

NEW SECTION. Sec. 4. This 1976 amendatory 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.

Passed the House February 13, 1976.
Passed the Senate February 13, 1976.
Approved by the Governor February 16, 1976.
Filed in Office of Secretary of State February 16, 1976.

CHAPTER 11

[Substitute House Bill No. 1299]

HISTORIC PROPERTIES—

BUILDING CODE CONFORMANCE

AN ACT Relating to historic properties; and adding a new section to chapter 19.27 RCW.

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

NEW SECTION. Section 1. There is added to chapter 19.27 RCW a new section to read as follows:

Repairs, alterations, and additions necessary for the preservation, restoration, rehabilitation, or continued use of a building or structure may be made without conformance to all of the requirements of the codes adopted under RCW 19.27-.030, when authorized by the appropriate building official, provided:

- (1) The building or structure has been designated by official action of a legislative body as having special historical or architectural significance; and
- (2) The restored building or structure will be less hazardous, based on life and fire risk, than the existing building.

Passed the House February 5, 1976.
Passed the Senate February 6, 1976.
Approved by the Governor February 17, 1976.
Filed in Office of Secretary of State February 17, 1976.

CHAPTER 12

[Substitute Senate Bill No. 3233]

UNIVERSITY OF WASHINGTON—LIABILITY

INSURANCE—REVOLVING FUND

AN ACT Relating to insurance or protection programs for university regents, employees, agents, and students, and their dependents; adding new sections to chapter 28B.20 RCW; and declaring an emergency.

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

NEW SECTION. Section 1. There is added to chapter 28B.20 RCW a new section to read as follows:

The board of regents of the University of Washington, subject to such conditions and limitations and to the extent it may prescribe, is authorized to provide by purchase of insurance, by self-insurance, or by any combination of arrangements, indemnification of regents, officers, employees, agents, and students from liability on any action, claim, or proceeding instituted against them arising out of

the performance or failure of performance, of duties for or employment with the university, or of responsibilities imposed by approved programs of the university, and to hold such persons harmless from any expenses connected with the defense, settlement, or payment of monetary judgments from such action, claim, or proceeding.

NEW SECTION. Sec. 2. There is added to chapter 28B.20 RCW a new section to read as follows:

(1) A self-insurance revolving fund in the custody of the treasurer is hereby created to be used solely and exclusively by the board of regents of the University of Washington for the following purposes:

(a) The payment of judgments against the university, its schools, colleges, departments, and hospitals and against its regents, officers, employees, agents, and students for whom the defense of an action, claim, or proceeding has been provided pursuant to section 1 of this act.

(b) The payment of claims against the university, its schools, colleges, departments, and hospitals and against its regents, officers, employees, agents, and students for whom the defense of an action, claim, or proceeding has been provided pursuant to section 1 of this act: **PROVIDED**, That payment of claims in excess of twenty-five hundred dollars must be approved by the state attorney general.

(c) For the cost of investigation, administration, and defense of actions, claims, or proceedings, and other purposes essential to its liability program.

(2) Said self-insurance revolving fund shall consist of periodic payments by the University of Washington from any source available to it in such amounts as are deemed reasonably necessary to maintain the fund at levels adequate to provide for the anticipated cost of payments of incurred claims and other costs to be charged against the fund.

(3) No money shall be paid from the self-insurance revolving fund unless first approved by the board of regents, and unless all proceeds available to the claimant from any valid and collectible liability insurance shall have been exhausted.

NEW SECTION. Sec. 3. There is added to chapter 28B.20 RCW a new section to read as follows:

This act constitutes the exclusive authority for the board of regents of the University of Washington to provide liability coverage for its regents, officers, employees, agents, and students, and further provides the means for defending and payment of all such actions, claims, or proceedings. This act shall govern notwithstanding the provisions of chapter 4.92 RCW and RCW 28B.10.842 and 28B.10.844.

****NEW SECTION. Sec. 4. 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.***

***Sec. 4. was vetoed, see message at end of chapter.**

Passed the Senate January 30, 1976.

Passed the House February 10, 1976.

Approved by the Governor February 17, 1976, with the exception of section 4 which is vetoed.

Filed in Office of Secretary of State February 17, 1976.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section Substitute Senate Bill No. 3233 entitled:

"AN ACT Relating to insurance or protection programs for university regents, employees, agents, and students, and their dependents."

This bill authorizes the University of Washington to arrange for a program of self insurance in the area of liability claims.

Section 4 of the bill declares an emergency and provides for the act to take effect immediately. I have on several occasions in past sessions vetoed emergency clauses from bills that did not measure up to the standard and urgency contained in Article II, section 1(b) of our Constitution. I am increasingly apprehensive that repeated use on unwarranted occasions will render emergency clauses wholly without meaning in the eyes of both the people and the courts.

I am advised that the University of Washington is hopeful that the bill will go into effect prior to July 1, 1976, so that a program of self-insurance can be prepared for the new fiscal year. I am reasonably confident that the Legislature will adjourn sine die sometime before April 1, so that the bill would go into effect by July 1, 1976 in any event.

With the exception of section 4 which I have vetoed, the remainder of Substitute Senate Bill No. 3233 is approved."

CHAPTER 13

[Senate Bill No. 3033]

HOSPITALS—LIABILITY SELF-INSURANCE

AN ACT Relating to hospitals; and amending section .01.05, chapter 79, Laws of 1947 and RCW 48.01.050.

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

Section 1. Section .01.05, chapter 79, Laws of 1947 and RCW 48.01.050 are each amended to read as follows:

"Insurer" as used in this code includes every person engaged in the business of making contracts of insurance, other than a fraternal benefit society. A reciprocal or interinsurance exchange is an "insurer" as used in this code. Two or more hospitals, as defined in RCW 70.39.020(3), which join and organize as a mutual corporation pursuant to chapter 24.06 RCW for the purpose of insuring or self-insuring against liability claims, including medical liability, through a contributing trust fund shall not be deemed an "insurer" under this code.

Passed the Senate January 30, 1976.

Passed the House February 10, 1976.

Approved by the Governor February 17, 1976.

Filed in Office of Secretary of State February 17, 1976.