

only, the punishment for such conspiracy shall not exceed the maximum punishment provided for such misdemeanor.

Passed the Senate March 2, 1961.

Passed the House March 8, 1961.

Approved by the Governor March 20, 1961.

CHAPTER 212.

[S. B. 494.]

CITIES AND TOWNS—INVESTMENT OF PENSION FUNDS.

AN ACT relating to cities and towns and authorizing the investment of certain pension funds in certain securities; and amending section 2, chapter 92, Laws of 1943 as amended by section 1, chapter 275, Laws of 1951, and RCW 35.39.040.

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

RCW 35.39.040 amended.

SECTION 1. Section 2, chapter 92, Laws of 1943 as amended by section 1, chapter 275, Laws of 1951, and RCW 35.39.040 are each amended to read as follows:

City or town fiscal matters. Investment of pension funds.

Any city or town now or hereafter operating an employees' pension system, established and operated pursuant to state statute or charter provision, or any pension system operating now or hereafter under state statute or charter provision exclusively for employees of cities or towns, is hereby authorized to invest pension fund moneys in such securities of the United States, states, Dominion of Canada, public housing authorities, municipal corporations and other public bodies, as are designated by the laws of the state of Washington as lawful investments for the funds of mutual savings banks, and to invest not to exceed twenty-five percent of the system's total investments in the securities of any corporations or public utility bodies as are designated by the laws of this state as lawful investments for the funds of mutual savings banks: *Pro-*

vided, That not more than five percent of the system's total investments may be made in the securities of any one of such corporations or public utility bodies.

Subject to the limitations hereinafter contained, investment of pension funds may also be made in amounts not to exceed ten percent of the system's total investments in the shares of certain open-end investment companies: *Provided*, That not more than two percent of the system's total investments may be made in the shares of any one such open-end investment company. The total amount invested in any one company shall not exceed two percent of the assets of such company, and shall only be made in the shares of such companies as are registered as open-end companies under the federal investment company act of 1940, as from time to time amended. The company must be at least ten years old and have net assets of at least five million dollars. It must have outstanding no bonds, debentures, notes, or other evidences of indebtedness, or any stock having priority over the shares being purchased, either as to distribution of assets or payment of dividends. It must have paid dividends from investment income in each of the ten years next preceding purchase. The maximum selling commission on its shares, furthermore, may not exceed seven and one-half percent of the sum of the asset value plus such commission.

Investment of pension funds may also be made in the bonds of any municipal corporation or other public body of the state of Washington, and in any of the bonds or warrants, including local improvement bonds or warrants within the protection of the local improvement guaranty fund law issued by the city or town operating such pension system, or by any city or town which is a member of the system. Investment of pension funds shall be made

by the pension board, board of trustees or other board charged with administering the affairs of the pension system.

Passed the Senate March 4, 1961.

Passed the House March 8, 1961.

Approved by the Governor March 20, 1961.

CHAPTER 213.

[S. B. 503.]

MUNICIPAL COURTS—ELECTION OF JUDGES.

AN ACT relating to municipal courts; and amending section 15, chapter 290, Laws of 1955 and RCW 35.20.150.

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

RCW 35.20.150 amended.

SECTION 1. Section 15, chapter 290, Laws of 1955 and RCW 35.20.150 are each amended to read as follows:

Municipal courts. Election of judges—Vacancies, how filled.

The municipal judges shall be elected on the first Tuesday after the first Monday in November, 1958, and on the first Tuesday after the first Monday of November every fourth year thereafter by the electorate of the city in which the court is located. The auditor of the county concerned shall designate by number each position to be filled in the municipal court, and each candidate at the time of the filing of his declaration of candidacy shall designate by number so assigned the position for which he is a candidate, and the name of such candidate shall appear on the ballot only for such position. The name of the person who receives the greatest number of votes and of the person who receives the next greatest number of votes at the primary for a single nonpartisan position shall appear on the general election ballot under the designation therefor: *Provided*, That if any candidate in the primary receives a majority of all of the votes cast for the