

~~offense, and it shall be the duty of the prosecuting attorney of such county, on complaint of any resident or freeholder of said territory, to forthwith enforce the provisions of this section)).~~

Passed the House February 6, 1975.

Passed the Senate March 10, 1975.

Approved by the Governor March 24, 1975.

Filed in Office of Secretary of State March 25, 1975.

CHAPTER 39

[Substitute House Bill No. 73]

FROZEN FOODS—RETAIL SALES—PACKAGE LABELS

AN ACT Relating to food; and adding a new section to chapter 69.04 RCW.

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

NEW SECTION. Section 1. There is added to chapter 69.04 RCW a new section to read as follows:

It shall be unlawful for any person to sell at retail or display for sale at retail any food fish or shellfish as defined in RCW 75.04.040 as now or hereafter amended, any meat capable of use as human food as defined in RCW 16.49A.150 as now or hereafter amended, or any meat food product as defined in RCW 16.49A.130 as now or hereafter amended which has been frozen subsequent to being offered for sale or distribution to the ultimate consumer, without having the package or container in which the same is sold bear a label clearly discernible to a customer that such product has been frozen and whether or not the same has since been thawed. No such food fish or shellfish, meat or meat food product shall be sold unless in such a package or container bearing said label: PROVIDED, That this section shall not include any of the aforementioned food or food products that have been frozen prior to being smoked, cured, cooked or subjected to the heat of commercial sterilization.

Passed the House February 11, 1975.

Passed the Senate March 10, 1975.

Approved by the Governor March 24, 1975.

Filed in Office of Secretary of State March 25, 1975.

CHAPTER 40

[House Bill No. 106]

STATE ADMINISTRATIVE BOARD— TRANSFER OF DUTIES

AN ACT Relating to state government; amending section 1, chapter 79, Laws of 1921 and RCW 4.92.060; amending section 2, chapter 79, Laws of 1921 and RCW 4.92.070; amending section 24, chapter 122, Laws of 1963 and RCW 15.17.240; amending section 2, chapter 23, Laws of 1972 ex. sess. and RCW 28B.10.842; amending section 43.10.030, chapter 8, Laws of 1965 as amended by section 109, chapter 81, Laws of 1971 and RCW 43.10.030; amending section 43.17.100, chapter 8, Laws of 1965 and RCW 43.17.100; amending section 43.19.030, chapter 8, Laws of 1965 and RCW 43.19.030; amending section 43.19.1925, chapter 8, Laws of 1965 as amended by section 2, chapter 104, Laws of 1973 and RCW 43.19.1925; amending section 43.19.1935, chapter 8, Laws of 1965 and RCW 43.19.1935; amending section 4, chapter 74, Laws of 1967 and RCW 43.63A.040;

amending section 43.88.160, chapter 8, Laws of 1965 as last amended by section 1, chapter 104, Laws of 1973 and RCW 43.88.160; amending section 61, chapter 35, Laws of 1945 as amended by section 6, chapter 8, Laws of 1953 ex. sess. and RCW 50.16.020; adding a new section to chapter 43.19 RCW; repealing section 43.17.080, chapter 8, Laws of 1965 and RCW 43.17.080; and repealing section 43.17.090, chapter 8, Laws of 1965 and RCW 43.17.090.

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

Section 1. Section 1, chapter 79, Laws of 1921 and RCW 4.92.060 are each amended to read as follows:

Whenever an action or proceeding for damages shall be instituted against any state officer or employee for the performance of any official act, such officer or employee may request the ~~((administrative board))~~ attorney general to authorize the defense of said action or proceeding at the expense of the state.

Sec. 2. Section 2, chapter 79, Laws of 1921 and RCW 4.92.070 are each amended to read as follows:

If the ~~((administrative board))~~ attorney general shall find that said officer or employee acted in good faith and without negligence, ~~((it shall grant))~~ said request shall be granted, in which event the necessary expenses of the defense of said action or proceeding shall be paid from the appropriations made for the support of the department to which such officer or employee is attached. In such cases the attorney general shall appear and defend such officer or employee.

