of the following descriptions: Black 31 rots, yellow rots, white rots, mixed rots (addled eggs), sour eggs, 32 eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, 33 eggs showing blood rings, and eggs containing embryo chicks (at or 34 beyond the blood ring stage).

35 (19) "Inspection" means the application of such inspection methods 36 and techniques as are deemed necessary by the director to carry out the 37 provisions of this chapter.

(20) "Inspector" means any employee or official of the department
 authorized to inspect eggs or egg products under the authority of this
 chapter.

4 (21) "Intrastate commerce" means any eggs or egg products in 5 intrastate commerce, whether such eggs or egg products are intended for 6 sale, held for sale, offered for sale, sold, stored, transported, or 7 handled in this state in any manner and prepared for eventual 8 distribution in this state, whether at wholesale or retail.

9 (22) "Leaker" means an egg that has a crack or break in the shell 10 and shell membranes to the extent that the egg contents are exposed or 11 are exuding or free to exude through the shell.

12 (23) "Loss" means an egg that is unfit for human food because it is 13 smashed or broken so that its contents are leaking; or overheated, 14 frozen, or contaminated; or an incubator reject; or because it contains 15 a bloody white, large meat spots, a large quantity of blood, or other 16 foreign material.

17 (24) "((Master-license)) Business\_licensing system" means the 18 mechanism established by chapter 19.02 RCW by which ((master)) business 19 licenses, endorsed for individual state-issued licenses, are issued and 20 renewed utilizing a ((master)) business\_license application and a 21 ((master)) business license expiration date common to each renewable 22 license endorsement.

(25) "Misbranded" ((shall apply)) applies to egg products ((which))
 <u>that</u> are not labeled and packaged in accordance with the requirements
 prescribed by regulations of the director under RCW 69.25.100.

(26) "Official certificate" means any certificate prescribed by
 regulations of the director for issuance by an inspector or other
 person performing official functions under this chapter.

(27) "Official device" means any device prescribed or authorized bythe director for use in applying any official mark.

31 (28) "Official inspection legend" means any symbol prescribed by 32 regulations of the director showing that egg products were inspected in 33 accordance with this chapter.

(29) "Official mark" means the official inspection legend or any
 other symbol prescribed by regulations of the director to identify the
 status of any article under this chapter.

(30) "Official plant" means any plant which is licensed under theprovisions of this chapter, at which inspection of the processing of

egg products is maintained by the United States department of
 agriculture or by the state under cooperative agreements with the
 United States department of agriculture or by the state.

4 (31) "Official standards" means the standards of quality, grades,
5 and weight classes for eggs, adopted under the provisions of this
6 chapter.

7 (32) "Pasteurize" means the subjecting of each particle of egg 8 products to heat or other treatments to destroy harmful, viable micro-9 organisms by such processes as may be prescribed by regulations of the 10 director.

11 (33) "Person" means any natural person, firm, partnership, 12 exchange, association, trustee, receiver, corporation, and any member, 13 officer, or employee thereof, or assignee for the benefit of creditors. 14 (34) "Pesticide chemical," "food additive," "color additive," and 15 "raw agricultural commodity" ((shall)) have the same meaning for

16 purposes of this chapter as prescribed in chapter 69.04 RCW.

17 (35) "Plant" means any place of business where egg products are 18 processed.

(36) "Processing" means manufacturing egg products, including
breaking eggs or filtering, mixing, blending, pasteurizing,
stabilizing, cooling, freezing, drying, or packaging egg products.

(37) "Restricted egg" means any check, dirty egg, incubator reject,inedible, leaker, or loss.

(38) "Retailer" means any person in intrastate commerce who sellseggs to a consumer.

26 (39) "Shipping container" means any container used in packaging a27 product packed in an immediate container.

28 **Sec. 45.** RCW 69.25.050 and 2011 c 306 s 2 are each amended to read 29 as follows:

30 (1)(a) No person ((shall)) may act as an egg handler or dealer 31 without first obtaining an annual license and permanent dealer's number 32 from the department.

