

CHAPTER 46.

[H. B. 158.]

CITIES AND TOWNS—LOCAL IMPROVEMENT DISTRICT BONDS AND WARRANTS—DELINQUENCY PERIOD.

AN ACT relating to local improvement district bonds and warrants; and amending sections 2, 3 and 6, chapter 244, Laws of 1943 and RCW 35.48.010, 35.48.020 and 35.48.050.

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

SECTION 1. Section 2, chapter 244, Laws of 1943 and RCW 35.48.010 are each amended to read as follows:

RCW 35.48.010 amended.

If any city or town has issued bonds or warrants payable from a local improvement or condemnation award fund, to which the local improvement guaranty fund law is not applicable, and if the assessment, or last installment thereof, against which the bonds or warrants were issued has been delinquent not more than thirty-two years, the city or town may create a special revolving fund and may provide moneys therefor by general tax levy, if the levy, together with other levies made or authorized by such city or town, will not exceed the levy which is legally allowed; or such city or town may place in said fund or advance or loan to said fund any money which it is not prohibited by law from advancing, loaning to or placing in said fund.

Nonguaranteed bonds and warrants—Revolving fund.

SEC. 2. Section 3, chapter 244, Laws of 1943 and RCW 35.48.020 are each amended to read as follows:

RCW 35.48.020 amended.

Any moneys in such revolving fund may be used for the purchase of unpaid delinquent local improvement warrants, or bonds and interest coupons thereon, issued by the city or town, payable from a local improvement district fund or condemnation award fund, to which the local improvement guaranty fund law is not applicable, if the assessment, or last installment thereof, against which the bonds or

Purchase of bonds, warrants, and coupons.

warrants have been issued, has been delinquent not more than thirty-two years. The maximum purchase price to be paid for said bonds or warrants shall be fixed by the municipality, and may from time to time be changed but shall never exceed fifty percent of the face value of the bonds, interest coupons, or warrants: *Provided*, That no warrants shall be issued payable from the revolving fund unless there is sufficient cash in said fund available for payment of such warrants.

RCW 35.48.050 amended.

Warrants on previous funds.

SEC. 3. Section 6, chapter 244, Laws of 1943 and RCW 35.48.050 are each amended to read as follows:

Whenever a city or town has heretofore by ordinance created a fund for use in purchasing delinquent local improvement or condemnation award bonds or warrants not protected by the local improvement guaranty fund law, and has purchased any such bonds or warrants and issued warrants payable from said fund, which warrants are unpaid because of lack of funds and have remained unpaid for a period of less than thirty-two years from date of issue thereof, the city or town may use any funds available in the revolving fund to purchase said warrants at such price as it may determine, but in no event at more than fifty percent of the face value, without interest.

Whenever all such warrants have been purchased or paid, the city or town may transfer to the revolving fund any bonds, warrants or other assets belonging to said fund first above mentioned, and thereafter such bonds, warrants or other assets shall be held and disposed of for the benefit of said revolving fund in the same manner as other funds and assets therein: *Provided*, That nothing contained in this chapter shall legalize any warrants heretofore issued or render any city or town liable thereunder.

Passed the House February 1, 1961.

Passed the Senate February 22, 1961.

Approved by the Governor February 27, 1961.