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hundred dollars per month through completion of the present term of office. In addition to salary, all districts may provide by resolution for the payment of per diem compensation to each commissioner at a rate not exceeding thirty-five dollars for each day or major part thereof devoted to the business of the district, and days upon which he attends meetings of the commission of his district or meetings attended by one or more commissioners of two or more districts called to consider business common to them, but such per diem compensation paid during any one year to a commissioner shall not exceed five thousand dollars. Per diem compensation shall not be paid for services of a ministerial or professional nature.

Each district commissioner shall be reimbursed for reasonable expenses actually incurred in connection with such business and meetings, including his subsistence and lodging and travel while away from his place of residence.

Any district providing group insurance for its employees, covering them, their immediate family and dependents, may provide insurance for its commissioner with the same coverage.

Passed the Senate April 4, 1977. Passed the House May 26, 1977. Approved by the Governor June 6, 1977. Filed in Office of Secretary of State June 6, 1977.

CHAPTER 158

[Engrossed Senate Bill No. 2159]
ACTIONS FOR DAMAGES—MALICIOUS PROSECUTION

AN ACT Relating to claims; and adding a new section to chapter 4.24 RCW.

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

<u>NEW SECTION.</u> Section 1. There is added to chapter 4.24 RCW a new section to read as follows:

In any action for damages, whether based on tort or contract or otherwise, a claim or counterclaim for damages may be litigated in the principal action for malicious prosecution on the ground that the action was instituted with knowledge that the same was false, and unfounded, malicious and without probable cause in the filing of such action, or that the same was filed as a part of a conspiracy to misuse judicial process by filing an action known to be false and unfounded.

Passed the Senate March 14, 1977.

Passed the House May 26, 1977.

Approved by the Governor June 6, 1977.

Filed in Office of Secretary of State June 6, 1977.

CHAPTER 159

[Senate Bill No. 2202]

PUBLIC LANDS—FOREST DEVELOPMENT ACCOUNT—RESOURCE MANAGEMENT COST ACCOUNT

AN ACT Relating to lands under the jurisdiction and management of the department of natural resources; amending section 6, chapter 154, Laws of 1923 as last amended by section 1, chapter 314,

Laws of 1959 and RCW 76.12.110; and amending section 3, chapter 178, Laws of 1961 and RCW 79.64.030.

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

Section 1. Section 6, chapter 154, Laws of 1923 as last amended by section 1, chapter 314, Laws of 1959 and RCW 76.12.110 are each amended to read as follows:

There is created a forest development account in the state general fund. The state treasurer shall keep an account of all sums deposited therein and expended or withdrawn therefrom. Any sums placed in the account shall be pledged for the purpose of paying interest and principal on the bonds issued by the board, and for the purchase of land for growing timber. Any bonds issued shall constitute a first and prior claim and lien against the account for the payment of principal and interest. No sums for the above purposes shall be withdrawn or paid out of the account except upon approval of the board.

Appropriations may be made by the legislature from the forest development account to the department of natural resources for the purpose of carrying on the activities of the department on ((county trust and fee title forest board lands)) state forest lands, lands managed on a sustained yield basis as provided for in RCW 79.68.040, and for reimbursement of expenditures that have been made or may be made from the resource management cost account in the management of state forest lands.

Sec. 2. Section 3, chapter 178, Laws of 1961 and RCW 79.64.030 are each amended to read as follows:

Funds in the account derived from the gross proceeds of leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting school lands, university lands, agricultural college lands, scientific school lands, normal school lands, capitol building lands, or institutional lands shall be expended by the department solely for the purpose of defraying the costs and expenses necessarily incurred in managing and administering public lands of the same trust: PROVIDED, That such funds may be used for similar costs and expenses in managing and administering other lands managed by the department: PROVIDED FURTHER, That such expenditures that have been or may be made on such other lands shall be repaid to the resource management cost account together with interest at the rate provided for in RCW 79.01.216.

An accounting shall be made annually of the accrued expenditures as regards each trust. In the event the accounting determines that expenditures have been made from moneys derived from one category of trust lands for the benefit of another trust or other lands, such expenditure shall be considered a debt against the trust benefited and shall be considered an encumbrance against the property of the trust or trust funds benefited, including property held under chapter 76.12 RCW. The results of the accounting shall be reported to the legislature at the next regular session.

Passed the Senate March 15, 1977.

Passed the House May 26, 1977.

Approved by the Governor June 6, 1977.

Filed in Office of Secretary of State June 6, 1977.