(b) Application for an egg dealer license <u>and renewal</u> or egg dealer branch license must be made through the ((master-license)) <u>business</u> <u>licensing</u> system as provided under chapter 19.02 RCW and expires on the ((master)) <u>business</u> license expiration date. The annual egg dealer license fee is thirty dollars and the annual egg dealer branch license 1 fee is fifteen dollars. A copy of the ((master)) <u>business</u> license 2 <u>issued under chapter 19.02 RCW</u> must be posted at each location where 3 the licensee operates. The application must include the full name of 4 the applicant for the license, the location of each facility the 5 applicant intends to operate, and, if applicable, documentation of 6 compliance with RCW 69.25.065 or 69.25.103.

7 (2) If an applicant is an individual, receiver, trustee, firm, partnership, association or corporation, the full name of each member 8 9 of the firm or partnership or the names of the officers of the association or corporation ((shall)) must be given on the application. 10 The application must further state the principal business address of 11 the applicant in the state and elsewhere and the name of a person 12 13 domiciled in this state authorized to receive and accept service of 14 summons of legal notices of all kinds for the applicant and any other necessary information prescribed by the director. 15

16 (3) The applicant must be issued a license or renewal under this 17 section upon the approval of the application and compliance with the 18 provisions of this chapter, including the applicable rules adopted by 19 the department.

20 (4) The license and permanent egg handler or dealer's number is 21 nontransferable.

22 **Sec. 46.** RCW 69.25.060 and 1982 c 182 s 44 are each amended to 23 read as follows:

If the application for the renewal of an egg handler's or dealer's license is not filed before the ((master)) <u>business</u> license expiration date, the ((master)) <u>business</u> license delinquency fee ((shall)) <u>must</u> be assessed under chapter 19.02 RCW and ((shall)) <u>must</u> be paid by the applicant before the renewal license ((shall be)) <u>is</u> issued.

29 <u>NEW SECTION.</u> Sec. 47. A new section is added to chapter 70.290
30 RCW to read as follows:

31 (1) A third-party administrator must register with the association.
32 Registrants must report a change of legal name, business name, business
33 address, or business telephone number to the association within ten
34 days after the change.

35 (2) The association must establish data elements and procedures for

1 the registration of third-party administrators necessary to implement 2 this section in its plan of operation.

3 **Sec. 48.** RCW 70.290.030 and 2010 c 174 s 3 are each amended to 4 read as follows:

5 (1) The association is comprised of all health carriers issuing or 6 renewing health benefit plans in Washington state and all third-party 7 administrators conducting business on behalf of residents of Washington 8 state or Washington health care providers and facilities. Third-party 9 administrators are subject to registration under ((RCW-43.24.160)) 10 section 47 of this act.

(2) The association is a nonprofit corporation under chapter 24.03RCW and has the powers granted under that chapter.

13

(3) The board of directors includes the following voting members:

(a) Four members, selected from health carriers or third-party 14 15 administrators, excluding health maintenance organizations, that have 16 the most fully insured and self-funded covered lives in Washington 17 state. The count of total covered lives includes enrollment in all companies included in their holding company system. 18 Each health carrier or third-party administrator is entitled to no more than a 19 20 single position on the board to represent all entities under common 21 ownership or control.

(b) One member selected from the health maintenance organization having the most fully insured and self-insured covered lives in Washington state. The count of total lives includes enrollment in all companies included in its holding company system. Each health maintenance organization is entitled to no more than a single position on the board to represent all entities under common ownership or control.

(c) One member, representing health carriers not otherwise represented on the board under (a) or (b) of this subsection, who is elected from among the health carrier members not designated under (a) or (b) of this subsection.

33 (d) One member, representing Taft Hartley plans, appointed by the 34 secretary from a list of nominees submitted by the Northwest 35 administrators association.

36 (e) One member representing Washington state employers offering

self-funded health coverage, appointed by the secretary from a list of
 nominees submitted by the Puget Sound health alliance.

3 (f) Two physician members appointed by the secretary, including at4 least one board certified pediatrician.

5 (g) The secretary, or a designee of the secretary with expertise in 6 childhood immunization purchasing and distribution.

7 (4) The directors' terms and appointments must be specified in the8 plan of operation adopted by the association.

