

governor. If a vacancy occurs while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate, when he shall present to that body his nomination for the office. The director of highways shall be appointed by the state highway commission, and the director of game shall be appointed by the game commission.

NEW SECTION. Sec. 3. This 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.

EXPLANATORY NOTE

RCW 43.17.010 and 43.17.020 were amended during the 1970 extraordinary session of the legislature by sections 50 and 51, chapter 32, Laws of 1970 ex. sess. and again by sections 28 and 29, chapter 62, Laws of 1970 ex. sess.

Chapter 18, Laws of 1970 ex. sess. established the state department of social and health services; chapter 62, Laws of 1970 ex. sess. established the state department of ecology.

As these amendments appear to be in different respects, the purpose of this bill is to give effect to each amendment by reenacting the sections with each amendment included therein.

Passed the House January 29, 1971.

Passed the Senate February 17, 1971.

Approved by the Governor February 26, 1971.

Filed in Office of Secretary of State February 27, 1971.

CHAPTER 12

[House Bill No. 98]

PUBLIC UTILITY DISTRICTS--
CODE CORRECTIONS

AN ACT Relating to public utility districts; reenacting section 7, chapter 1, Laws of 1931 as last amended by section 33, chapter 42, Laws of 1970 ex. sess. and by section 77, chapter 56, Laws of 1970 ex. sess., and RCW 54.24.018; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 7, chapter 1, Laws of 1931 as last amended

by section 33, chapter 42, Laws of 1970 ex. sess. and by section 77, chapter 56, Laws of 1970 ex. sess. and RCW 54.24.018 are each reenacted to read as follows:

Whenever the commission shall deem it advisable that the public utility district purchase, purchase and condemn, acquire, or construct any such public utility, or make any additions or betterments thereto, or extensions thereof, the commission shall provide therefor by resolution, which shall specify and adopt the system or plan proposed, and declare the estimated cost thereof, as near as may be, and specify whether general or utility indebtedness is to be incurred, the amount of such indebtedness, the amount of interest and the time in which all general bonds (if any) shall be paid, not to exceed thirty years. In the event the proposed general indebtedness to be incurred will bring the indebtedness of the public utility district to an amount exceeding three-fourths of one percent of the value of the taxable property of the public utility district, as the term "value of the taxable property" is defined in RCW 39.36.015, the proposition of incurring such indebtedness and the proposed plan or system shall be submitted to the qualified electors of said public utility district for their assent at the next general election held in such public utility district.

Whenever the commission (or a majority of the qualified voters of such public utility district, voting at said election, when it is necessary to submit the same to said voters) shall have adopted a system or plan for any such public utility, as aforesaid, and shall have authorized indebtedness therefor by a three-fifths vote of the qualified voters of such district, voting at said election, general or public utility bonds may be used as hereinafter provided. Said general bonds shall be serial in form and maturity and numbered from one upwards consecutively. The various annual maturities shall commence not later than the tenth year after the date of issue of such bonds. The resolution authorizing the issuance of the bonds shall fix the rate or rates of interest the bonds shall bear and the place and date of the payment of both principal and interest. The bonds shall be signed by the president of the commission, attested by the secretary of the commission, and the seal of the public utility district shall be affixed to each bond but not to the coupon: PROVIDED, HOWEVER, That said coupon, in lieu of being so signed, may have printed thereon a facsimile of the signature of such officers. The principal and interest of such general bonds shall be paid from the revenue of such public utility district after deducting costs of maintenance, operation, and expenses of the public utility district, and any deficit in the payment of principal and interest of said general bonds shall be paid by levying each year a tax upon the taxable property within said district sufficient to pay said interest

and principal of said bonds, which tax shall be due and collectible as any other tax. Said bonds shall be sold in such manner as the commission shall deem for the best interest of the district. All bonds and warrants issued under the authority of this act shall be legal securities, which may be used by any bank or trust company for deposit with the state treasurer, or any county or city treasurer, as security for deposits, in lieu of a surety bond, under any law relating to deposits of public moneys. When the commission shall not desire to incur a general indebtedness in the purchase, condemnation and purchase, acquisition, or construction of any such public utility, or addition or betterment thereto, or extension thereof, it shall have the power to create a special fund or funds for the sole purpose of defraying the cost of such public utility, or addition or betterment thereto, or extension thereof, into which special fund or funds it may obligate and bind the district to set aside and pay a fixed proportion of the gross revenues of such public utility, or any fixed amount out of, and not exceeding a fixed proportion of, such revenues, or a fixed amount without regard to any fixed proportion, and to issue and sell bonds or warrants bearing interest at such rate or rates, payable semiannually, executed in such manner, and payable at such times and places as the commission shall determine, but such bonds or warrants and the interest thereon, shall be payable only out of such special fund or funds. In creating any such special fund or funds, the commission shall have due regard to the cost of operation and maintenance of the plant or system as constructed or added to, and to any proportion or part of the revenues previously pledged as a fund for the payment of bonds or warrants, and shall not set aside into such special fund or funds a greater amount or proportion of the revenues and proceeds than, in its judgment, will be available over and above such cost of maintenance and operation and the amount or proportion, if any, of the revenues so previously pledged. Any such bonds or warrants, and interest thereon, issued against any such fund, as herein provided, shall be a valid claim of the holder thereof only as against the said special fund and its fixed proportion or amount of the revenue pledged to such fund, and shall not constitute an indebtedness of such district within the meaning of the constitutional provisions and limitations. Each such bond or warrant shall state on its face that it is payable from a special fund, naming such fund and the resolution creating it. Said bonds and warrants shall be sold in such manner as the commission shall deem for the best interests of the district, and the commission may provide in any contract for the construction and acquisition of a proposed improvement or utility that payment therefor shall be made only in such bonds or warrants at the par value thereof. In all other respects, the issuance of such utility bonds or warrants and

payment therefor shall be governed by the public utility laws for cities and towns.

NEW SECTION. Sec. 2. This 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.

EXPLANATORY NOTE

RCW 54.24.018 was amended twice during the 1970 extraordinary session of the legislature.

Section 33, chapter 42, Laws of 1970 ex. sess. changed the amount of proposed indebtedness of a public utility district to be submitted to the voters from "one and one-half percent of the taxable property" to "three-fourths of one percent of the value of taxable property".

Section 77, chapter 56, Laws of 1970 ex. sess. removed the eight percent interest limitation on bonds authorized for general indebtedness and authorized the district commissioners to set the rates of interest.

As these amendments appear to be in different respects, the purpose of this bill is to give effect to both amendments by reenacting the section with both amendments included therein.

Passed the House January 29, 1971

Passed the Senate February 17, 1971

Approved by the Governor February 26, 1971

Filed in Office of Secretary of State February 27, 1971.

CHAPTER 13

[House Bill No. 99]

REVENUE AND TAXATION--

CODE CORRECTIONS

AN ACT Relating to revenue and taxation; amending and reenacting section 82.04.430, chapter 15, Laws of 1961 as last amended by section 5, chapter 65, Laws of 1970 ex. sess. and by section 2, chapter 101, Laws of 1970 ex. sess., and RCW 82.04.430; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 82.04.430, chapter 15, Laws of 1961 as last amended by section 5, chapter 65, Laws of 1970 ex. sess. and by