

the state in the practice of the profession of engineering or land surveying for said government; or

Non-resident Engineers employed for the purpose of making engineering examinations.

SEC. 17. *Severability Clause.* If any section of this act shall be declared unconstitutional or invalid, such adjudication shall not invalidate any other provision or provisions thereof. Severability clause.

SEC. 18. *Repealing Clause.* Chapter 167, Laws of 1935 (secs. 8306-1 to 8306-16, inclusive, Rem. Rev. Stat.; secs. 536-1 to 536-31, inclusive, PPC), and any and all laws or parts of laws in conflict with the provisions of this act are hereby repealed. Repealing clause.

SEC. 19. *Short Title.* This act shall be known and may be cited as the "Professional Engineers' Registration Act." Short title.

Passed the House March 9, 1947.

Passed the Senate March 9, 1947.

Approved by the Governor March 22, 1947, with the exception of the last unnumbered item of section 3, sections 4, 5, and 6, which are vetoed.

CHAPTER 284.

[H. B. 268.]

UNIVERSITY OF WASHINGTON—BOARD OF REGENTS.

AN ACT relating to the University of Washington and the old University grounds, defining the powers of the Board of Regents with respect thereto and repealing sections 7 and 8 of chapter 122 of the Laws of 1893.

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

SECTION 1. For the purposes of this act—(a) the word "Board" means the Board of Regents of the University of Washington; Definitions.
"Board."

(b) the word "leasehold" and the term "leasehold interest" mean the interest of the lessee in the University tract under the lease entered into on the "Leasehold" and the term "leasehold interest."

first day of February, 1907, between the State of Washington, as lessor, and James A. Moore, as lessee, and thereafter assigned by said lessee to the Metropolitan Building Company, a corporation;

"To lease."

(c) the verb "to lease" includes the power to let for a term the whole or any portions of the land or of any building or buildings or other improvements thereon or appurtenances thereto, at rentals determined upon the basis of either—

(1) an agreed amount either with or without provision for periodic adjustment therein for the term, or

(2) a percentage of sales, receipts or income for the term, or

(3) a percentage of sales, receipts or income with a guaranteed minimum rental for the term, either with or without duty on the part of the lessee or lessor to construct new buildings or other improvements or to reconstruct, alter, remodel or add to existing buildings; and

"University tract."

(d) the term "University tract" means the tract of land in the city of Seattle, consisting of approximately ten acres, originally known as the "old University grounds" and more recently referred to as the "Metropolitan tract," together with all buildings, improvements and facilities thereon and appurtenances thereto.

Vetoed.

(e) the term "Legislative Council" means the State Legislative Council created by chapter 36, Laws of 1947.

Additional powers of board.

SEC. 2. In addition to the powers conferred under the deeds of conveyance and under existing law the Board is authorized, and shall have the power subject to the provisions of section 5 hereof and subject to section 1, chapter 44, Laws of 1923,—

Acquire University tract prior to expiration of lease.

(a) to acquire by purchase, to sublease or to otherwise acquire, from the lessees of the University tract the unexpired portion of the leasehold interest

in said tract prior to the date of its stipulated expiration and to pay, or make provision for payment, to the holder of the leasehold such amount as may be agreed upon between the Board and the holder of such leasehold interest, and

(b) upon and after either such acquisition or the expiration of the leasehold—

After acquisition or expiration of lease.

(1) to operate and manage or lease, in whole or in part, the University tract, such operation and management or leasing to be accomplished, at the discretion of the Board, either—

Operate, manage or lease.

(A) directly by the Board, or

By Board.

(B) through an agent or agents appointed for that purpose, or

Through agents.

(C) through the medium of a corporation or corporations created for that purpose; and

Through a corporation formed.

(2) either directly or by contract, at fixed price or upon cost-plus-a-fixed-fee basis,—

Contract at fixed price or cost plus.

(A) to construct new buildings on, or

New buildings.