(5) The board of directors of the association ((<del>shall</del>)) <u>must</u>:

9 10

(a) Prepare and adopt articles of association and bylaws;

(b) Prepare and adopt a plan of operation. The plan of operation ((shall)) <u>must</u> include a dispute mechanism through which a carrier or third-party administrator can challenge an assessment determination by the board under RCW 70.290.040. The board ((shall)) <u>must</u> include a means to bring unresolved disputes to an impartial decision maker as a component of the dispute mechanism;

17

(c) Submit the plan of operation to the secretary for approval;

18 (d) Conduct all activities in accordance with the approved plan of 19 operation;

20 (e) Enter into contracts as necessary or proper to collect and 21 disburse the assessment;

(f) Enter into contracts as necessary or proper to administer the plan of operation;

(g) Sue or be sued, including taking any legal action necessary or
 proper for the recovery of any assessment for, on behalf of, or against
 members of the association or other participating person;

(h) Appoint, from among its directors, committees as necessary to
provide technical assistance in the operation of the association,
including the hiring of independent consultants as necessary;

30 (i) Obtain such liability and other insurance coverage for the 31 benefit of the association, its directors, officers, employees, and 32 agents as may in the judgment of the board of directors be helpful or 33 necessary for the operation of the association;

34 (j) ((By-May-1,-2010,-establish-the-estimated-amount-of-the 35 assessment needed for the period of May 1, 2010, through December 31, 36 2010, based upon the estimate provided to the association under RCW 37 70.290.040(1);-and-notify,-in-writing,-each-health-carrier-and 1 third-party-administrator-of-the-health-carrier's-or-third-party
2 administrator's total assessment for this period by May 15, 2010;

3 (k)) On an annual basis, beginning no later than November 1, 2010, 4 and by November 1st of each year thereafter, establish the estimated 5 amount of the assessment;

6 (((1))) (k) Notify, in writing, each health carrier and third-party 7 administrator of the health carrier's or third-party administrator's 8 estimated total assessment by November 15th of each year;

9  $\left(\left(\frac{m}{m}\right)\right)$  (1) Submit a periodic report to the secretary listing those health carriers or third-party administrators that failed to remit 10 and and 11 their assessments audit health carrier third-party administrator books and records for accuracy of assessment payment 12 13 submission;

14 ((<del>(n)</del>)) <u>(m)</u> Allow each health carrier or third-party administrator 15 no more than ninety days after the notification required by ((<del>(1)</del>)) <u>(k)</u> 16 of this subsection to remit any amounts in arrears or submit a payment 17 plan, subject to approval by the association and initial payment under 18 an approved payment plan;

19 ((<del>(o)</del>)) <u>(n)</u> Deposit annual assessments collected by the 20 association, less the association's administrative costs, with the 21 state treasurer to the credit of the universal vaccine purchase account 22 established in RCW 43.70.720;

23 ((<del>(p)</del>)) <u>(o)</u> Borrow and repay such working capital, reserve, or 24 other funds as, in the judgment of the board of directors, may be 25 helpful or necessary for the operation of the association; and

26 (((q))) (p) Perform any other functions as may be necessary or 27 proper to carry out the plan of operation and to affect any or all of 28 the purposes for which the association is organized.

(6) The secretary ((shall)) <u>must</u> convene the initial meeting of the
 association board of directors.

31 **Sec. 49.** RCW 76.48.121 and 2011 c 298 s 34 are each amended to 32 read as follows:

Every first or secondary specialized forest products buyer purchasing specialty wood and every specialty wood processor must prominently display the ((master)) <u>business</u> license issued under RCW 19.02.070 and endorsed with the respective licenses or registrations or a copy of the ((master)) <u>business</u> license at each location where the buyer or processor receives specialty wood if the first or secondary specialized forest products buyer or specialty wood processor is required to possess a license incorporated into the ((master license)) business licensing system created in chapter 19.02 RCW.

5 **Sec. 50.** RCW 82.24.510 and 2009 c 154 s 1 are each amended to read 6 as follows:

7

(1) The licenses issuable under this chapter are as follows:

8 (a) A wholesaler's license.

9

(b) A retailer's license.

