

the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 40. Sections 12 and 37 of this act are 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. The remainder of the act shall take effect July 1, 1982.

Passed the House April 16, 1981.

Passed the Senate April 14, 1981.

Approved by the Governor April 25, 1981.

Filed in Office of Secretary of State April 25, 1981.

CHAPTER 68

[Second Substitute House Bill No. 157]

PUBLIC CONTRACTS—UNPAID BALANCES—INTEREST PAYMENT

AN ACT Relating to public contracts; and adding a new chapter to Title 39 RCW.

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

NEW SECTION. Section 1. (1) Except as provided in section 2 of this act, every state agency and unit of local government shall pay interest at the rate of one percent per month, but at least one dollar per month, on amounts due on written contracts for public works, personal services, goods and services, equipment, and travel, whenever the state agency or unit of local government fails to make timely payment.

(2) For purposes of this section, payment shall be timely if:

(a) A check or warrant is mailed or is available on the date specified for the amount specified in the applicable contract documents or, if no date is specified, within thirty days of receipt of a properly completed invoice or receipt of goods or services, whichever is later.

(b) For any amount which is required to be withheld under state or federal law, a check or warrant is mailed or is available in the proper amount on the date the amount may be released under the applicable law.

NEW SECTION. Sec. 2. Section 1 of this act does not apply to the following:

(1) Interagency or intergovernmental transactions;

(2) Amounts payable to employees or prospective employees of state agencies or local governmental units as reimbursement for expenses;

(3) Belated claims for any time of delinquency after July 31 following the second year of the fiscal biennium;

(4) Claims subject to a good faith dispute, when before the date of timely payment, notice of the dispute is:

(a) Sent by certified mail;

(b) Personally delivered; or

(c) Sent in accordance with procedures in the contract;

(5) Delinquencies due to natural disasters, disruptions in postal or delivery service, work stoppages due to labor disputes, power failures, or any other cause resulting from circumstances clearly beyond the control of the unit of local government or state agency;

(6) Contracts entered before the effective date of this act; and

(7) Payment from any retirement system listed in RCW 41.50.030 and chapter 41.24 RCW.

NEW SECTION. Sec. 3. Any state agency required to pay late payment penalties under this chapter shall pay the penalties from funds designated for administrative costs of the agency receiving the public works, personal services, goods and services, equipment, or travel and shall not be paid from funds appropriated for client services.

NEW SECTION. Sec. 4. In any action brought to collect interest due under this chapter, the prevailing party is entitled to an award of reasonable attorney fees.

NEW SECTION. Sec. 5. Sections 1 through 4 of this act shall constitute a new chapter in Title 39 RCW.

Passed the House April 16, 1981.

Passed the Senate April 14, 1981.

Approved by the Governor April 25, 1981.

Filed in Office of Secretary of State April 25, 1981.

CHAPTER 69

[Substitute House Bill No. 490]

ENERGY FAIR '83—APPROPRIATION

AN ACT Relating to state participation in the Energy Fair '83 exposition; making an appropriation; and declaring an emergency.

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

NEW SECTION. Section 1. The legislature finds that Energy Fair '83 will provide direct and indirect benefits to the state, its citizens, and the local units of government in the Tri-Cities area. This unique fair will provide a forum for discussing and educating the public on many dynamic and varied aspects of energy and energy issues. The proposed energy fair is projected to generate nearly six million dollars in additional tax income to the state, over one thousand jobs resulting from the construction and operation of the fair, and over one hundred forty million dollars in indirect economic benefits to the state.

The legislature also finds that Energy Fair '83 will nurture a new-found pride and attitude in the Tri-Cities and provide a fairground of lasting importance. By encouraging the building of this fairground, the state and the