and the required contractor's bond given by the successful bidder is accepted by the county legislative authority. In the letting of any contract, lease or purchase involving less than ((one)) three thousand five hundred dollars, advertisement and competitive bidding may be dispensed with on order of the county legislative authority. Notice of intention to let contracts((5)) or to enter into lease agreements ((or to make purchases)) involving amounts exceeding ((five hundred)) one thousand dollars ((and)) but less than ((one)) three thousand five hundred dollars, shall be posted by the county legislative authority on a bulletin board in its office not less than three days prior to making such ((purchase,)) lease or contract. For advertisement and competitive bidding to be dispensed with as to purchases between one thousand and three thousand five hundred dollars, the county legislative authority must authorize by resolution a county_procedure for securing telephone and/or written quotations from enough vendors to assure establishment of a competitive price and for awarding such contracts for purchase of materials, equipment or services to the lowest responsible bidder. Immediately after the award is made, the bid quotations obtained shall be recorded and open to public inspection and shall be available by telephone inquiry. Wherever possible, supplies shall be purchased in quantities for a period of at least three months, and not to exceed one year. Supplies generally used throughout the various departments shall be standardized insofar as possible, and may be purchased and stored for general use by all of the various departments which shall be charged for the supplies when withdrawn from the purchasing department.

Passed the House June 7, 1977.

Passed the Senate June 4, 1977.

Approved by the Governor June 15, 1977.

Filed in Office of Secretary of State June 15, 1977.

CHAPTER 268

[House Bill No. 355]

REAL ESTATE PROPERTY TAXES—SENIOR CITIZENS—PHYSICAL DISABILITY RETIREES—RESIDENTIAL EXEMPTION

AN ACT Relating to revenue and taxation; amending section 1, chapter 182, Laws of 1974 ex. sess. as amended by section 14, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.36.381; amending section 3, chapter 182, Laws of 1974 ex. sess. and RCW 84.36.385; and declaring an emergency.

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

Section 1. Section 1, chapter 182, Laws of 1974 ex. sess. as amended by section 14, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.36.381 are each amended to read as follows:

A person shall be exempt from any legal obligation to pay all or a portion of the amount of excess and regular real property taxes due and payable in the year following the year in which a claim is filed in accordance with the following conditions:

(1) The property taxes must have been imposed upon a residence which has been regularly occupied by the person claiming the exemption during the two calendar years preceding the year in which the exemption claim is filed; or the property taxes must have been imposed upon a residence which was occupied by the person claiming the exemption as a principal place of residence as of January 1st of the year for which the claim is filed and the person claiming the exemption must also have been a resident of the state of Washington for the last three calendar years preceding the year in which the claim is filed: PROVIDED, That any person who sells, transfers, or is displaced from his or her residence may transfer his or her exemption status to a replacement residence, but no claimant shall receive an exemption on more than one residence in any year;

- (2) The person claiming the exemption must have owned, at the time of filing, in fee, or by contract purchase, the residence on which the property taxes have been imposed or if the person claiming the exemption lives in a cooperative housing association, corporation, or partnership, such person must own a share therein representing the unit or portion of the structure in which he or she resides. For purposes of this subsection, a residence owned by a marital community shall be deemed to be owned by each spouse;
- (3) The person claiming the exemption must have been sixty-two years of age or older on January 1st of the year in which the exemption claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of physical disability;
- (4) The amount that the person shall be exempt from an obligation to pay shall be calculated, on the basis of the combined income, from all sources whatsoever, of the person claiming the exemption and his or her spouse for the preceding calendar year, in accordance with the following schedule:

Income Range ((\$5,000))\$7,000 or less ((\$5,001 - \$6,000))\$7,001 - \$8,000 Percentage of Excess Levies Exemption One hundred percent Fifty percent

PROVIDED, HOWEVER, That, in addition, any person, who otherwise qualifies under the provisions of this section, and is within the income range of ((four)) six thousand dollars or less shall be exempt from any obligation to pay regular property taxes on up to five thousand dollars of valuation of his or her residence: PROVIDED FURTHER, That only two-thirds of any social security benefits, federal civil service retirement, or railroad retirement pension shall be considered as income for the purposes of this section: AND PROVIDED FURTHER, That the gain realized by any person from the sale, transfer, or upon being displaced from his or her residence shall not be considered as income for the purposes of this section if reinvested in a replacement residence within eighteen months of its realization.

Sec. 2. Section 3, chapter 182, Laws of 1974 ex. sess. and RCW 84.36.385 are each amended to read as follows:

Claims for exemption or a renewal affidavit under RCW 84.36.381 shall be made annually and filed between January 2 and July 1 of the year in which the property tax levies are imposed and solely upon forms as prescribed and furnished by the department of revenue.

Claims under RCW 84.36.381 through 84.36.389, as now or hereafter amended, in ((1974)) 1977 shall be filed between January 2 and ((August)) October 1, ((1974)) 1977.

In January of each year the county assessor shall mail renewal affidavits for exemption to each person approved for exemption during the previous year.

If the assessor finds that the applicant does not meet the qualifications as set forth in RCW 84.36.381, as now or hereafter amended, the claim shall be denied but such denial shall be subject to appeal under the provisions of RCW 84.48.010(5). If the applicant had received exemption in prior years based on erroneous information, the taxes shall be collected subject to penalties as provided in RCW 84.40.130 for a period of not to exceed three years.

The department and each local assessor is hereby directed to publicize the qualifications and manner of making claims pursuant to this chapter, through communications media, including such paid advertisements or notices as it deems appropriate. ((Whenever possible)) Notice of the qualifications, method of making applications and availability of further information shall be included on or with property tax statements for all residential property including mobile homes, except rental properties.

NEW SECTION. Sec. 3. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House June 7, 1977. Passed the Senate June 4, 1977. Approved by the Governor June 15, 1977. Filed in Office of Secretary of State June 15, 1977.

CHAPTER 269

[Substitute House Bill No. 512]

PUBLIC EMPLOYEES—SALARIES AND WAGES—DISBURSAL BY PAY OFFICER TO FINANCIAL INSTITUTION

AN ACT Relating to public employees; and amending section 6, chapter 59, Laws of 1969 and RCW 41.04.240.

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

Section 1. Section 6, chapter 59, Laws of 1969 and RCW 41.04.240 are each amended to read as follows:

Any official of the state or of any political subdivision, municipal corporation, or quasi municipal corporation authorized to disburse funds in payment of salaries and wages of ((public officers or)) employees is authorized upon written request of ((the officer or)) at least twenty-five employees ((to whom salaries or wages are to be paid,)) to pay ((the same)) all or part of such salaries or wages to any ((bank designated by the officers or employees for credit to their accounts: PROVIDED, That designated banks are qualified state depositories: AND PROVIDED FUR-THER, That twenty-five or more officers or employees of an agency must authorize direct deposits to the same bank)) financial institution for either: (1) Credit to the employees' accounts in such financial institution; or (2) immediate transfer therefrom to the employees' accounts in any other financial institutions: PROVID-ED, That nothing in this section shall be construed as authorizing any employer to