

fund shall be deposited by the treasurer in the name of said fund in such bank or banks as may be directed by the state finance committee. The treasurer shall require from all banks holding deposits of moneys belonging to said fund, deposits of securities or surety company bonds to indemnify said fund against loss, the same as are required of depositaries of state funds, which deposit of securities or surety company bonds shall at all times be ample and sufficient to cover all deposits from said fund.

Passed the House February 21, 1959.

Passed the Senate March 10, 1959.

Approved by the Governor March 18, 1959.

CHAPTER 193.

[H. B. 187.]

UNIVERSITY OF WASHINGTON—BUILDINGS AND FACILITIES.

AN ACT relating to the construction, completion and remodeling of buildings and facilities at the University of Washington; authorizing the board of regents thereof to construct and finance the same by the issuance of bonds payable from a special fund into which shall be paid general tuition fees; authorizing the board to make certain covenants in such bonds; authorizing the refunding of such bonds; authorizing the board to accept federal and other grants; authorizing the legislature to provide additional means for raising money for the payment of such bonds; validating bonds heretofore issued; amending section 3, chapter 66, Laws of 1915, as last amended by section 6, chapter 254, Laws of 1957, and RCW 28.77.040; amending sections 1, 2, 3, 4 and 5, chapter 254, Laws of 1957, and RCW 28.77.500, 28.77.510, 28.77.520, 28.77.530 and 28.77.540; adding new sections to chapter RCW 28.77; making an appropriation; and declaring an emergency.

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

SECTION 1. Section 1, chapter 254, Laws of 1957 and RCW 28.77.500 are each amended to read as follows:

RCW 28.77.500 amended.

The board of regents of the University of Washington is empowered, in accordance with the provisions of this chapter, to provide for the construction, completion, reconstruction, remodeling, rehabilitation and improvement of buildings and facilities authorized by the legislature for the use of the university and to finance the payment thereof by bonds payable out of a special fund from revenues hereafter derived from the payment of general tuition fees, gifts, bequests or grants, and such additional funds as the legislature may provide.

Financing, construction, improvement of buildings authorized.

SEC. 2. Section 2, chapter 254, Laws of 1957 and RCW 28.77.510 are each amended to read as follows:

RCW 28.77.510 amended.

The following terms, whenever used or referred to in this chapter, shall have the following meaning, excepting in those instances where the context clearly indicates otherwise:

Definitions.

(1) The word "board" means the board of regents of the University of Washington.

"Board."

(2) The words "general tuition fees" mean the general tuition fee charged students registering at the university except those students registering in the schools of medicine and dentistry.

"General tuition fees."

(3) The words "bond retirement fund" mean the special fund created by chapter 254, Laws of 1957, to be known as the University of Washington bond retirement fund.

"Bond retirement fund."

(4) The word "bonds" means the bonds payable out of the bond retirement fund.

"Bonds."

(5) The word "projects" means the construction, completion, reconstruction, remodeling, rehabilitation, or improvement of any building or other facility of the university authorized by the legislature at any time and to be financed by the issuance and sale of bonds.

"Projects."

SEC. 3. Section 3, chapter 254, Laws of 1957 and RCW 28.77.520 are each amended to read as follows:

RCW 28.77.520 amended.

Additional powers of board.

In addition to the powers conferred under existing law, the board is authorized and shall have the power:

(1) To contract for the construction, completion, reconstruction, remodeling, rehabilitation and improvement of such buildings or other facilities of the university as are herein and which may hereafter be authorized by the legislature to be financed by the issuance and sale of bonds.

(2) To finance the same by the issuance of bonds secured by the pledge of any or all of the revenues and receipts of the bond retirement fund.

(3) Without limitation of the foregoing, to accept grants from the United States government, or any federal or state agency or instrumentality, or any public or private corporation, association, or person to aid in defraying the costs of any such projects.

RCW 28.77.530 amended.

Bonds—Issuance, sale, form, term, covenants.

