

(6) This section shall be effective as to and shall govern the payment of all taxes falling due after the effective date of this code.

NEW SECTION. Sec. 3. If any provision of this amendatory act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 4. This 1979 amendatory act shall become effective beginning upon and after January 1, 1980.

Passed the Senate March 30, 1979.

Passed the House May 29, 1979.

Approved by the Governor June 15, 1979.

Filed in Office of Secretary of State June 15, 1979.

## CHAPTER 234

[Substitute Senate Bill No. 2639]

### STATE AND LOCAL WATER SUPPLY FACILITIES CONSTRUCTION—BOND ISSUE—REFERENDUM

AN ACT Relating to financing water supply facilities; adding a new chapter to Title 43 RCW; and providing for submission of this act to a vote of the people.

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

NEW SECTION. Section 1. The long-range development goals for the state of Washington must include the provision of those supportive public services necessary for the development and expansion of industry, commerce, and employment including the furnishing of an adequate supply of water for domestic, industrial, agricultural, municipal, fishery, recreational, and other beneficial uses.

NEW SECTION. Sec. 2. For the purpose of providing funds for the planning, acquisition, construction, and improvement of water supply facilities within the state, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of one hundred twenty-five million dollars, or so much thereof as may be required, to finance the improvements defined in this chapter and all costs incidental thereto. These bonds shall be paid and discharged within thirty years of the date of issuance in accordance with Article VIII, section 1 of the state Constitution. No bonds authorized by this chapter may be offered for sale without prior legislative appropriation of the proceeds of the bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this chapter shall be deposited in the state and local improvements revolving account—water supply facilities hereby created in the general fund and shall be used exclusively for the purpose specified in this chapter

and for payment of the expenses incurred in the issuance and sale of the bonds.

NEW SECTION. Sec. 4. The proceeds from the sale of the bonds deposited in the state and local improvements revolving account—water supply facilities of the general fund under the terms of this chapter shall be divided into two shares as follows:

(1) Seventy-five million dollars, or so much thereof as may be required, shall be used for domestic, municipal, and industrial water supply facilities; and

(2) Fifty million dollars, or so much thereof as may be required, shall be used for water supply facilities for agricultural use alone or in combination with fishery, recreational, or other beneficial uses of water.

The share of seventy-five million dollars shall be administered by the department of social and health services and the share of fifty million dollars shall be administered by the department of ecology, subject to legislative appropriation. The administering departments may use or permit the use of any funds derived from the sale of bonds authorized under this chapter to accomplish the purpose for the issuance of the bonds by direct expenditures and by grants or loans to public bodies, including grants to public bodies as matching funds in any case where federal, local, or other funds are made available on a matching basis for improvements within the purposes of this chapter.

NEW SECTION. Sec. 5. As used in this chapter, the term "water supply facilities" means domestic, municipal, industrial, and agricultural (and any associated fishery, recreational, or other beneficial use) water supply or distribution systems including but not limited to all equipment, utilities, structures, real property, and interests in and improvements on real property necessary for or incidental to the acquisition, construction, installation, or use of any such water supply or distribution system.

As used in this chapter, the term "public body" means the state of Washington or any agency, political subdivision, taxing district, or municipal or public corporation thereof; an agency of the federal government; and those Indian tribes which may constitutionally receive grants or loans from the state of Washington.

NEW SECTION. Sec. 6. The state finance committee is authorized to prescribe the forms, terms, conditions, and covenants of the bonds; the time or times of sale of all or any portion of them; and the conditions and manner of their sale and issuance. None of the bonds authorized by this chapter may be sold for less than their par value.

NEW SECTION. Sec. 7. When the state finance committee has decided to issue the bonds, or a portion of the bonds, it may, pending the issuance of the bonds, issue, in the name of the state, temporary notes in anticipation of the money to be derived from the sale of the bonds, which

notes shall be designated as "anticipation notes". The portion of the proceeds of the sale of the bonds as may be required for this purpose shall be applied to the payment of the principal of and interest on the anticipation notes which have been issued. The bonds and notes shall pledge the full faith and credit of the state of Washington and shall contain an unconditional promise to pay the principal and interest when due. The state finance committee may authorize the use of a printed facsimile of the seal of the state of Washington in the issuance of the bonds and notes.

NEW SECTION. Sec. 8. The public water supply facilities bond redemption fund is created in the state treasury. This fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by this chapter. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements. Not less than thirty days prior to the date on which any interest or principal and interest payment is due, the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the public water supply facilities bond redemption fund an amount equal to the amount certified by the state finance committee to be due on the payment date. If a state general obligation bond retirement fund is created in the state treasury by chapter ... (SB 2361), Laws of 1979 1st ex. sess. and becomes effective by statute prior to the issuance of any of the bonds authorized by sections 1 through 11 of this act, the state general obligation bond retirement fund shall be used for purposes of sections 1 through 11 of this act in lieu of the public water supply facilities bond redemption fund, and the public water supply facilities bond redemption fund shall cease to exist. The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 9. The legislature may provide additional means for raising moneys for the payment of the principal and interest of the bonds authorized in this chapter, and this chapter shall not be considered to provide an exclusive method for the payment.

NEW SECTION. Sec. 10. The bonds authorized in this chapter shall be a legal investment for all state funds or for funds under state control and for all funds of any other public body.

NEW SECTION. Sec. 11. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 12. This act shall be submitted to the people for their adoption and ratification, or rejection, at the general election to be

held in this state on the Tuesday next succeeding the first Monday in November, 1980, in accordance with Article VIII, section 3 of the state Constitution, in accordance with Article II, section 1 of the state Constitution, and the laws adopted to facilitate the operation thereof.

NEW SECTION. Sec. 13. Sections 1 through 11 of this act shall constitute a new chapter in Title 43 RCW.

Passed the Senate May 10, 1979.

Passed the House May 31, 1979.

Approved by the Governor June 15, 1979.

Filed in Office of Secretary of State June 15, 1979.

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## CHAPTER 235

[Substitute Senate Bill No. 2744]

### INSTITUTIONS OF HIGHER EDUCATION—DEFINITION—STATE STUDENT FINANCIAL AID PROGRAM

AN ACT Relating to the state student financial aid program; and amending section 8, chapter 222, Laws of 1969 ex. sess. as amended by section 16, chapter 132, Laws of 1975 1st ex. sess. and RCW 28B.10.802.

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

Section 1. Section 8, chapter 222, Laws of 1969 ex. sess. as amended by section 16, chapter 132, Laws of 1975 1st ex. sess. and RCW 28B.10.802 are each amended to read as follows:

As used in RCW 28B.10.800 through 28B.10.824:

(1) "Institutions of higher education" shall mean (1) any public ((or private college, university or community college in the state of Washington which is accredited by the Northwest Association of Secondary and Higher Schools; and an institute of higher education shall also mean any public vocational-technical institute in the state of Washington)) university, college, community college, or vocational-technical institute operated by the state of Washington or any political subdivision thereof or (2) any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an accrediting association recognized by rule of the council for the purposes of this section: PROVIDED, That any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association: PROVIDED FURTHER, That no institution of higher education shall be eligible to participate in a student financial aid program unless it agrees to and complies with program rules and regulations adopted pursuant to RCW 28B.10.822.

(2) The term "financial aid" shall mean loans and/or grants to needy students enrolled or accepted for enrollment as a full time student at institutions of higher education.