

CHAPTER 218

[Senate Bill No. 3730]

CITIES AND TOWNS—INVESTMENT OF FUNDS

AN ACT Relating to cities and towns; and amending section 3, chapter 33, Laws of 1969 ex. sess. as amended by section 2, chapter 11, Laws of 1975 1st ex. sess. and RCW 35.39.034.

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

Section 1. Section 3, chapter 33, Laws of 1969 ex. sess. as amended by section 2, chapter 11, Laws of 1975 1st ex. sess. and RCW 35.39.034 are each amended to read as follows:

Moneys thus determined available for this purpose may be invested on an individual fund basis or may, unless otherwise restricted by law be commingled within one common investment portfolio for ~~((the mutual benefit of all participating funds: PROVIDED, That if such moneys are commingled in a common investment portfolio, all income derived therefrom shall be apportioned among the various participating funds in direct proportion to the amount of money invested by each))~~ investment. All income derived from such investment shall be apportioned and used for the benefit of the various participating funds or for the benefit of the general or current expense fund as the governing body of the city of town shall determine by ordinance or resolution: PROVIDED, That funds derived from the sale of general obligation bonds or revenue bonds or similar instruments of indebtedness shall be invested, or used in such manner as the initiating ordinances, resolutions, or bond covenants may lawfully prescribe.

Any excess or inactive funds on hand in the city treasury not otherwise invested ~~((for the specific benefit of any particular fund)), or required to be invested by this section, as now or hereafter amended,~~ may be invested by the city treasurer in United States government bonds, notes, bills, certificates of indebtedness, or interim financing warrants of a local improvement district which is within the protection of the local improvement guaranty fund law for the benefit of the general or current expense fund.

All previous or outstanding investments of city or town funds for the benefit of the city's or town's general or current expense fund which have been or could be made in accordance with the provisions of this section, as now or hereafter amended, are declared valid.

Passed the Senate March 23, 1981.

Passed the House April 20, 1981.

Approved by the Governor May 14, 1981.

Filed in Office of Secretary of State May 14, 1981.