(B) to raze, reconstruct, alter, remodel or add to existing buildings on, or

Remodeling.

(C) to otherwise improve,

Improvement.

the University tract, and to lease or to acquire, by purchase or gift, land and rights necessary or convenient for the maximum utilization and development of the said tract; and

Acquisition of additional property.

(c) if the unexpired portion of the leasehold interest in the University tract is not acquired prior to the date of its stipulated expiration, in the meantime—

If unexpired leasehold not acquired.

(1) to enter into agreements to lease the University tract, in whole or in part, for any period beginning on or after November 1, 1954, either with or without concurrent action by the holder of the unexpired portion of the leasehold interest in said tract; and

Agreements to lease.

(2) to exercise any of the powers enumerated in subsection (b) (2) of this section, upon agreement with the holder of the unexpired portion of the

Agreement with present lessee.

leasehold interest in the University tract for its improvement prior to the expiration of such leasehold term; and

Borrow money.

(d) to borrow money required for the accomplishment of any object or purpose specified in subsections (a), (b) or (c) of this section and to issue warrants or bonds therefor, to provide for amortization thereof and to pay said warrants or bonds, at or prior to maturity, out of the income derived from operating, managing and leasing the University tract; and

Issue warrants and bonds.

Receive income.

(e) (1) to receive all rental and other income from the University tract, and

Designate depositaries.

(2) to designate depositaries thereof, and

Hold, invest, pay out money.

(3) to hold and invest and to pay or discharge out of the same (i) all expenses of operation, management, maintenance, repair and upkeep of said tract and (ii) any obligations incurred in conformity with the powers granted under the provisions of subsection (d) of this section; and

Apply net proceeds.

(4) to apply the net proceeds therefrom to the use of the University of Washington: *Provided*, That until the acquisition or expiration of the leasehold interest in the said tract the rental therefrom shall be applied as provided in section 7, chapter 66, Laws of 1915 (sec. 5536, Rem. Rev. Stat.; sec. 911-43, PPC).

Bonds.

SEC. 3. Bonds issued pursuant to the authority granted under subsection 2 (d) of this act—

Not an obligation of the state or a general obligation of the University.

(a) shall not constitute (i) an obligation, either general or special, of the state or (ii) a general obligation of the University of Washington or of the Board;

Form and tenor.

(b) shall be—

(1) either registered or in coupon form, and
(2) issued in denominations of not less than one hundred dollars;

(c) shall state—

(1) the date of issue, and

(2) the series of the issue and be consecutively numbered within the series, and

(3) that the bond is payable only out of a special fund established for the purpose, and designate the fund;

(d) shall bear interest, payable either annually or semi-annually as the Board may determine, at a rate not to exceed six per cent per annum;

(e) shall be payable solely out of—

(1) revenue derived from operating, managing and leasing the University tract, and

(2) a special fund, created by the Board for the purpose, consisting either of (i) a fixed proportion, or (ii) a fixed amount out of and not exceeding a fixed proportion, or (iii) a fixed amount without regard to any fixed proportion, of the revenue so derived.

(f) may contain covenants by the Board in conformity with the provisions of section 4 (b) of this act;

(g) shall be payable at such times over a period of not to exceed thirty years, in such manner and at such place or places as the Board determines;

(h) shall be executed in such manner as the Board by resolution determines;

(i) shall be sold in such manner as the Board deems for the best interest of the University of Washington.

SEC. 4. (a) Any resolution of the Board pursuant to the provisions of subsection 2 (d) of this act shall provide for the creation of a special fund, in conformity with the provisions of section 3 (e) (2) of this act.

Resolution
of Board
to conform.

(b) Any resolution authorizing the issuance of bonds pursuant to the provisions of this act may contain covenants of the Board to protect and safe-

Other cove-
nants for
bond
resolution.

guard the security and rights of the holders of any such bonds such as are then customary in connection with similar bonds and considered advisable in order to assure the maximum marketability for said bonds. Without limiting the generality of the foregoing, any such resolution may contain covenants as to—

Fund.