(2) Application for the licenses ((shall)) <u>must</u> be made through the 10 11 ((master license)) business licensing system under chapter 19.02 RCW. 12 The board ((shall)) must adopt rules regarding the regulation of the licenses. The board may refrain from the issuance of any license under 13 this chapter if the board has reasonable cause to believe that the 14 15 applicant has ((wilfully)) willfully withheld information requested for 16 the purpose of determining the eligibility of the applicant to receive 17 a license, or if the board has reasonable cause to believe that information submitted in the application is false or misleading or is 18 not made in good faith. In addition, for the purpose of reviewing an 19 20 application for a wholesaler's license or retailer's license and for 21 considering the denial, suspension, or revocation of any such license, 22 the board may consider any prior criminal conduct of the applicant, 23 including an administrative violation history record with the board and 24 a criminal history record information check within the previous five years, in any state, tribal, or federal jurisdiction in the United 25 26 States, its territories, or possessions, and the provisions of RCW 9.95.240 and chapter 9.96A RCW ((shall)) do not apply to such cases. 27 The board may, in its discretion, grant or refuse the wholesaler's 28 license or retailer's license, subject to the provisions of RCW 29 30 82.24.550.

(3) No person may qualify for a wholesaler's license or a retailer's license under this section without first undergoing a criminal background check. The background check ((shall)) <u>must</u> be performed by the board and must disclose any criminal conduct within the previous five years in any state, tribal, or federal jurisdiction in the United States, its territories, or possessions. A person who possesses a valid license on July 22, 2001, is subject to this subsection and subsection (2) of this section beginning on the date of the person's ((master)) <u>business</u> license expiration <u>under chapter 19.02</u> <u>RCW</u>, and thereafter. If the applicant or licensee also has a license issued under chapter 66.24 or 82.26 RCW, the background check done under the authority of chapter 66.24 or 82.26 RCW satisfies the requirements of this section.

7 (4) Each such license ((shall)) expires on the ((master)) business 8 license expiration date, and each such license ((shall)) must be 9 continued annually if the licensee has paid the required fee and 10 complied with all the provisions of this chapter and the rules of the 11 board made pursuant thereto.

12 (5) Each license and any other evidence of the license that the 13 board requires must be exhibited in each place of business for which it 14 is issued and in the manner required for the display of a ((master)) 15 business license.

16 **Sec. 51.** RCW 82.24.520 and 1986 c 321 s 6 are each amended to read 17 as follows:

A fee of six hundred fifty dollars ((shall)) <u>must</u> accompany each 18 19 wholesaler's license application or license renewal application. If a 20 wholesaler sells or intends to sell cigarettes at two or more places of 21 business, whether established or temporary, a separate license with a license fee of one hundred fifteen dollars ((shall be)) is required for 22 23 each additional place of business. Each license, or certificate 24 thereof, and such other evidence of license as the department of revenue requires, ((shall)) must be exhibited in the place of business 25 26 for which it is issued and in such manner as is prescribed for the 27 display of a ((master-license. The-department-of-revenue-shall)) business license issued under chapter 19.02 RCW. The board must 28 require each licensed wholesaler to file with the department of revenue 29 30 a bond in an amount not less than one thousand dollars to guarantee the 31 proper performance of the duties and the discharge of the liabilities under this chapter. The bond ((shall)) <u>must</u> be executed by such 32 licensed wholesaler as principal, and by a corporation approved by the 33 34 department of revenue and authorized to engage in business as a surety 35 company in this state, as surety. The bond ((shall)) must run 36 concurrently with the wholesaler's license.

1 Sec. 52. RCW 82.26.150 and 2009 c 154 s 4 are each amended to read
2 as follows:

3 (1) The licenses issuable by the board under this chapter are as 4 follows:

5

(a) A distributor's license; and

6 (b)

(b) A retailer's license.