Sec. 3. Section 24, chapter 122, Laws of 1963 and RCW 15.17.240 are each amended to read as follows:

The inspectors-at-large in charge of such inspections shall collect the fees therefor and deposit them in the horticultural district fund in any bank in the district approved for the deposit of state funds. The inspectors-at-large shall expend fees deposited in the horticultural district fund to assist in defraying the expenses of inspections and they shall make payments from the horticultural district fund to the horticultural inspection trust fund in Olympia as authorized by the director in accordance with RCW 15.04.100. Inspectors-at-large shall furnish bonds to the state in amounts set by the ~~((administrative board, pursuant to RCW 43.17.090))~~ director of the department of general administration, pursuant to section 13 of this amendatory act, with sureties approved by the director of agriculture, conditioned upon the faithful handling of said funds for the purposes specified; and shall, on or before the tenth day of each month, render to the director of agriculture a detailed account of the receipts and disbursements for the preceding month.

Sec. 4. Section 2, chapter 23, Laws of 1972 ex. sess. and RCW 28B.10.842 are each amended to read as follows:

Whenever any action, claim, or proceeding is instituted against any regent, trustee, officer, employee, or agent of an institution of higher education or member of the governing body, officer, employee, or agent of an educational board arising out of the performance or failure of performance of duties for, or employment with such institution or educational board, the board of regents or board of trustees of the institution or governing body of the educational board may grant a request by such person that the attorney general be authorized to defend said claim, suit, or proceeding, and the costs of defense of such action shall be paid from the appropriation made for the support of the institution or educational

board to which said person is attached. If a majority of the members of a board of regents or trustees or educational board is or would be personally affected by such findings and determination, or is otherwise unable to reach any decision on the matter, the ~~((administrative board created by RCW 43.17.080, as now or hereafter amended;))~~ attorney general is authorized to grant a request. When a request for defense has been authorized, then any obligation for payment arising from such action, claim, or proceedings shall be paid from the tort claims revolving fund, notwithstanding the nature of the claim, pursuant to the provisions of RCW 4.92-.130 through 4.92.170, as now or hereafter amended: PROVIDED, That this section shall not apply unless the authorizing body has made a finding and determination by resolution that such regent, trustee, member of the educational board, officer, employee, or agent was acting in good faith.

Sec. 5. Section 43.10.030, chapter 8, Laws of 1965 as amended by section 109, chapter 81, Laws of 1971 and RCW 43.10.030 are each amended to read as follows:

The attorney general shall:

(1) Appear for and represent the state before the supreme court or the court of appeals in all cases in which the state is interested;

(2) Institute and prosecute all actions and proceedings for, or for the use of the state, which may be necessary in the execution of the duties of any state officer;

(3) Defend all actions and proceedings against any state officer or employee acting in his official capacity, in any of the courts of this state or the United States;

(4) Consult with and advise the several prosecuting attorneys in matters relating to the duties of their office, and when the interests of the state require, he shall attend the trial of any person accused of a crime, and assist in the prosecution;

(5) Consult with and advise the governor, members of the legislature, and other state officers, and when requested, give written opinions upon all constitutional or legal questions relating to the duties of such officers;

(6) Prepare proper drafts of contracts and other instruments relating to subjects in which the state is interested;

(7) Give written opinions, when requested by either branch of the legislature, or any committee thereof, upon constitutional or legal questions;

(8) Enforce the proper application of funds appropriated for the public institutions of the state, and prosecute corporations for failure or refusal to make the reports required by law;

(9) Keep in proper books a record of all cases prosecuted or defended by him, on behalf of the state or its officers, and of all proceedings had in relation thereto, and deliver the same to his successor in office;

(10) Keep books in which he shall record all the official opinions given by him during his term of office, and deliver the same to his successor in office;

(11) Pay into the state treasury all moneys received by him for the use of the state.

Sec. 6. Section 43.17.100, chapter 8, Laws of 1965 and RCW 43.17.100 are each amended to read as follows:

Before entering upon the discharge of the duties of his office or employment, every appointive state officer and employee of the state shall give a surety bond,

payable to the state, in such sum as is provided by law or in such sum as shall be deemed necessary by the ~~((administrative board))~~ director of the department of general administration, conditioned for the faithful performance of the duties of the office or employment, and accounting for all property of the state that shall come into his possession by virtue of his office or employment, which bond shall be approved as to form by the attorney general ~~((and as to sufficiency by the administrative board;))~~ and shall be filed in the office of the secretary of state.

Sec. 7. Section 43.19.030, chapter 8, Laws of 1965 and RCW 43.19.030 are each amended to read as follows:

Before entering upon his office each bank examiner shall take and subscribe an oath faithfully to discharge the duties of his office and shall each execute to the state a bond to be approved by the governor in such sum as may be deemed necessary by the ~~((administrative board))~~ director of the department of general administration, with a surety company authorized to do business in this state, as surety, conditioned for the faithful performance of his duties. The premiums on such bonds shall be paid by the state.

