

the commission, as soon as may be convenient after their appointment, shall elect one of their members to serve as chairman. Each member shall receive twenty dollars per diem for each day spent in the performance of the duties of the commission and mileage at the rate of ten cents per mile.

Passed the Senate March 3, 1961.

Passed the House March 6, 1961.

Approved by the Governor March 20, 1961.

CHAPTER 184.

[S. B. 321.]

STATE OFFICE AND WAREHOUSE SPACE AND FACILITIES.

AN ACT relating to state government; amending sections 1, 2, 4, 11 and 12, chapter 255, Laws of 1959 and RCW 43.82.010, 43.82.020, 43.82.040, 43.82.110, and 43.82.120; adding two new sections to chapter 43.82 RCW; repealing sections 1 through 3, chapter 210, Laws of 1957 and RCW 43.19.126 through 43.19.128, and repealing sections 15, 16 and 17, chapter 178, Laws of 1959 and RCW 43.19.1929 through 43.19.1933.

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

RCW 43.82.010 amended.

SECTION 1. Section 1, chapter 255, Laws of 1959 and RCW 43.82.010 are each amended to read as follows:

State agency housing. Acquisition of sites, etc., construction of buildings— Leasing of facilities— Rental.

The director of the department of general administration, as agent for the agency involved, shall purchase, lease or rent all real estate, improved or unimproved, needed for any offices, warehouses and similar purposes as may be required by elected state officials, institutions, departments, commissions and other state agencies: *Provided*, The director may delegate any or all of these functions to any agency upon such terms and conditions as he deems advisable: *Provided further*, That this section shall not apply to the acquisition of real estate by the col-

leges and universities for research or experimental purposes.

The director is also authorized to purchase, lease or rent improved or unimproved real estate as owner or lessee, and to lease or sublet all or a part of such real estate to state agencies. The director shall charge each using agency its proportionate rental which shall include an amount sufficient to pay all costs, including, but not limited to, those for utilities, janitorial and accounting services, and sufficient to provide for contingencies; which shall not exceed five percent of the average annual rental, to meet unforeseen expenses incident to management of the real estate.

In order to obtain maximum utilization of space, the director shall make space utilization studies, and shall establish standards for use of space by state agencies.

The director may construct new buildings on, or improve existing facilities, and furnish and equip, all real estate under his management.

All contracts to purchase, lease or rent shall be approved as to form by the attorney general.

SEC. 2. Section 2, chapter 255, Laws of 1959 and RCW 43.82.020 are each amended to read as follows:

The acquisition of real estate, and use thereof, shall be subject to the approval of the state capitol committee when the real estate is located in Thurston county.

RCW 43.82.020 amended.

Approval when acquisition, use, in Thurston county.

SEC. 3. Section 4, chapter 255, Laws of 1959 and RCW 43.82.040 are each amended to read as follows:

To provide funds for the acquisition of real estate, the improvement of existing facilities thereon, the construction of buildings, the acquisition of furnishings and equipment therefor, and to pay interest on the revenue bonds authorized to be issued by this chapter during the estimated period of such improvement or construction and for six months after

RCW 43.82.040 amended.

Revenue bonds, coupons—Authorized, issuance, payment, etc.

completion of such improvement or construction, if required, there shall be issued and sold revenue bonds of the state of Washington as determined to be necessary by the director of the department of general administration, but not in excess of the amounts appropriated or reappropriated for expenditures under the terms of this chapter.

The issuance and sale of the bonds shall be under the supervision and control of the state finance committee. The state finance committee, in its discretion, may provide for the issuance of coupon or registered bonds to be dated, issued, and sold at the request of the director at such time or times and in such amount or amounts as may be necessary to finance the program authorized in this chapter.

Each bond shall be made payable at any time not exceeding forty years from date of issuance, with such reserved rights of prior redemption, bearing such rate of interest, payable semiannually or annually, and with such terms, conditions, and covenants to safeguard the security and the rights of the holders thereof, including any provision for reserves, as the state finance committee may prescribe to be specified therein. The bonds may be payable at such places and be in such denominations as the committee may prescribe. All such bonds shall be fully negotiable.

RCW 43.82.110
amended.

SEC. 4. Section 11, chapter 255, Laws of 1959 and RCW 43.82.110 are each amended to read as follows:

Lease of space
—General
administration
bond redemp-
tion fund—
Pledge of
rentals.

