(15) To allocate training facility space among training and education programs conducted by the commission;

(16) To issue diplomas certifying satisfactory completion of any training or education program conducted or approved by the commission to any person so completing such a program;

(17) To provide for the employment of such personnel as may be practical to serve as temporary replacements for any person engaged in a basic training program as defined by the commission.

All rules and regulations adopted by the commission shall be adopted and administered pursuant to the Administrative Procedure Act, chapter 34.04 RCW, and the Open Public Meetings Act, chapter 42.30 RCW.

Passed the Senate April 4, 1975. Passed the House May 21, 1975. Approved by the Governor May 28, 1975. Filed in Office of Secretary of State May 28, 1975.

CHAPTER 104

[Engrossed Senate Bill No. 2466] PUBLIC WORKS—LIENS—RETAINED PERCENTAGES

AN ACT Relating to public works; amending section 1, chapter 166, Laws of 1921 as last amended by section 1, chapter 38, Laws of 1970 ex. sess. and RCW 60.28.010; and amending section 2, chapter 166, Laws of 1921 as last amended by section 2, chapter 38, Laws of 1970 ex. sess. and RCW 60.28.020.

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

Section 1. Section 1, chapter 166, Laws of 1921 as last amended by section 1, chapter 38, Laws of 1970 ex. sess. and RCW 60.28.010 are each amended to read as follows:

(1) Contracts for public improvements or work, other than for professional services, by the state, or any county, city, town, district, board, or other public body, herein referred to as "public body", shall provide, and there shall be reserved by the public body from the moneys earned by the contractor on estimates during the progress of the improvement or work, a sum equal to ten percent of the first one hundred thousand dollars and five percent for all amounts over one hundred thousand dollars of such estimates, said sum to be retained by the state, county, city, town, district, board, or other public body, as a trust fund for the protection and payment of any person or persons, mechanic, subcontractor or materialman who shall perform any labor upon such contract or the doing of said work, and all persons who shall supply such person or persons or subcontractors with provisions and supplies for the carrying on of such work, and the state with respect to taxes imposed pursuant to Title 82 RCW which may be due from such contractor. Every person performing labor or furnishing supplies toward the completion of said improvement or work shall have a lien upon said moneys so reserved: PROVIDED, That such notice of the lien of such claimant shall be given in the manner and within the time provided in RCW 39.08.030 through 39.08.060 as now existing and in accordance with any amendments that may hereafter be made thereto: PROVIDED FURTHER, That the board, council, commission, trustees, officer or body acting for the state, county or municipality or other public body, at any time after fifty percent of the original contract work has been completed, if it finds that satisfactory progress is being made, may make any of the partial payments subsequently made in full; but in no event shall the amount to be retained be reduced to less than five percent of the amount of the ((entire contract)) moneys earned by the contractor.

(2) The moneys reserved under the provisions of subsection (1) of this section, at the option of the contractor, shall be:

(a) Retained in a fund by the public body until thirty days following the final acceptance of said improvement or work as completed; or

(b) Deposited by the public body in an interest bearing account in a bank, mutual savings bank, or savings and loan association, not subject to withdrawal until after the final acceptance of said improvement or work as completed, or until agreed to by both parties: PROVIDED, That interest on such account shall be paid to the contractor;

(c) Placed in escrow with a bank or trust company by the public body until thirty days following the final acceptance of said improvement or work as completed.

When the moneys reserved are to be placed in escrow, the public body shall issue a check representing the sum of the moneys reserved payable to the bank or trust company and the contractor jointly. Such check shall be converted into bonds and securities chosen by the contractor and approved by the public body and such bonds and securities chall be held in escrow. Interest on such bonds and securities shall be paid to the contractor as the said interest accrues.

(3) If the public body administering a contract, other than a contract governed by the provisions of RCW 60.28.070, as amended, after a substantial portion of the work has been completed, finds that an unreasonable delay will occur in the completion of the remaining portion of the contract for any reason not the result of a breach thereof, it may, if the contractor agrees, delete from the contract the remaining work and accept as final the improvement at the stage of completion then attained and make payment in proportion to the amount of the work accomplished and in such case any amounts retained and accumulated under this section shall be held for a period of thirty days following such acceptance. In the event that the work shall have been terminated before final completion as provided in this section, the public body may thereafter enter into a new contract with the same contractor to perform the remaining work or improvement for an amount equal to or less than the cost of the remaining work as was provided for in the original contract without advertisement or bid. The provisions of this chapter 60.28 RCW shall be deemed exclusive and shall supersede all provisions and regulations in conflict herewith.

Sec. 2. Section 2, chapter 166, Laws of 1921 as last amended by section 2, chapter 38, Laws of 1970 ex. sess. and RCW 60.28.020 are each amended to read as follows:

After the expiration of the thirty day period, and after receipt of the department of revenue's certificate, and the public body is satisfied that the taxes certified as due or to become due by the department of revenue are discharged, and the claims of materialmen and laborers who have filed their claims, together with a sum sufficient to defray the cost of foreclosing the liens of such claims, and to pay attorneys' fees, have been paid, the public body shall pay to the contractor the fund retained by it or release to the contractor the securities and bonds held in escrow.

If such taxes have not been discharged or the claims, expenses, and fees have not been paid, the public body shall ((: (1) deduct such taxes and such claims, expenses and fees from the fund retained by it and pay the remainder, if any, to the contractor; or (2) order the securities and bonds held in escrow to be reconverted to money and returned to the public body who shall deduct such taxes and such claims, expenses, and fees from such sum and pay the remainder, if any, to the contractor)) either retain in its fund, or in an interest bearing account, or retain in escrow, at the option of the contractor, an amount equal to such unpaid taxes and unpaid claims together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and shall pay, or release from escrow, the remainder to the contractor.

Passed the Senate May 20, 1975. Passed the House May 19, 1975. Approved by the Governor May 28, 1975. Filed in Office of Secretary of State May 28, 1975.

CHAPTER 105

[Engrossed Substitute Senate Bill No. 2517] UNIVERSITY OF WASHINGTON—REGIONALIZED MEDICAL EDUCATION—TUITION AND FEES

AN ACT Relating to higher education; and adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.15 RCW.

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

<u>NEW SECTION.</u> Section 1. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.15 RCW a new section to read as follows:

The board of regents of the University of Washington may exempt from payment of the nonresident portion of the legally-established student tuition and fees, any student admitted to the university's school of medicine pursuant to any contracts with the states of Alaska, Montana, or Idaho, or agencies thereof, providing for a program of regionalized medical education conducted by said school of medicine, which contracts provide that the proportional cost of such program and in excess of resident student tuition and fees will be reimbursed to the university by or on behalf of said states or agencies thereof.

Passed the Senate April 22, 1975. Passed the House May 19, 1975. Approved by the Governor May 28, 1975. Filed in Office of Secretary of State May 28, 1975.