Oaths and bonds shall be filed with the secretary of state.

Neither the supervisor of banking, any deputy supervisor, nor any bank examiner shall be personally liable for any act done by him in good faith in the performance of his duties.

Sec. 8. Section 43.19.1925, chapter 8, Laws of 1965 as amended by section 2, chapter 104, Laws of 1973 and RCW 43.19.1925 are each amended to read as follows:

To supply such funds as may be necessary for making combined purchases of items or services of common use by central stores, state agencies shall, upon request of the division of purchasing, from time to time, make advance payments into the central stores revolving fund from funds regularly appropriated to them for the procurement of supplies, equipment, and services: **PROVIDED**, That advance payment for services shall be on a quarterly basis: **PROVIDED FURTHER**, That any person, firm or corporation other than central stores rendering services for which advance payments are made shall deposit cash or furnish surety bond coverage to the state in an amount as shall be fixed by law, or if not fixed by law, then in such amounts as shall be fixed by the ~~((administrative board))~~ director of the department of general administration. Any such bond so furnished shall be conditioned that the person, firm or corporation receiving the advance payment will apply it toward performance of the contract. Funds so advanced to central stores shall be used only for the combined procurement, storage, and delivery of such stocks of supplies, equipment, and services as are requisitioned by the agency and shall be offset and repaid to the respective state agencies by an equivalent value in merchandise supplied and charged out from time to time from central stores. Costs of operation of central stores may be recovered by charging as part of the value of materials, supplies, or services an amount sufficient to cover the costs of operating central stores.

Sec. 9. Section 43.19.1935, chapter 8, Laws of 1965 and RCW 43.19.1935 are each amended to read as follows:

As a means of providing for the procurement of insurance and public official bonds on a volume rate basis, the director of general administration through the division of purchasing shall purchase or contract for the needs of state agencies in relation to all such insurance and public official bonds: PROVIDED, That the individual public official bonds of elected state officials, insurance requirements of colleges and universities, insurance requirements of toll project agencies, and insurance covering proprietary activities of state agencies, other than motor vehicle coverage, may be procured directly and independently by them. Insurance in force shall be reported periodically under rules established by the director.

The amounts of insurance or surety bond coverage shall be as fixed by law, or if not fixed by law, such amounts shall be as fixed by the ~~((administrative board))~~ director of the department of general administration.

The premium cost for insurance acquired and surety bonds furnished shall be paid from appropriations made to the state agency or agencies for which procurement is made, and all vouchers drawn in payment therefor shall bear the written approval of the division of purchasing prior to the issuance of the state warrant in payment therefor.

Sec. 10. Section 4, chapter 74, Laws of 1967 and RCW 43.63A.040 are each amended to read as follows:

The executive head of the planning and community affairs agency shall be a director appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor. He shall be paid a salary fixed by the governor in accordance with the provisions of RCW 43.03.040. He shall be bonded in an amount to be determined by the ~~((administrative board))~~ director of the department of general administration under the provisions of ~~((RCW 43.17.090))~~ section 13 of this amendatory act, the cost of which shall be considered an office expense.

Sec. 11. Section 43.88.160, chapter 8, Laws of 1965 as last amended by section 1, chapter 104, Laws of 1973 and RCW 43.88.160 are each amended to read as follows:

This section sets forth the major fiscal duties and responsibilities of officers and agencies of the executive branch. The regulations issued by the governor pursuant to this chapter shall provide for a comprehensive, orderly basis for fiscal management and control, including efficient accounting and reporting therefor, for the executive branch of the state government and may include, in addition, such requirements as will generally promote more efficient public management in the state.

(1) Governor; director of program planning and fiscal management. The governor, through his director of program planning and fiscal management, shall devise and supervise a modern and complete accounting system for each agency to the end that all revenues, expenditures, receipts, disbursements, resources and obligations of the state shall be properly and systematically accounted for. The accounting system shall include the development of accurate, timely records and reports of all financial affairs of the state. The system shall also provide for comprehensive central accounts in the office of program planning and fiscal management. The director of program planning and fiscal management may require such financial, statistical and other reports as he deems necessary from all agencies covering any period.

