

lien claimant. Alternatively, the lender may obtain from the general contractor or borrower a payment bond for the benefit of the potential lien claimant in such sum.

(5) Sums so withheld shall not be disbursed by the lender except by the written agreement of the potential lien claimant, owner and general contractor in such form as may be prescribed by the lender, or the order of a court of competent jurisdiction.

(6) In the event a lender fails to abide by the provisions of subsections (4) or (5) of this section, then the mortgage, deed of trust or other encumbrance securing the lender will be subordinated to the lien of the potential lien claimant to the extent of the interim or construction financing wrongfully disbursed, but in no event in an amount greater than the sums ultimately determined to be due the potential lien claimant by a court of competent jurisdiction, or more than the sum stated in the notice, whichever is less.

(7) Any potential lien claimant shall be liable for any loss, cost or expense, including reasonable attorney fees, to the party injured thereby arising out of any unjust, excessive or premature notice of claim.

NEW SECTION. Sec. 3. There is added to chapter 60.04 RCW a new section to read as follows:

Except as provided in RCW 60.04.050 or in this 1973 act any mortgage or deed of trust shall be prior to all liens, mortgages, deeds of trust and other encumbrances which have not been recorded prior to the recording of such mortgage or deed of trust to the extent of all sums secured by such mortgage or deed of trust regardless of when the same are disbursed or whether such disbursements are obligatory.

NEW SECTION. Sec. 4. If any provision of this 1973 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.

Passed the House April 13, 1973.

Passed the Senate April 12, 1973.

Approved by the Governor April 20, 1973.

Filed in Office of Secretary of State April 23, 1973.

CHAPTER 48
 [House Bill No. 361]
 PUBLIC ASSISTANCE--MEDICAL CARE
 VENDORS--CHARGE PRESENTATION
 PERIOD

AN ACT Relating to public assistance; and amending section 74.09.160,

chapter 26, Laws of 1959 and RCW 74.09.160.

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

Section 1. Section 74.09.160, chapter 26, Laws of 1959 and RCW 74.09.160 are each amended to read as follows:

Each vendor or group who has a contract and is rendering service to eligible persons as defined in this chapter shall submit such charges as agreed upon between the ((division of medical care)) department and the individual or group on a monthly basis and shall present their final charges not more than sixty days after the termination of service. If the final charges are not presented within the sixty day period they shall not be a charge against the state unless previous extension in writing has been given by the ((division of medical care)) department. Said sixty day period may also be extended by regulation, but only if required by applicable federal law or regulation, and to no more than the extension of time so required.

The department is authorized to set up a medical prepayments revolving fund, or funds, to be used solely for the payment of medical care. Deposits into this fund or these funds shall be made from the appropriation for medical care. Such deposits shall be based upon a per capita amount per beneficiary, said amounts to be determined by the department from time to time. The department may set up such fund or funds to cover any one, several, or all items of the medical care costs of one, several, or all public assistance programs as deemed most advantageous by the ((director)) secretary for the best interests of the state: PROVIDED, That in the event such fund, or funds is, or are dissolved, the federal government shall be reimbursed for its proportionate share of contributions into such fund or funds.

Passed the House March 17, 1973.

Passed the Senate April 13, 1973.

Approved by the Governor April 20, 1973.

Filed in Office of Secretary of State April 23, 1973.

CHAPTER 49
[House Bill No. 363]
PUBLIC ASSISTANCE RECIPIENTS--
INCOME REPORT PERIOD

AN ACT Relating to public assistance; amending section 74.04.300, chapter 26, Laws of 1959 as amended by section 18, chapter 173, Laws of 1969 ex. sess. and RCW 74.04.300; and adding a new section to chapter 74.04 RCW.