

shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Passed the House February 4, 1971.

Passed the Senate March 10, 1971.

Approved by the Governor March 22, 1971.

Filed in Office of Secretary of State March 22, 1971.

CHAPTER 59

[House Bill No. 217]

NOT FOR PROFIT CORPORATIONS

AN ACT Relating to not for profit corporations; and adding a new chapter to Title 24 RCW.

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

NEW SECTION. Section 1. There is added to Title 24 RCW a new chapter to read as set forth in sections 2 through 8 of this 1971 act.

NEW SECTION. Sec. 2. This chapter shall apply to every not for profit corporation to which Title 24 RCW applies, and which is a "private foundation" as defined in section 509 of the Internal Revenue Code of 1954, and which has been or shall be incorporated under the laws of the state of Washington after December 31, 1969. As to any such corporation so incorporated before January 1, 1970, this chapter shall apply only for its federal taxable years beginning after December 31, 1971.

NEW SECTION. Sec. 3. The articles of incorporation of every corporation to which this chapter applies shall be deemed to contain provisions prohibiting the corporation from:

(1) Engaging in any act of "self-dealing" (as defined in section 4941(d) of the Internal Revenue Code of 1954), which would give rise to any liability for the tax imposed by section 4941(a) of the Internal Revenue Code of 1954;

(2) Retaining any "excess business holdings" (as defined in section 4943 (c) of the Internal Revenue Code of 1954), which would give rise to any liability for the tax imposed by section 4943(a) of the Internal Revenue Code of 1954;

(3) Making any investment which would jeopardize the carrying out of any of its exempt purposes, within the meaning of section 4944 of the Internal Revenue Code of 1954, so as to give rise to any liability for the tax imposed by section 4944(a) of the Internal Revenue Code of 1954; and

(4) Making any "taxable expenditures" (as defined in section 4945(d) of the Internal Revenue Code of 1954) which would give rise to any liability for the tax imposed by section 4945(a) of the Internal Revenue Code of 1954.

NEW SECTION. Sec. 4. The articles of incorporation of every corporation to which this chapter applies shall be deemed to contain a provision requiring such corporation to distribute, for the purposes specified in its articles of incorporation, for each taxable year, amounts at least sufficient to avoid liability for the tax imposed by section 4942(a) of the Internal Revenue Code of 1954.

NEW SECTION. Sec. 5. Nothing in this chapter shall impair the rights and powers of the courts or the attorney general of this state with respect to any corporation.

NEW SECTION. Sec. 6. All references to sections of the Internal Revenue Code of 1954 shall include future amendments to such sections and corresponding provisions of future internal revenue laws.

NEW SECTION. Sec. 7. Nothing in this chapter shall limit the power of any corporation not for profit now or hereafter incorporated under the laws of the state of Washington

(1) to at any time amend its articles of incorporation or other instrument governing such corporation by any amendment process open to such corporation under the laws of the state of Washington to provide that some or all provisions of sections 2 and 3 of this 1971 act shall have no application to such corporation; or

(2) in the case of any such corporation formed after the effective date of this 1971 act, to provide in its articles of incorporation that some or all provisions of sections 2 and 3 of this 1971 act shall have no application to such corporation.

NEW SECTION. Sec. 8. If any provision of this 1971 act or the application thereof is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this 1971 act are declared to be severable.

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CHAPTER 60
[House Bill No. 228]
INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION--
COMPOSITION

AN ACT Relating to the interagency committee for outdoor recreation; amending section 11, chapter 5, Laws of 1965 as amended by section 2, chapter 62, Laws of 1967 ex. sess. and RCW 43.99.110.

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

Section 1. Section 11, chapter 5, Laws of 1965 as amended by section 2, chapter 62, Laws of 1967 ex. sess. and RCW 43.99.110 are each amended to read as follows:

There is created the interagency committee for outdoor recreation consisting of the commissioner of public lands, the director of parks and recreation, the director of game, the director of fisheries, the director of highways, and the director of commerce and economic development, the director of the department of ecology, and, by appointment of the governor, five members from the public at large who have a demonstrated interest in and a general knowledge of outdoor recreation in the state. The terms of members appointed from the public at large shall commence on January 1st of the year of appointment and shall be for three years or until a successor is appointed, except in the case of appointments to fill vacancies which shall be for the remainder of the unexpired term; provided the first such members shall be appointed for terms as follows: One member for one year, two members for two years, and two members for three years. The governor shall appoint one of the members from the public at large to serve as chairman of the committee for the duration of the member's term. Members employed by the state shall serve without additional pay and participation in the work of the committee shall be deemed performance of their employment. Members from the public at large shall serve without pay, but shall be entitled to reimbursement individually for necessary travel and other expenses incurred in performance of their duties as members of the committee on the same basis as is provided by law for state officials and employees generally.

Passed the House March 10, 1971.

Passed the Senate March 10, 1971.

Approved by the Governor March 22, 1971.

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