

shall be paid from the United States vocational education fund, and it shall be the duty of the state treasurer, and he is hereby directed, to pay such warrants, when presented, from the United States vocational education fund.

SEC. 5. That this act is necessary for the immediate support of the state government and its existing public institutions and shall take effect April 1, 1935. Date of effect.

Passed the Senate February 20, 1935.

Passed the House March 7, 1935.

Approved by the Governor March 12, 1935.

CHAPTER 76.

[S. B. 151.]

INVESTMENT OF PERMANENT SCHOOL FUNDS.

AN ACT providing for the investment of the permanent school fund, the permanent funds of the normal schools, state university, scientific school, agricultural college, charitable, educational, penal and reformatory institutions, and declaring an emergency.

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

SECTION 1. That section 4 of chapter 12 of the Session Laws of Washington for 1907 (section 5539 Remington's Revised Statutes) be and the same hereby is amended to read as follows: Amends § 4,
ch. 12 of
Laws of 1907.

Section 4. Whenever there shall be in the permanent school funds of the state, or in the permanent funds of the normal school, state university, scientific school, agricultural college, or the charitable, educational, penal and reformatory institutions, one thousand dollars or more available for investment, said state finance committee shall invest the same in national, state, county, municipal or school district bonds; purchasing the same either Permanent
school funds.

directly or in the open market and that such bonds may bear such interest rates as the state finance committee may determine; and further that in the purchase of such bonds the state finance committee may pay such premium as it may determine: *Provided, however,* That where bonds are purchased at a premium over par the state treasurer shall amortize such premium from the interest collection on such bonds by methods of amortization accounting commonly used by banks and insurance companies to the end that the principal trust funds so invested may not be impaired. The state finance committee may at its discretion sell any bond or bonds and reinvest the proceeds as provided in this section: *Provided,* The word bonds in this section shall not be interpreted to mean or include any special, or assessment district bonds or bonds other than those found to be within the limit of indebtedness prescribed by law, or regularly created and issued as general indebtedness bonds: *Provided further,* That school district bonds, regularly created and issued, shall be given preference in said investments. Upon such investment being made, the state auditor shall draw his warrant on said fund for the amount so invested, and the bonds so purchased shall be deposited with the state treasurer, whose duty it shall be to collect all interest payments falling due thereon, and the principal at maturity: *Provided,* That the state finance committee shall have no authority to sell any bonds under its control without a unanimous vote of its membership at a meeting at which all members are present.

Bonds.

School district bonds.

Effective immediately.

SEC. 2. This act is necessary for the immediate support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate February 14, 1935.

Passed the House March 7, 1935.

Approved by the Governor March 12, 1935.