handle fuel allocation requirements. If federal funds are received for this purpose an equal amount of this appropriation shall be placed in reserve.

Passed the Senate May 7, 1979.
Passed the House May 4, 1979.
Approved by the Governor May 11, 1979.
Filed in Office of Secretary of State May 11, 1979.

CHAPTER 159
[Engrossed Senate Bill No. 2506]
PUBLIC EMPLOYEES—MANDATORY RETIREMENT AGE
AN ACT Relating to mandatory retirement of public employees; and adding a new section to chapter 41.04 RCW.

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

NEW SECTION. Section 1. There is added to chapter 41.04 RCW a new section to read as follows:

(1) Notwithstanding any other provisions of law, no employee of the state of Washington or any of its political subdivisions or any institution supported in total or in part by the state or any of its political subdivisions, other than employees covered by chapters 41.26 and 43.43 RCW, shall be compelled to retire solely on the basis of age prior to attaining seventy years of age.

(2) All compulsory retirement provisions relating to public employees, other than employees covered by chapters 41.26 and 43.43 RCW, may be waived for individuals attaining seventy years of age by the individual's employer.

Passed the Senate March 28, 1979.
Passed the House May 4, 1979.
Approved by the Governor May 11, 1979.
Filed in Office of Secretary of State May 11, 1979.

CHAPTER 160
[Substitute House Bill No. 80]
CORRECTIONAL INSTITUTIONS—FACILITIES USE—PRIVATE BUSINESSES—PRISONER TRAINING AND REHABILITATION
AN ACT Relating to state institutions; amending section 2, chapter 17, Laws of 1967 and RCW 72.65.020; amending section 72.60.130, chapter 28, Laws of 1959 and RCW 72.60.130; amending section 2, chapter 40, Laws of 1972 ex. sess. and RCW 72.60.102; amending section 72.60.190, chapter 28, Laws of 1959 and RCW 72.60.190; and amending section 5, chapter 273, Laws of 1959 as last amended by section 86, chapter 75, Laws of 1977 and RCW 72.60.280.

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

[ 1536 ]
Section 1. Section 2, chapter 17, Laws of 1967 and RCW 72.65.020 are each amended to read as follows:

(1) The secretary is authorized to extend the limits of the place of confinement and treatment within the state of any prisoner convicted of a felony, sentenced to a term of confinement and treatment by the superior court, and serving such sentence in a state correctional institution under the jurisdiction of the department, by authorizing a work release plan for such prisoner, permitting him, under prescribed conditions, to do any of the following:

(a) Work at paid employment.

(b) Participate in a vocational training program: PROVIDED, That the tuition and other expenses of such a vocational training program shall be paid by the prisoner, by someone in his behalf, or by the department: PROVIDED FURTHER, That any expenses paid by the department shall be recovered by the department pursuant to the terms of RCW 72.65.050.

(c) Interview or make application to a prospective employer or employers, or enroll in a suitable vocational training program.

Such work release plan of any prison shall require that he be confined during the hours not reasonably necessary to implement the plan, in (1) a state correctional institution, (2) a county or city jail, which jail has been approved after inspection pursuant to RCW 72.01.420, or (3) any other appropriate, supervised facility, after an agreement has been entered into between the department and the appropriate authorities of the facility for the housing of work release prisoners.

(2) The secretary may lease or permit the use of a portion of any correctional facility, including necessary buildings, for a term not to exceed twenty years, to a private business organization for the purpose of establishing and operating a commercial enterprise deemed by the secretary to be consistent with the appropriate training and rehabilitation of prisoners.

Any business organization operating a commercial enterprise under this section may employ any inmates of the institution upon whose grounds it operates after such inmates have been authorized by the secretary to participate in the program. For the purposes of Washington law, the inmates participating in the program are deemed work releasees and are subject to all of the provisions of chapter 72.65 RCW.

Participants in the program are deemed to be parolees within the purview of 49 U.S.C. Sec. 60, and, except as prohibited by applicable provisions of the United States Code, prisoner participants in the program may be employed in the manufacture and processing of goods, wares, and merchandise for introduction into interstate commerce.
Any business organization established or participating in the program authorized under this section shall be deemed a private enterprise and subject to all the laws, rules, and regulations of this state governing the operation of similar business enterprises elsewhere in the state, and shall in no event pay prisoner participants in the program less than sixty percent of the prevailing wages for work of a similar nature performed by employees with similar skills in the locality in which the work is being performed: PROVIDED, That the provisions of this subsection (2) shall expire and be of no further force and effect after January 1, 1984.

Sec. 2. Section 72.60.130, chapter 28, Laws of 1959 and RCW 72.60-.130 are each amended to read as follows:

All articles, materials, and supplies, produced or manufactured under the provisions of this chapter shall be solely and exclusively for public use and no article, material, or supplies, produced or manufactured under the provisions of this chapter shall ever be sold, supplied, furnished, exchanged, or given away, for any private use or profit whatever((, except)): PROVIDED, That((;)) to avoid waste or spoilage and consequent loss to the state, byproducts and surpluses of agricultural and animal husbandry enterprises may be sold to private persons, at private sale, under rules prescribed by the ((directo.)) secretary: PROVIDED, FURTHER, That the term "public use" as used in this section is deemed to include any private nonprofit corporation which receives, or, if newly formed, reasonably expects to receive, more than fifty percent of its income from federal, state, or local governments.