7 (2) Application for the licenses ((shall)) must be made through the ((master license)) business licensing system under chapter 19.02 RCW. 8 The board may adopt rules regarding the regulation of the licenses. 9 10 The board may refuse to issue any license under this chapter if the board has reasonable cause to believe that the applicant has willfully 11 12 withheld information requested for the purpose of determining the 13 eligibility of the applicant to receive a license, or if the board has 14 reasonable cause to believe that information submitted in the application is false or misleading or is not made in good faith. 15 Τn addition, for the purpose of reviewing an application 16 for а distributor's license or retailer's license and for considering the 17 denial, suspension, or revocation of any such license, the board may 18 consider criminal conduct of the applicant, including an administrative 19 violation history record with the board and a criminal history record 20 21 information check within the previous five years, in any state, tribal, 22 or federal jurisdiction in the United States, its territories, or possessions, and the provisions of RCW 9.95.240 and chapter 9.96A RCW 23 24 ((<del>shall</del>)) <u>do</u> not apply to such cases. The board may, in its 25 discretion, issue or refuse to issue the distributor's license or retailer's license, subject to the provisions of RCW 82.26.220. 26

27 (3) No person may qualify for a distributor's license or a retailer's license under this section without first undergoing a 28 criminal background check. The background check ((shall)) must be 29 performed by the board and must disclose any criminal conduct within 30 31 the previous five years in any state, tribal, or federal jurisdiction 32 in the United States, its territories, or possessions. Ιf the applicant or licensee also has a license issued under chapter 66.24 or 33 82.24 RCW, the background check done under the authority of chapter 34 35 66.24 or 82.24 RCW satisfies the requirements of this section.

36 (4) Each license issued under this chapter ((shall)) expires on the
 37 ((master)) business license expiration date. The license ((shall))

1 <u>must</u> be continued annually if the licensee has paid the required fee 2 and complied with all the provisions of this chapter and the rules of 3 the board adopted pursuant to this chapter.

4 (5) Each license and any other evidence of the license required
5 under this chapter must be exhibited in each place of business for
6 which it is issued and in the manner required for the display of a
7 ((master)) business license.

8 **Sec. 53.** RCW 90.76.010 and 2011 c 298 s 39 are each amended to 9 read as follows:

10 (1) The definitions in this section apply throughout this chapter 11 unless the context clearly requires otherwise.

12 (a) "Department" means the department of ecology.

13 (b) "Director" means the director of the department.

14 (c) "Facility compliance tag" means a marker, constructed of metal, 15 plastic, or other durable material, that clearly identifies all 16 qualifying underground storage tanks on the particular site for which 17 it is issued.

18 (d) "Federal act" means the federal resource conservation and 19 recovery act, as amended (42 U.S.C. Sec. 6901, et seq.).

20 (e) "Federal regulations" means the underground storage tanks 21 regulations (40 C.F.R. Secs. 280 and 281) adopted by the United States 22 environmental protection agency under the federal act.

(f) "License" means the ((master)) business license underground storage tank endorsement issued by the department of revenue <u>under</u> <u>chapter 19.02 RCW</u>.

(g) "Underground storage tank compliance act of 2005" means Title XV and subtitle B of P.L. 109-58 (42 U.S.C. Sec. 15801 et seq.) which have amended the federal resource conservation and recovery act's subtitle I.

(h) "Underground storage tank system" means an underground storage
 tank, connected underground piping, underground ancillary equipment,
 and containment system, if any.

(2) Except as provided in this section and any rules adopted by the
 department under this chapter, the definitions contained in the federal
 regulations apply to the terms in this chapter.

1 **Sec. 54.** RCW 90.76.020 and 2011 c 298 s 40 are each amended to 2 read as follows:

(1) The department must adopt rules establishing requirements for all underground storage tanks that are regulated under the federal act, taking into account the various classes or categories of tanks to be regulated. The rules must be consistent with and no less stringent than the federal regulations and the underground storage tank compliance act of 2005 and consist of requirements for the following:

9 (a) New underground storage tank system design, construction, 10 installation, and notification;

11

(b) Upgrading existing underground storage tank systems;

12 (c) General operating requirements;

13 (d) Release detection;

14 (e) Release reporting;

15 (f) Out-of-service underground storage tank systems and closure;

16 (g) Financial responsibility for underground storage tanks 17 containing regulated substances; and

(h) Groundwater protection measures, including secondary containment and monitoring for installation or replacement of all underground storage tank systems or components, such as tanks and piping, installed after July 1, 2007, and under dispenser spill containment for installation or replacement of all dispenser systems installed after July 1, 2007.

24

(2) The department must adopt rules:

(a) Establishing physical site criteria to be used in designating
 local environmentally sensitive areas;

(b) Establishing procedures for local government application forthis designation; and

(c) Establishing procedures for local government adoption and department approval of rules more stringent than the statewide standards in these designated areas.