In addition, the director of program planning and fiscal management, as agent of the governor, shall:

(a) Make surveys and analyses of agencies with the object of determining better methods and increased effectiveness in the use of manpower and materials; and he shall authorize expenditures for employee training to the end that the state may benefit from training facilities made available to state employees;

(b) Report to the governor with regard to duplication of effort or lack of coordination among agencies;

(c) Review any pay and classification plans, and changes thereunder, developed by any agency for their fiscal impact: PROVIDED, That none of the provisions of this subsection shall affect merit systems of personnel management now existing or hereafter established by statute relating to the fixing of qualifications requirements for recruitment, appointment, or promotion of employees of any agency. He shall advise and confer with agencies including the legislative budget committee and the legislative council regarding the fiscal impact of such plans and may amend or alter said plans, except that for the following agencies no amendment or alteration of said plans may be made without the approval of the agency concerned: Agencies headed by elective officials; University of Washington; Washington State University; Central Washington State College; Eastern Washington State College; Western Washington State College; The Evergreen State College; new, four-year state colleges subsequently authorized; professional education employees of the state board for community college education; and the various state community colleges.

(d) Fix the number and classes of positions or authorized man years of employment for each agency and during the fiscal period amend the determinations previously fixed by him except that he shall not be empowered to fix said number or said classes for the following: Agencies headed by elective officials; University of Washington; Washington State University; Central Washington State College; Eastern Washington State College; Western Washington State College; The Evergreen State College; new, four-year state colleges subsequently authorized; professional education employees of the state board for community college education; and the various state community colleges;

(e) Promulgate regulations to effectuate provisions contained in subsections (a) through (d) hereof.

(2) The treasurer shall:

(a) Receive, keep and disburse all public funds of the state not expressly required by law to be received, kept and disbursed by some other persons: PROVIDED, That this subsection shall not apply to those public funds of the institutions of higher learning which are not subject to appropriation;

(b) Disburse public funds under his supervision or custody by warrant or check;

(c) Keep a correct and current account of all moneys received and disbursed by him, classified by fund or account;

(d) Perform such other duties as may be required by law or by regulations issued pursuant to this law.

It shall be unlawful for the treasurer to issue any warrant or check for public funds in the treasury except upon forms duly prescribed by the director of program planning and fiscal management. Said forms shall provide for authentication and certification by the agency head or his designee that the services have been rendered or the materials have been furnished; or, in the case of payments for periodic maintenance services to be performed on state-owned equipment, that a written contract for such periodic maintenance services is currently in effect and copies thereof are on file with the office of program planning and fiscal management and the legislative budget committee; and the treasurer shall not be liable under his surety bond for erroneous or improper payments so made: PROVIDED, That when services are lawfully paid for in advance of full performance by any private individual or business entity other than as provided for by RCW 42.24.035, such individual or entity other than central stores rendering such services shall make a cash deposit or furnish surety bond coverage to the state as shall be fixed in an amount by law, or if not fixed by law, then in such amounts as shall be fixed by the ~~((administrative board))~~ director of the department of general administration but in no case shall such required cash deposit or surety bond be less than an amount which will fully indemnify the state against any and all losses on account of breach of promise to fully perform such services: AND PROVIDED FURTHER, That no payments shall be made in advance for any equipment maintenance services to be performed more than three months after such payment. Any such bond so furnished shall be conditioned that the person, firm or corporation receiving the advance payment will apply it toward performance of the contract. The responsibility for recovery of erroneous or improper payments made under this section shall lie with the agency head or his designee in accordance with regulations issued pursuant to this chapter.

The auditor's current post audit of each agency may include a separate section setting forth recommendations to the legislature as provided by subsection (3)(c) of this section.

(3) The state auditor shall:

(a) Report to the legislature the results of current post audits that have been made of the financial transactions of each agency; to this end he may, in his discretion, examine the books and accounts of any agency, official or employee charged with the receipt, custody or safekeeping of public funds.

(b) Give information to the legislature, whenever required, upon any subject relating to the financial affairs of the state.

(c) Make his official report on or before the thirty-first of December which precedes the meeting of the legislature. The report shall be for the last complete fiscal period and shall include at least the following:

Determinations as to whether agencies, in making expenditures, complied with the laws of this state: PROVIDED, That nothing in this act shall be construed to grant the state auditor the right to perform performance audits. A performance audit for the purpose of this act shall be the examination of the effectiveness of the administration, its efficiency and its adequacy in terms of the programs of departments or agencies as previously approved by the legislature. The authority and responsibility to conduct such an examination shall be vested in the legislative budget committee as prescribed in RCW 44.28.085.