Sec. 3. Section 2, chapter 40, Laws of 1972 ex. sess. and RCW 72.60-.102 are each amended to read as follows:

From and after July 1, 1973, any inmate employed in an industrial enterprise pursuant to the provisions of chapter 72.60 RCW, or in a department of natural resources adult honor camp, a labor camp, or a regional jail camp established under RCW 72.64.050, 72.64.060, or 72.64.100, respectively, shall be eligible for the benefits provided by Title 51 RCW, as now or hereafter amended, relating to industrial insurance, with the exceptions herein provided.

No inmate as herein described, until released upon an order of parole by the state board of prison terms and paroles, or discharged from custody upon expiration of sentence, or discharged from custody by order of a court of appropriate jurisdiction, or his dependents or beneficiaries, shall be entitled to any payment for temporary disability or permanent total disability as provided for in RCW 51.32.090 or 51.32.060 respectively, as now or hereafter enacted((, or to the benefits of chapter 51.36 RCW relating to medical aid)).

Any and all premiums or assessments as may arise hereunder pursuant to the provisions of Title 51 RCW shall be the obligation of and be paid from the institutional industries revolving fund.
Sec. 4. Section 72.60.190, chapter 28, Laws of 1959 and RCW 72.60.190 are each amended to read as follows:

The supervisor of purchasing for the state of Washington is authorized to enter into contracts for production of goods and supply of services and shall give preference in the purchase of materials and supplies for the institutions, departments and agencies of the state, to those produced by industries authorized and approved by the institutional industries commission.

Sec. 5. Section 5, chapter 273, Laws of 1959 as last amended by section 86, chapter 75, Laws of 1977 and RCW 72.60.280 are each amended to read as follows:

(1) The commission shall prepare annually a report to the governor and the legislature, which report shall contain:

(a) A detailed financial statement for each industrial enterprise;
(b) Reasons for approving or terminating industrial enterprises;
(c) Summary of plans to develop additional enterprises;
(d) Assessment of productivity of goods;
(e) Amounts of goods sold and identification of purposes;
(f) Extent of cooperation with vocational educational programs;
(g) Number of inmates employed and hours worked;
(h) Average salary paid;
(i) Number of state employees utilized;
(j) Summary of inmate-operated businesses; and
(k) Any further information requested by the governor or the legislature.

(2) The secretary shall submit to the legislature, no later than June 30, 1980, a comprehensive institutional industries plan which shall include:

(a) A history of institutional industries in the state of Washington;
(b) Status of existing institutional industries programs;
(c) Status of proposed programs or programs pending operation, to include:
   (i) Program design and staffing requirements, with particular emphasis on the Washington corrections center and new authorized facilities;
   (ii) Inmate employment classification and related salaries;
   (iii) Related training programs for inmates and staff;
   (iv) Goals and objectives for improving inmate payment of restitution, family support, and cost of confinement;
   (v) Capital expenditures;
   (vi) Operational expenditures, including full-time equivalent staff classification; and
   (vii) Sales promotion plans;
(d) An extensive survey of goods and services which can be produced for state and local governments; and
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(e) Coordination with work release programs established pursuant to chapter 72.65 RCW.

Passed the House May 2, 1979.
Passed the Senate April 19, 1979.
Approved by the Governor May 11, 1979.
Filed in Office of Secretary of State May 11, 1979.

CHAPTER 161
[Substitute House Bill No. 249]
STATE HEALTH PLANNING AND RESOURCES DEVELOPMENT ACT

AN ACT Relating to health care and implementing The National Health Planning and Resources Development Act of 1974, Public Law 93-641; adding new sections to chapter 70.38 RCW; repealing sections 2 through 5, chapter 198, Laws of 1971 ex. sess. and RCW 70.38.010 through 70.38.040; repealing section 6, chapter 198, Laws of 1971 ex. sess., section 158, chapter 34, Laws of 1975-76 2nd ex. sess. and RCW 70.38.050; repealing sections 7 through 22, chapter 198, Laws of 1971 ex. sess. and RCW 70.38.060 through 70.38.210; repealing section 23, chapter 198, Laws of 1971 ex. sess. and RCW 70.38.900; and providing an effective date.

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

NEW SECTION. Section 1. In consideration of the findings made and national health priorities declared by the congress in the National Health Planning and Resources Development Act of 1974, Public Law 93-641, it is declared to be the public policy of this state:

(1) That planning for promoting, maintaining, and assuring a high level of health for all citizens of the state, and for the provision of health services, health manpower, health facilities, and other resources is essential to the health, safety, and welfare of the people of the state. Such planning is necessary on both a state-wide and regional basis and must maintain responsiveness to changing health and social needs and conditions. The marshaling of all health resources to assure the quality and availability of health services to every person must be the goal of such planning, which must likewise assure optimum efficiency, effectiveness, equity, coordination, and economy in development and implementation to reach that goal;

(2) That the development and offering of new institutional health services should be accomplished in a manner which is orderly, timely, economical, and consistent with the effective development of necessary and adequate means of providing quality health care for persons to be served by such facilities without unnecessary duplication or fragmentation of such facilities;

(3) That the development of health resources, including the construction, modernization, and conversion of health facilities, should be accomplished in a planned, orderly fashion, consistent with identified priorities; and