

employees, agents or commissioners. The rules shall identify officials and agents authorized to make expenditures and the objectives of the expenditures. Individual agricultural commodity commission commissioners shall make promotional hosting expenditures, or seek reimbursements for these expenditures, only in those instances where the expenditures have been approved by the agricultural commodity commission. All payments and reimbursements shall be identified and supported on vouchers.

(3) Agricultural commodity commissions shall be exempt from the requirements of RCW 43.01.090 and 43.19.500 and chapter 43.82 RCW.

NEW SECTION. Sec. 25. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 26. Sections 21 and 22 of this act are 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 Senate March 9, 1986.

Passed the House March 6, 1986.

Approved by the Governor April 1, 1986, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State April 1, 1986.

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

"I am returning herewith, without my approval as to section 23, Substitute Senate Bill No. 5044, entitled:

"AN ACT Relating to the Department of Agriculture."

I am vetoing section 23 because of duplicate language contained in section 1 of Substitute House Bill No. 1355.

With the exception of section 23, the remainder of Substitute Senate Bill No. 5044 is approved."

CHAPTER 204

[House Bill No. 1337]

WASHINGTON STATE DEVELOPMENT LOAN FUND COMMITTEE

AN ACT Relating to the Washington state development loan fund committee; amending RCW 43.168.100 and 43.168.050; and repealing RCW 42.18.350.

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

Sec. 1. Section 10, chapter 164, Laws of 1985 and RCW 43.168.100 are each amended to read as follows:

The committee may make grants of state funds to local governments which qualify as "entitlement communities" under the federal law authorizing community development block grants. These grants may only be made

on the condition that the entitlement community provide the committee with assurances that it will: (1) Spend the grant moneys for purposes and in a manner which satisfies state constitutional requirements; (2) spend the grant moneys for purposes and in a manner which would satisfy federal requirements (~~dealing with the entitlement community's spending of federal community development block grant funds, assuming the grant moneys were block grant funds received from the federal government~~); and (3) spend double the amount of the grant for loans to businesses from the federal funds received by the entitlement community (~~as community development block grant funds~~).

Sec. 2. Section 5, chapter 164, Laws of 1985 and RCW 43.168.050 are each amended to read as follows:

(1) The committee may only approve an application providing a loan for a project which the committee finds:

(a) Is located within a distressed area and may reasonably be expected to increase employment or maintain threatened employment;

(b) Has been approved by the director as conforming to federal rules and regulations governing the spending of federal community development block grant funds;

(c) Will be of public benefit and for a public purpose, and that the benefits, including increased or maintained employment, improved standard of living, and the employment of disadvantaged workers, will primarily accrue to residents of the distressed area;

(d) Will probably be successful;

(e) Would probably not be completed without the loan because other capital or financing at feasible terms is unavailable or the return on investment is inadequate.

(2) The committee may not approve an application if it fails to provide for adequate reporting or disclosure of financial data to the committee. The committee may require an annual or other periodic audit of the project books.

(3) The committee may require that the project be managed in whole or in part by a local development organization and may prescribe a management fee to be paid to such organization by the recipient of the loan or grant.

(4) (a) Except as provided in (b) of this subsection, the committee shall not approve any application which would result in a loan or grant in excess of three hundred fifty thousand dollars.

(b) The committee may approve an application which results in a loan or grant of up to seven hundred thousand dollars if the application has been approved by the director.

(5) The committee shall fix the terms and rates pertaining to its loans.

(6) Should there be more demand for loans than funds available for lending, the committee shall provide loans for those projects which will lead

to the greatest amount of employment or benefit to a community. In determining the "greatest amount of employment or benefit" the committee shall also consider the employment which would be saved by its loan.

(7) To the extent permitted under federal law the committee shall require applicants to provide for the transfer of all payments of principal and interest on loans to the Washington state development loan fund created under this chapter. Under circumstances where the federal law does not permit the committee to require such transfer, the committee shall give priority to applications where the applicants on their own volition make commitments to provide for the transfer.

(8) The committee shall not approve any application to finance or help finance a shopping mall.

NEW SECTION. Sec. 3. Section 12, chapter 164, Laws of 1985 and RCW 42.18.350 are each repealed.

Passed the House March 12, 1986.

Passed the Senate March 12, 1986.

Approved by the Governor April 2, 1986.

Filed in Office of Secretary of State April 2, 1986.

CHAPTER 205

[Substitute House Bill No. 1593]

HOSPITALS—STAFF MEMBERSHIP OR PROFESSIONAL PRIVILEGES

AN ACT Relating to health care facilities; and adding a new chapter to Title 70 RCW.

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

NEW SECTION. Sec. 1. Within one hundred eighty days of the effective date of this section, the governing body of every hospital licensed under chapter 70.41 RCW shall set standards and procedures to be applied by the hospital and its medical staff in considering and acting upon applications for staff membership or professional privileges.

NEW SECTION. Sec. 2. The governing body of any hospital, except any hospital which employs its medical staff, in considering and acting upon applications for staff membership or professional privileges within the scope of the applicants' respective licenses, shall not discriminate against a qualified person solely on the basis of whether such person is licensed under chapters 18.71, 18.57, or 18.22 RCW.

NEW SECTION. Sec. 3. Any person may apply to superior court for a preliminary or permanent injunction restraining a violation of section 1 or 2 of this act. This action is an additional remedy not dependent on the adequacy of the remedy at law. Nothing in this chapter shall require a hospital to grant staff membership or professional privileges until a final determination is made upon the merits by the hospital governing body.