32 (3) The department must establish by rule an administrative and 33 enforcement program that is consistent with and no less stringent than 34 the program required under the federal regulations in the areas of:

35 (a) Compliance monitoring, including procedures for recordkeeping36 and a program for systematic inspections;

37 (b) Enforcement;

38 (c) Public participation;

(d) Information sharing; 1

(e) Owner and operator training; and

(f) Delivery prohibition for underground storage tank systems or 3 facilities that are determined by the department to be ineligible to 4 5 receive regulated substances.

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(4) The department must establish a program that provides for the 6 7 annual licensing of underground storage tanks. The license must take the form of a tank endorsement on the facility's annual ((master)) 8 business license issued by the department of revenue <u>under\_chapter</u> 9 10 19.02 RCW. A tank is not eligible for a license unless the owner or operator can demonstrate compliance with the requirements of this 11 12 chapter and the annual tank fees have been remitted. The department 13 may revoke a tank license if a facility is not in compliance with this 14 chapter, or any rules adopted under this chapter. The ((master)) business license must be displayed by the tank owner or operator in a 15 16 location clearly identifiable.

17 (5)(a) The department must issue a one-time "facility compliance tag" to underground storage tank facilities that have installed the 18 equipment required to meet corrosion protection, spill prevention, 19 overfill prevention, leak detection standards, have demonstrated 20 21 financial responsibility, and have paid annual tank fees. The facility 22 must continue to maintain compliance with corrosion protection, spill prevention, overfill prevention, and leak detection standards, 23 24 financial responsibility, and have remitted annual tank fees to display 25 a facility compliance tag. The facility compliance tag must be displayed on or near the fire emergency shutoff device, or in the 26 27 absence of such a device in close proximity to the fill pipes and clearly identifiable to persons delivering regulated substance to 28 29 underground storage tanks.

(b) The department may revoke a facility compliance tag if a 30 31 facility is not in compliance with the requirements of this chapter, or 32 any rules adopted under this chapter.

(6) The department may place a red tag on a tank at a facility if 33 the department determines that the owner or operator is not in 34 compliance with this chapter or the rules adopted under this chapter 35 regarding the compliance requirements related to that tank. Removal of 36 37 a red tag without authorization from the department is a violation of 38 this chapter.

(7) The department may establish programs to certify persons who 1 2 install or decommission underground storage tank systems or conduct inspections, testing, closure, cathodic protection, interior tank 3 lining, corrective action, site assessments, or other activities 4 5 required under this chapter. Certification programs must be designed to ensure that each certification will be effective in all 6 7 jurisdictions of the state.

8 (8) When adopting rules under this chapter, the department must 9 consult with the state building code council to ensure coordination 10 with the building and fire codes adopted under chapter 19.27 RCW.

11 <u>NEW SECTION.</u> Sec. 55. The following acts or parts of acts are 12 each repealed:

13 (1) RCW 19.02.220 (Combined licensing project--Report--Evaluation)
14 and 1995 c 403 s 1006;

15 (2) RCW 19.02.810 (Master license system--Existing licenses or 16 permits registered under, when) and 1982 c 182 s 46;

17 (3) RCW 19.80.065 (RCW 42.56.070(9) inapplicable) and 2005 c 274 s
18 236, 2000 c 171 s 59, & 1984 c 130 s 8; and

19 (4) RCW 43.24.160 (Registration of third-party administrators- 20 Fee--Penalty--Rules) and 2010 c 174 s 9.

21 <u>NEW SECTION.</u> Sec. 56. The repeals in section 55 of this act do 22 not affect any existing right acquired or liability or obligation 23 incurred under the statutes repealed or under any rule or order adopted 24 under them nor does it affect any proceedings instituted under them.

25 <u>NEW SECTION.</u> Sec. 57. Section 2 of this act takes effect July 1, 26 2014.

27 <u>NEW SECTION.</u> Sec. 58. Section 1 of this act expires July 1, 2014. Passed by the House March 9, 2013. Passed by the Senate April 17, 2013. Approved by the Governor May 7, 2013. Filed in Office of Secretary of State May 7, 2013.