(1) the creation of a special fund into which the proceeds of all bonds issued pursuant to the provisions of such resolution shall be deposited, the terms and conditions upon which payments may be made from such special fund, and for the payment of interest on bonds issued pursuant to such resolution from the moneys in said fund;

Income.

(2) maintaining rental and leasehold rates and other charges at a level sufficient at all times to provide revenue (i) to pay the interest on and principal of all bonds and other obligations payable from said revenue, (ii) to make all other payments from said revenues required under the provisions of any resolution adopted in connection with the issuance of warrants or bonds under this act and (iii) to pay the operating, management, maintenance, repair and upkeep costs of the University tract;

Use of
income.
Depositaries.

(3) collection, deposit, custody and disbursement of the revenues from the University tract or any portions thereof including (i) a specification of the depositaries to be designated, and (ii) authorization of such depositaries, or other banks or trust companies, to act as fiscal agent of the Board for the custody of the proceeds of bonds and the moneys held in any funds created pursuant to this act, or any resolution authorizing such bonds, and to represent bondholders in the event of a default on such bonds or in the event of a default in the performance of any duty or obligation of the Board in connection therewith, with such power and duty as such resolution may provide;

(4) creation and administration of reserve and other funds for the payment, at or prior to maturity, of any indebtedness chargeable against the revenues from the University tract and for creation of working funds, depreciation funds, replacement funds, reserves for extraordinary repairs and any other fund deemed necessary or desirable to insure the continued profitable operation of the said University tract;

Reserves.

(5) deposit of collateral security or indemnity bonds to secure the proceeds (i) of bonds issued pursuant to the provisions of such resolution and (ii) of all revenues which are pledged to secure the repayment of bonds issued pursuant to the provisions of such resolution and (iii) of all moneys deposited in any special fund created under the authority of this act or any covenant thereunder;

Security or indemnity.

(6) the obligation of the Board to maintain the building or buildings in good condition and to operate and manage the same in an economical and efficient manner;

Maintenance of buildings.

(7) the amount and kind of insurance to be carried by the Board in connection with the building or buildings, the companies in which such insurance shall be carried, the term thereof, the application of the proceeds of any such insurance, and adjustments of losses under any such policy of insurance;

Insurance.

(8) limitations upon the amount of additional bonds, warrants and other obligations payable out of the revenues from the building or buildings which may be thereafter issued and the terms and conditions upon which such additional bonds, warrants or other obligations may be issued;

Additional bonds.

(9) limitations upon the creation of additional liens or encumbrances on the building or buildings or the personal property used in connection therewith;

Liens or encumbrances.

Terms of disposal of properties.

(10) the terms and conditions upon which the building or buildings, or any part thereof, may be sold, mortgaged, leased or otherwise disposed of, and the use or other disposition of the proceeds of any such sale, mortgage or lease;

Operation and management.

(11) the methods of operation, management and maintenance of the building or buildings;

Accounting.

(12) accounting and auditing and the keeping of records, reports and audits with respect to the building or buildings;

Amendments of resolution.

(13) the amendment or modification of any resolution authorizing the issuance of bonds pursuant to the provisions of this act, including the terms and conditions upon which such amendment or modification may be effected and the number, amount or percentage of assenting bonds necessary to effectuate the same;

Limitations on use of properties.

(14) limitations upon the use of space or facilities in the building or buildings without payment therefor; and

Other matters.

(15) such other matters as may be necessary or desirable to insure a successful and profitable operation of the building or buildings.

"Building or buildings."

(c) The term "building or buildings" as used in subsection (b) of this section means the building or buildings or improvements upon the University tract with respect to which the revenues are pledged, under the terms of the resolution, to secure the payment of bonds issued under such resolution.

Provisions of act part of contract.

