

Interest.

provided, further, That such interest shall be computed as above specified upon all property which may hereafter be sold by the state as provided in section 8133, Remington's Compiled Statutes and section 6485-9 Pierce's Code.

Passed the Senate February 3, 1933.

Passed the House March 7, 1933.

Approved by the Governor March 15, 1933.

CHAPTER 109

[S. B. 119.]

LOCAL IMPROVEMENTS AND BONDS.

AN ACT relating to local improvements and bonds issued therefor, and amending section 3, of chapter 209 of the 1927 Session Laws of Washington, which amended section 3 of chapter 141 of the 1923 Session Laws of Washington.

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

Amends
§ 3, ch. 209,
Laws of
1927; § 3, ch.
141, Laws of
1923.

SECTION 1. That section 3 of chapter 209 of the 1927 Session Laws of Washington, which amended section 3 of chapter 141 of the 1923 Session Laws of Washington be amended to read as follows:

Payment of
bond or
warrant
from
guaranty
fund.

Section 3. Whenever there shall be paid out of a guaranty fund any sum on account of principal or interest of a local improvement bond or warrant, the city or town, as trustee for the fund, shall be subrogated to all the rights of the holder of the bond or interest coupon or warrant so paid, and the proceeds thereof, or of the assessment underlying the same, shall become part of the guaranty fund. There shall also be paid into each guaranty fund the interest received from bank deposits of the fund, as well as any surplus remaining in any local improvement fund guaranteed hereunder after the payment of all outstanding bonds or warrants payable primarily out of such local improvement fund. Warrants

City
subrogated.

drawing interest at a rate not to exceed six per cent shall be issued, as other warrants are issued by the city or town, against a guaranty fund to meet any liability accruing against it; and at the time of making its annual budget and tax levy the city or town shall provide for the levying of a sum sufficient, with the other resources of the fund, to pay warrants so issued during the preceding fiscal year: *Provided*, That such warrants shall at no time exceed five per cent of the outstanding bond obligations guaranteed by said fund. As among the several issues of bonds or warrants guaranteed by the fund no preference shall exist, but defaulted interest coupons, bonds and warrants shall be purchased out of the fund in the order of their presentation.

Warrants.

How paid.

Amount limited.

No preference.

Every city or town operating under the provisions of this act shall prescribe by ordinance appropriate rules and regulations for the maintenance and operation of the guaranty fund not inconsistent herewith. So much of the money of a guaranty fund as is necessary may be used to purchase certificates of delinquency for general taxes on property subject to local improvement assessments, underlying bonds or warrants guaranteed by the fund, or to purchase such property at county tax foreclosures or from the county after foreclosure, for the purpose of protecting the guaranty fund. Said fund shall be subrogated to the rights of the city or town, and the city or town may foreclose the lien of general tax certificates of delinquency and purchase the property at the foreclosure sale. Whenever the governing authority of any city or town shall foreclose a lien of general tax certificates of delinquency and purchase the property at a foreclosure sale, the court costs and costs of publication and expenses for clerical work and/or other expenses incidental thereto, shall be chargeable to and payable from the "local improvement guaranty fund." After so

Guaranty fund: maintenance and operation.

Fund subrogated to rights of city.

Foreclosure action, payment of costs.

acquiring title to real property, a city or town may lease or sell and convey the same at public or private sale for such price and on such terms as may be determined by resolution of the city or town council or other legislative body, any provisions of law, charter or ordinance to the contrary notwithstanding, and all proceeds resulting from such sales shall belong to and be paid into the guaranty fund.

Passed the Senate February 7, 1933.

Passed the House March 7, 1933.

Approved by the Governor March 15, 1933.

CHAPTER 110.

[S. B. 87.]

BANKS, MUTUAL SAVINGS BANKS AND SAVINGS AND LOAN ASSOCIATIONS.

AN ACT giving to banks, mutual savings banks, and savings and loan associations reciprocal rights to those possessed by national banking associations, granting to the supervisor of banking and the supervisor of savings and loan associations certain additional powers, and declaring an emergency.

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

SECTION 1. That, with the approval of the director of efficiency, the supervisor of banking may exercise to such extent as he deems advisable, with respect to any state bank or mutual savings bank, and the supervisor of savings and loan associations may exercise to such extent as he deems advisable, with respect to any savings and loan association, any powers which the comptroller of the currency may have with respect to national banking associations under national laws now in force or hereafter enacted: *Provided, however,* That nothing herein shall be construed to permit the establishment of branches of either national or state banks or allow

Powers of supervisors comparable to powers of controller of currency.

Branch banks.