CHAPTER 160.
[S. B. 207.]

CENTRAL STORES REVOLVING FUND.

An Act relating to state government and to promote efficiency and economy of administration thereof; providing for centralized procurement and warehousing of supplies and equipment; providing for a centralized salvage, maintenance and repair service; providing for a perpetually maintained inventory of state owned equipment; providing further for centralized procurement of property leases, insurance requirements and fidelity bonds; prescribing the duties of the Director of Finance, Budget and Business and the Supervisor of Purchasing; creating the Central Stores Revolving Fund, making an appropriation, and declaring an emergency.

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

Section 1. The Director of Finance, Budget and Business, through and by means of the Division of Purchasing, shall have the power and it shall be his duty, in order to effect economies in the purchase of supplies and equipment for State agencies, to establish and maintain warehouses hereinafter referred to as "Central Stores," for the centralized procurement, storage and distribution of such supplies, equipment and other items of common use. To provide central stores warehouse facilities the Division of Purchasing may, by arrangement with the State agencies, utilize any surplus available State owned warehouse space, and/or may acquire other needed warehouse facilities by lease or purchase of the necessary premises.

Sec. 2. The Director of Finance, Budget and Business, through and by means of the Division of Purchasing, is hereby authorized to provide for the central salvage, maintenance, repair and servicing of equipment, furniture or furnishings used by State agencies, and also by means of such a service to provide an equipment pool for effecting sales and ex-
changes of surplus and unused property by and between State agencies.

Sec. 3. "State Agencies," within the meaning of this act, shall mean and include the state institutions under the jurisdiction and control of the Department of Finance, Budget and Business, the state educational institutions, the offices of the elective State officers, the Supreme Court, the administrative and other departments, boards and commissions of the State government, and the offices of all appointive officers of the State.

Sec. 4. For the purpose of carrying out the provisions of the foregoing sections of this act, there is hereby created within the Division of Purchasing of the Department of Finance, Budget and Business a revolving fund to be known as the "Central Stores Revolving Fund." This fund shall be used for the purchase of supplies and equipment handled through central stores, together with the payment of salaries, wages and other costs incidental to the acquisition, operation and maintenance of said central stores, and other activities connected therewith. Said Central Stores Revolving Fund shall be credited with all receipts from the sale and distribution of supplies, equipment and services rendered to the various State agencies.

In order that said fund may be made immediately available for the establishment and maintenance of central stores, there is hereby appropriated to the central stores revolving fund from the general fund for the fiscal biennium ending March 31, 1945, the sum of $30,000.00, or so much thereof as shall be found necessary: Provided, That to supply such additional funds as may be necessary for making combined purchases of items of common use into central stores, State agencies may, from time to time, make advance payments into the Central Stores Revolving Fund from funds regularly appropriated
to such State agencies for the procurement of supplies and equipment: *Provided further*, That the funds so advanced to central stores shall be used only for the combined procurement, storage and delivery of such stocks of supplies and equipment, and *Provided further*, That the funds so advanced shall be offset and repaid to the respective State agencies by an equivalent value in merchandise supplied and charged out from time to time from Central Stores to such State agency.

The Central Stores Revolving Fund shall be deposited in such banks and financial institutions as may be selected by the Director of Finance, Budget and Business, which depositaries shall furnish to him surety company surety bonds or collateral eligible as security for the deposit of State funds, in at least the full amount of deposit in each such bank or financial institution.

**Sec. 5.** For the purpose of further providing for carrying out the provisions of the foregoing sections of this act, the Director of Finance, Budget and Business may, at his option, transfer to the ownership of Central Stores all or any portion of surplus stocks on hand at the several institutions under the immediate supervision of the Department of Finance, Budget and Business as of March 31, 1943, such transfer of ownership to be made without exchange of funds.

**Sec. 6.** As a means of providing for proper accountability for State property, the Director of Finance, Budget and Business, through and by means of the Division of Purchasing, shall maintain a perpetual record of ownership of State owned equipment, which record shall be available in the Division of Purchasing for the inspection and check of those officers who are charged by law with the responsibility for auditing the records and accounts of the State agency or agencies owning said equip-
ment, and/or to such other special investigators and others as the Governor may direct. To effectuate the purpose of this section of this act, all State agencies are required to make accounting to the Division of Purchasing at any and all times for State equipment owned by, assigned to or otherwise possessed by said State agency, and to maintain such records as said Division of Purchasing deems necessary to proper accountability for said equipment. The term "State equipment" as used in this act shall be understood to include all items of machines, tools, furniture or furnishings other than expendable supplies and materials as defined by the Division of Purchasing.

Sec. 7. As a means of providing for centralized procurement of certain property leases, the Supervisor of the Division of Purchasing shall have the power and it shall be his duty to enter into rental contracts or leases for all space needed for branch offices, warehouses, and other premises as may be required by the various State agencies.

Sec. 8. Insofar as it shall be practicable, branch office and warehouse space shall be consolidated in the interest of economy and for the convenience of the public having business with the using agency maintaining such branch offices and warehouses.

Sec. 9. All rental contracts or leases shall be prepared in triplicate, shall be executed by the Supervisor of Purchasing in behalf of the using agency, and shall be subject to approval as to form by the Attorney General, which approval shall appear in writing on the original copy of such rental contract or lease.

Sec. 10. Copies of rental contracts and leases shall be distributed as follows: (a) Original shall be retained on file in the Division of Purchasing, (b) First duplicate copy shall be supplied to the lessor, (c) Second duplicate copy shall be filed with the
Sec. 11. As a means of providing for procurement of combined requirements for insurance and public official bonds on a volume rate basis, the Director of Finance, Budget and Business, through and by means of the Division of Purchasing, shall have the power and it shall be his duty to purchase and/or contract for the needs of the State using agencies in relation to the aforementioned insurance and public official bonds. The sole exception to the requirements of this section shall be that the individual public official bonds of elected State officials may be procured directly and independently by such elected State officials.

The amounts of insurance coverage and/or the amounts of surety bond coverage shall be fixed by law, or in the absence of such limitations by law, then such amounts shall be as fixed by the State administrative board.

The premium cost for insurance acquired and surety bonds furnished shall be paid from appropriations made to the State agency or agencies for whom procurement is made, and all vouchers drawn in payment therefor shall bear the written approval of the Division of Purchasing prior to the issuance of the State warrant in payment therefor.

Sec. 12. This act is necessary for the support of the state government and its existing public institutions, and shall take effect April 1, 1943.

Passed the Senate February 20, 1943.
Passed the House March 8, 1943.
Approved by the Governor March 19, 1943.