SEC. 4. Section 4, chapter 254, Laws of 1957 and RCW 28.77.530 are each amended to read as follows:

For the purpose of financing the cost of any projects, the board is hereby authorized to adopt the resolution or resolutions and prepare all other documents necessary for the issuance, sale and delivery of the bonds or any part thereof at such time or times as it shall deem necessary and advisable. Said bonds:

(1) Shall not constitute

(a) An obligation, either general or special, of the state; or

(b) A general obligation of the University of Washington or of the board;

(2) Shall be

(a) Either registered or in coupon form; and

(b) Issued in denominations of not less than one hundred dollars; and

(c) Fully negotiable instruments under the laws of this state; and

(d) Signed on behalf of the university by the president of the board, attested by the secretary of the board, have the seal of the university impressed thereon or a facsimile of such seal printed or lithographed in the bottom border thereof, and the coupons attached thereto shall be signed with the facsimile signatures of such president and secretary;

(3) Shall state

(a) The date of issue; and

(b) The series of the issue and be consecutively numbered within the series; and

(c) That the bond is payable both principal and interest solely out of the bond retirement fund;

(4) Each series of bonds shall bear interest, payable either annually or semiannually, as the board may determine at an effective rate not to exceed six percent per annum over the life thereof, and no single interest or coupon rate shall exceed six percent per annum;

(5) Shall be payable both principal and interest out of the bond retirement fund;

(6) Shall be payable at such times over a period of not to exceed forty years from date of issuance, at such place or places, and with such reserved rights of prior redemption, as the board may prescribe;

(7) Shall be sold in such manner as the board may prescribe, but never at a price at which the net interest cost over the life thereof shall exceed six percent per annum;

(8) Shall be issued under and subject to such terms, conditions and covenants providing for the payment of the principal thereof and interest thereon and such other terms, conditions, covenants and protective provisions safeguarding such payment, not inconsistent with this act, and as found to be necessary by the board for the most advantageous sale thereof, which may include but not be limited to:

(a) A covenant that the general tuition fees shall be established, maintained and collected in such amounts that will provide money sufficient to pay the principal of and interest on all bonds payable out of the bond retirement fund, to set aside and maintain the reserves required to secure the payment of such principal and interest, and to maintain any coverage which may be required over such principal and interest;

(b) A covenant that a reserve account shall be created in the bond retirement fund to secure the payment of the principal of and interest on all bonds issued and a provision made that certain amounts be set aside and maintained therein;

(c) A covenant that sufficient moneys may be transferred from the University of Washington Building Account to the bond retirement fund when ordered by the board of regents in the event there is ever an insufficient amount of money in the bond retirement fund to pay any installment of interest or principal and interest coming due on the bonds or any of them;

(d) A covenant fixing conditions under which bonds on a parity with any bonds outstanding may be issued.

Deposit of proceeds.

The proceeds of the sale of all bonds, exclusive of accrued interest which shall be deposited in the bond retirement fund, shall be deposited in the state treasury to the credit of the University of Washington Building Account and shall be used solely for paying the costs of the projects.

RCW 28.77.540 amended.

SEC. 5. Section 5, chapter 254, Laws of 1957 and RCW 28.77.540 are each amended to read as follows:

Bond retirement fund—Composition.

For the purpose of paying and securing the payment of the principal of and interest on the bonds as the same shall become due, there shall be paid into the state treasury and credited to a special trust

fund to be known as the University of Washington bond retirement fund, the following:

(1) One-half of such general tuition fees as the board may from time to time determine, or such larger portion as may be necessary to prevent default in the payments required to be made out of the bond retirement fund, and in no event shall such one-half be less than twelve dollars and fifty cents per each resident student per quarter and less than thirty-seven dollars and fifty cents per each non-resident student per quarter;

(2) Any gifts, bequests, or grants which may be made, or may become available, for the purpose of furthering the construction of any authorized projects, or for the repayment of the costs thereof;

(3) Such additional funds as the legislature may provide.

Said bond retirement fund shall be kept segregated from all moneys in the state treasury and shall, while any of such bonds or any interest thereon remains unpaid, be available solely for the payment thereof except as provided in section 6 (5) of this act. As a part of the contract of sale of such bonds, the board undertakes to charge and collect general tuition fees and to deposit the portion of such fees in the bond retirement fund in amounts which will be sufficient to pay the principal of, and interest on all such bonds outstanding.

SEC. 6. There is added to chapter 254, Laws of 1957 and to chapter 28.77 RCW a new section to read as follows: New section.

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued; Bonds—
Powers of
board.

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the University of Washington Building Account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the University of Washington Building Account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund.

RCW 28.77.040 amended.

SEC. 7. Section 3, chapter 66, Laws of 1915, as last amended by section 6, chapter 254, Laws of 1957, and RCW 28.77.040 are each amended to read as follows:

Disposition of general tuition fees.