All office or other space made available through the provisions of this chapter shall be leased by the director to such state agencies, for such rental, and on such terms and conditions as he deems advisable: *Provided*, However, if space becomes surplus, the director is authorized to lease office or other space in any project to any person, corporation or body politic, for such period as the director

shall determine said space is surplus, and upon such other terms and conditions as he may prescribe.

There is hereby created within the treasury a special fund to be known as the "general administration bond redemption fund" in which all pledged rentals shall be deposited. In the event bonds are issued for more than one project, the rentals from each project will be maintained as separate accounts. The funds in this account or accounts shall be used to meet principal and interest payments when due on the bonds issued to finance the specific project for which each such account was created until all of such bonds and interest thereon have been paid.

The bonds shall include a covenant that the payment or redemption thereof and the interest thereon are secured by a first and direct charge and lien on the rentals deposited in the general administration bond redemption fund, as aforesaid, and received from the project for which the bonds were issued. Such rentals shall be pledged by the state for such purpose.

SEC. 5. Section 12, chapter 255, Laws of 1959 and RCW 43.82.120 are each amended to read as follows:

RCW 43.82.120 amended.

There is hereby established within the state treasury a reserve fund to be known as the "general administration bond redemption guarantee fund." All unpledged rental income collected by the department of general administration from rental of state buildings shall be deposited in the general administration bond redemption guarantee fund until a total of two hundred thousand dollars is on deposit in said fund after which all unpledged rental income shall be deposited in the general administration management fund, the creation of which is hereby authorized. In the event the general administration bond redemption guarantee fund is diminished, it shall be replenished in the same manner.

General administration bond redemption fund—
Deposits—
General administration management fund—
Deposits.

If at any time there is insufficient money in the general administration bond redemption fund to make any payments of interest or principal due on any bonds payable from such fund, the state treasurer shall transfer from such general administration bond redemption guarantee fund to the general administration bond redemption fund an amount sufficient to meet such payments.

New section.

SEC. 6. There is added to chapter 43.82 RCW a new section to read as follows:

General administration management fund—Use.

The general administration management fund shall be used to pay all costs incurred by the department in the operation of real estate managed under the terms of this chapter. Moneys received into the general administration management fund shall be used to pay rent to the owner of the space for occupancy of which the charges have been made and to pay utility and operational costs of the space utilized by the occupying agency: *Provided*, That moneys received into the fund for occupancy of space owned by the state where utilities and other operational costs are covered by appropriation to the department of general administration shall be immediately transmitted to the general fund: *Provided further*, That the director may expend not to exceed fifty thousand dollars per biennium from the general administration management fund to cover unusual or unexpected expenses connected with space occupancy or management that cannot be charged directly to any specific state agency. In the event the director determines that there is a surplus in this fund, he shall transfer such surplus to the general fund.

New section.

SEC. 7. There is added to chapter 43.82 RCW a new section to read as follows:

Insurance authorized.

The director may, in his discretion, obtain fire or other hazard insurance on any building under his management.

SEC. 8. Sections 1 through 3, chapter 210, Laws of 1957 and RCW 43.19.126 through 43.19.128 and sections 15, 16 and 17, chapter 178, Laws of 1959 and RCW 43.19.1929 through 43.19.1933 are each repealed.

Passed the Senate March 2, 1961.

Passed the House March 6, 1961.

Approved by the Governor March 20, 1961.

CHAPTER 185.

[S. B. 419.]

SHIP CANALS—PUGET SOUND, GRAYS HARBOR, HOOD CANAL.

AN ACT relating to ship canals; and creating a canal commission.

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

SECTION 1. The purpose of this act is to have a study made of the economic desirability and engineering feasibility of the construction of water canals connecting Puget Sound with Grays Harbor and lower Puget Sound with Hood Canal. Purpose.

SEC. 2. There is created a canal commission to carry out the purposes of this act. The commission shall consist of three senators, appointed by the president of the senate, three representatives, appointed by the speaker of the house, five residents of the state appointed by the governor, and the director of conservation who shall be chairman of the commission. Canal
commission.
Created—
Membership.

The director of commerce and economic development shall be an ex officio member of the commission.

Any vacancies occurring on the canal commission shall be filled within seven days in the same manner as the vacated position. Vacancies.

The members of the canal commission shall serve without compensation.