(d) The provisions of this act and of any resolution adopted in conformity with the provisions of this section shall constitute a contract with the holders of warrants or bonds issued pursuant thereto, and the provisions thereof shall be enforceable in any court of competent jurisdiction by any owner or holder of such warrants or bonds by mandamus or any other appropriate suit, action or proceeding at law or in equity.

(e) Bonds issued pursuant to the provisions of this act may be redeemed, at the option of the Board, at such time or times, upon such terms and conditions, and at such premiums as the Board specifies in the resolution.

Redemption
of bonds.

(f) If the Board fails to pay the required amounts into the special fund, established in conformity with subsection (b) of this section, the holder of any bond or bonds affected thereby may maintain an action against the Board to compel compliance with the terms of the resolution in this respect.

Action of
bondholder.

(g) Pending the preparation and execution of any bonds the issuance of which is authorized under the provisions of this act, temporary bonds may be issued in such form as the Board determines.

Temporary
bonds.

SEC. 5. No sale, lease, encumbrance, agency contract, agreement, plan of operation or other agreement or arrangement for the disposal, encumbrance, management, operation or other development of the University tract or any portion thereof, whether by the Board directly or otherwise, or acquisition of the leasehold, shall be valid or effective unless it shall have been first approved by statute enacted by the legislature. The Board of Regents shall not exercise any power granted in section 2 of this act without such approval. The Board shall give its immediate attention to the negotiation of a satisfactory lease or other agreement for the operation of the University tract. The Board is authorized and directed to advise with the Legislative Council, or with any member or committee thereof duly authorized by it as often as may be necessary or desirable in furtherance of the objects provided in this section 5. If the Board shall negotiate with any other person a mutually satisfactory contract for private operation, such contract shall be reduced to writing, shall provide that it is subject to approval as aforesaid, shall

Vetoed.

be executed by the parties and shall then be submitted to the Legislative Council for its examination and study. The Legislative Council shall, after such examination and study, transmit the same to the Governor for submission to the Legislature, together with its recommendations on the merits of such contract and together with its recommendation whether or not he should call an extraordinary session.

(b) The Board shall give its immediate attention to the negotiation of a satisfactory lease or other agreement for the private operation of the University tract, and shall report its progress thereon to the State Legislative Council at not less than thirty (30) day intervals.

(c) The Board is authorized and directed to advise with the Legislative Council, or with any member or committee thereof duly authorized by it as often as may be necessary or desirable in furtherance of the objects provided in this section 5.

Vetoed.

(d) If the Board shall negotiate with any other person a mutually satisfactory contract pursuant to subsection (b) hereof, such contract shall be reduced to writing, shall provide that it is subject to the approval provided in subsection (a), shall be executed by the parties and shall then be submitted to the Legislative Council for its action. The Legislative Council may approve such contract only by the affirmative vote of two-thirds ($\frac{2}{3}$) of its entire membership, whereupon such contract shall take effect according to its terms. The Legislative Council may disapprove such contract by majority vote and direct the Board to proceed further under the provisions of this section 5. The Legislative Council may, in its discretion, without either approving or disapproving such contract, transmit the same to the Governor for submission to the Legislature, together with its recommendation whether or not he should call an extraordinary session.

(e) The Board shall not request approval of a plan to operate the University tract in whole or in part unless it deems it impossible to negotiate a mutually satisfactory contract pursuant to subsection (b) hereof. } Vetoed.

SEC. 6. Sections 7 and 8, chapter 122, Laws of 1893, are hereby repealed. } Repeal.

SEC. 7. If any section, subsection, paragraph or lesser portion of this act is held unconstitutional or void for any reason such holding shall not affect the remaining portions of the act and the Legislature hereby declares that it would have enacted the act with the invalid portion or portions omitted therefrom. } Saving clause.

Passed the House March 9, 1947.

Passed the Senate March 9, 1947.

Approved by the Governor March 22, 1947, with the exception of sub-section (e) of Section 1 and Section 5, which are vetoed.