(d) Be empowered to take exception to specific expenditures that have been incurred by any agency or to take exception to other practices related in any way to the agency's financial transactions and to cause such exceptions to be made a matter of public record, including disclosure to the agency concerned and to the director of program planning and fiscal management. It shall be the duty of the director of program planning and fiscal management to cause corrective action to be taken promptly, such action to include, as appropriate, the withholding of funds as provided in RCW 43.88.110.

(e) Shall promptly report any irregularities to the attorney general.

(4) The legislative budget committee may:

(a) Make post audits of such of the financial transactions as it may determine of any agency and management surveys and program reviews as provided for in RCW 44.28.085 and to this end may in its discretion examine the books and accounts of any agency, official, or employee charged with the receipt, custody, or safekeeping of public funds.

(b) Give information to the legislature or any legislative committee whenever required upon any subject relating to the financial affairs of the state.

(c) Make its official report on or before the thirty-first of December which precedes the meeting of the legislature. The report shall be for the last complete fiscal period and shall include at least the following:

(i) Determinations as to the extent to which agencies in making expenditures have complied with the will of the legislature and in this connection, may take exception to specific expenditures or financial practices of any agencies; and

(ii) Such plans as it deems expedient for the support of the state's credit, for lessening expenditures, for promoting frugality and economy in agency affairs and generally for an improved level of fiscal management; and

(iii) A report on the efficiency and accuracy of the post audit operations of the state government.

Sec. 12. Section 61, chapter 35, Laws of 1945 as amended by section 6, chapter 8, Laws of 1953 ex. sess. and RCW 50.16.020 are each amended to read as follows:

The commissioner shall designate a treasurer and custodian of the unemployment compensation fund and of the administrative contingency fund, who shall administer such funds in accordance with the directions of the commissioner and shall issue his warrants upon them in accordance with such regulations as the commissioner shall prescribe. He shall maintain within the unemployment compensation fund three separate accounts as follows:

(1) a clearing account,

(2) an unemployment trust fund account, and

(3) a benefit account.

All moneys payable to the unemployment compensation fund, upon receipt thereof by the commissioner, shall be forwarded to the treasurer, who shall immediately deposit them in the clearing account. Refunds payable pursuant to the provisions of this title from the unemployment compensation fund may be paid from the clearing account upon warrants issued by the treasurer under the direction of the commissioner: PROVIDED, HOWEVER, That refunds of interest on

delinquent contributions shall be paid from the administrative contingency fund upon warrants issued by the treasurer under the direction of the commissioner.

After clearance thereof, all other moneys in the clearing account shall be immediately deposited with the Secretary of the Treasury of the United States to the credit of the account of this state in the unemployment trust fund, established and maintained pursuant to section 904 of the social security act, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding.

The benefit account shall consist of all moneys requisitioned from this state's account in the unemployment trust fund. Moneys in the clearing and benefit accounts and in the administrative contingency fund shall not be commingled with other state funds, but shall be deposited by the treasurer, under the direction of the commissioner, in any bank or public depository in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund.

Such moneys shall be secured by said bank or public depository to the same extent and in the same manner as required by the general depository law of the state and collateral pledged shall be maintained in a separate custody account.

The treasurer shall give a bond conditioned upon the faithful performance of his duties as a custodian of the funds in an amount fixed by the (~~state administrative board~~) director of the department of general administration and in a form prescribed by law or approved by the attorney general. Premiums for said bond shall be paid from the administration fund. All sums recovered on official bonds for losses sustained by the unemployment compensation fund shall be deposited in such fund. All sums recovered on official bonds for losses sustained by the administrative contingency fund shall be deposited in such fund.

NEW SECTION. Sec. 13. There is added to chapter 43.19 RCW a new section to read as follows:

In addition to other powers and duties prescribed by this chapter, the director shall:

- (1) Fix the amount of bond to be given by each appointive state officer and each employee of the state in all cases where it is not fixed by law;
- (2) Require the giving of an additional bond, or a bond in a greater amount than provided by law, in all cases where in his judgment the statutory bond is not sufficient in amount to cover the liabilities of the officer or employee;
- (3) Exempt subordinate employees from giving bond when in his judgment their powers and duties are such as not to require a bond.

Sec. 14. The following acts or parts of acts are each hereby repealed:

- (1) Section 43.17.080, chapter 8, Laws of 1965 and RCW 43.17.080; and
- (2) Section 43.17.090, chapter 8, Laws of 1965 and RCW 43.17.090.

Passed the House February 7, 1975.

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