Within thirty-five days from the date of collection thereof, all general tuition fees, including general tuition fees to be charged students registering in the Schools of Medicine and Dentistry, shall be paid into the state treasury and credited as follows:

(1) From students registering in the Schools of Medicine and Dentistry, all to the "University of Washington Medical and Dental Building Account";

(2) From all other students, one-half of the general tuition fees paid by them, or such larger portion as may be necessary to prevent a default in the payments required to be made out of the bond retirement fund, and in no event shall such one-half be less than twelve dollars and fifty cents per each resident student per quarter, and thirty-seven dollars and fifty cents per each nonresident student per quarter to the "University of Washington Bond Retirement fund" and the remainder thereof to the

“University of Washington Building Account.” The sum so credited to the University of Washington Building Account shall be used exclusively for the purpose of erecting, altering, maintaining, equipping, or furnishing buildings except for any sums transferred as authorized in section 6 (3) of this act. The sum so credited to the University of Washington bond retirement fund shall be used for the payment of principal of and interest on bonds outstanding as provided by this chapter except for any sums transferred as authorized in section 6 (5) of this act.

SEC. 8. There is added to chapter 254, Laws of 1957 and to chapter 28.77 RCW a new section to read as follows: New section.

The board is hereby empowered to issue refunding bonds to provide funds to refund any or all outstanding bonds payable from the bond retirement fund and to pay any redemption premium payable on such outstanding bonds being refunded. Such refunding bonds may be issued in the manner and on terms and conditions and with the covenants permitted by this chapter for the issuance of bonds. The refunding bonds shall be payable out of the bond retirement fund and shall not constitute an obligation either general or special, of the state or a general obligation of the University of Washington or the board. The net interest cost to maturity on such refunding bonds shall not exceed six percent per annum nor shall any single interest or coupon rate exceed six percent per annum. The board may exchange the refunding bonds at par for the bonds which are being refunded or may sell them in such manner as it deems for the best interest of the university. Refunding
bonds author-
ized.

SEC. 9. There is added to chapter 254, Laws of 1957 and to chapter 28.77 RCW a new section to read as follows: New section.

Projects authorized.

The legislature hereby authorizes the board to construct, remodel, complete and equip the following projects:

Business Administration Building, completion	\$2,000,000
Hydraulics Building, addition.....	300,000
Miller Hall, renovation.....	250,000
Commerce Hall, renovation.....	200,000
Power Plant, completion.....	400,000
Electrical Distribution System.....	350,000
Research Computer Lab.....	400,000
Library Renovation and Addition....	1,500,000
Reactor Building (Mechanical Engineering Wing)	75,000

Bond issuance authorized.

and in order to pay the cost thereof, to issue bonds in the total principal sum of \$3,900,000 in addition to bonds authorized to pay the cost of projects heretofore authorized.

New section.

SEC. 10. There is added to chapter 254, Laws of 1957 and to chapter 28.77 RCW a new section to read as follows:

Appropriation.

There is hereby appropriated out of the University of Washington building account the sum of five million four hundred seventy thousand dollars, or so much thereof as may be necessary, to be expended by the board of regents of the University of Washington for the projects authorized by this act.

New section.

SEC. 11. There is added to chapter 254, Laws of 1957 and to chapter 28.77 RCW a new section to read as follows:

Prior covenants validated.

Any covenants of the bonds heretofore issued by the University of Washington under the authority of chapter 254, Laws of 1957 not expressly authorized by said chapter but authorized herein are hereby declared to be legal and binding in all respects.

SEC. 12. 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. Emergency.

Passed the House February 24, 1959.

Passed the Senate March 10, 1959.

Approved by the Governor March 19, 1959.

CHAPTER 194.

[H. B. 185.]

PER DIEM FOR STATE OFFICIALS AND EMPLOYEES.

AN ACT relating to state government; providing per diem allowance in lieu of subsistence for state officials and employees; amending section 1, chapter 86, Laws of 1943 as last amended by section 1, chapter 259, Laws of 1953, and RCW 43.03.050.

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

SECTION 1. Section 1, chapter 86, Laws of 1943 as last amended by section 1, chapter 259, Laws of 1953, and RCW 43.03.050 are each amended to read as follows: RCW 43.03.050 amended.

The heads of all state departments may prescribe per diem rates of allowance, not exceeding twelve dollars in lieu of subsistence and lodging to elective and appointive officials and state employees while engaged on official business away from their designated posts of duty, but within the state of Washington or an adjoining state, and not exceeding fifteen dollars per day while engaged on official business elsewhere. Subsistence allowance for officials and employees.

Passed the House March 6, 1959.

Passed the Senate March 9, 1959.

Approved by the Governor March 19, 1959.