

(2) Such bank shall not make or issue any certificate of deposit payable either on demand or at a fixed day, except the bank may issue savings certificates of deposit in such form as the bank may determine upon the following terms:

(a) The certificates may provide for the payment of interest at a rate fixed in advance by the bank, provided certificates carrying a fixed rate shall mature in a period not exceeding ((five)) six years from the date of issuance;

(b) The certificates may be payable at a fixed future time not less than thirty days after the date of issuance or may contain provisions requiring thirty or more days' notice of demand for payment;

(c) The certificates may be issued at a discount instead of stipulating a rate of interest, or interest thereon may be deferred to be paid at maturity or other stipulated date.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House January 28, 1975.

Passed the Senate March 7, 1975.

Approved by the Governor March 21, 1975.

Filed in Office of Secretary of State March 21, 1975.

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## CHAPTER 16

[House Bill No. 276]

### LOCAL GOVERNMENTS—OFFICERS, EMPLOYEES—LIABILITY INSURANCE

AN ACT Relating to local government; adding a new section to Title 36 RCW.

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

NEW SECTION. Section 1. There is added to Title 36 RCW a new section to read as follows:

Any board of commissioners, council, or board of directors or other governing board of any county, city, town, school district, port district, public utility district, sewer district, water district, irrigation district, or other municipal corporation or political subdivision is authorized to purchase insurance to protect and hold personally harmless any of its commissioners, council members, directors, or other governing board members, and any of its other officers, employees, and agents from any action, claim, or proceeding instituted against the foregoing individuals arising out of the performance, purported performance, or failure of performance, in good faith of duties for, or employment with, such institutions and to hold these individuals harmless from any expenses connected with the defense, settlement, or monetary judgments from such actions, claims, or proceedings. The purchase of such insurance for any of the foregoing individuals and the policy limits shall be discretionary with the municipal corporation or political subdivision, and such insurance shall not be considered to be compensation for these individuals.

The provisions of this section are cumulative and in addition to any other provision of law authorizing any municipal corporation or political subdivision to purchase liability insurance.

Passed the House February 26, 1975.

Passed the Senate March 7, 1975.

Approved by the Governor March 21, 1975.

Filed in Office of Secretary of State March 21, 1975.

CHAPTER 17

[House Bill No. 406]

TEACHERS' RETIREMENT—HEALTH CARE  
BENEFITS—DEDUCTIONS

AN ACT Relating to teachers' retirement; and amending section 4, chapter 147, Laws of 1972 ex. sess. and RCW 41.32.680.

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

Section 1. Section 4, chapter 147, Laws of 1972 ex. sess. and RCW 41.32.680 are each amended to read as follows:

Participants in a health care benefit plan approved pursuant to RCW 28A.58-.420 and RCW 41.05.020 who are retired or any group of not less than one hundred retired members may authorize the deduction from their retirement allowances, of the amount or amounts of their subscription payments, premiums, or contributions to any person, firm or corporation furnishing or providing medical, surgical and hospital care or other health care insurance upon the approval by the board of trustees of an application for such deduction on the prescribed form, and the treasurer of the state shall duly and timely draw and issue proper warrants directly to and in favor of the person, firm, or corporation, or organization named in the authorization for the total amount authorized to be deducted.

Passed the House February 26, 1975.

Passed the Senate March 7, 1975.

Approved by the Governor March 21, 1975.

Filed in Office of Secretary of State March 21, 1975.

CHAPTER 18

[House Bill No. 456]

WATER SUPPLY BOND ISSUE—  
FEDERAL AGENCIES

AN ACT Relating to water supply bond issue; and amending section 5, chapter 128, Laws of 1972 ex. sess. and RCW 43.83B.050.

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

Section 1. Section 5, chapter 128, Laws of 1972 ex. sess. and RCW 43.83B.050 are each amended to read as follows:

As used in this chapter, the term "water supply facilities" shall mean municipal, industrial, and agricultural water supply and distribution systems including, but not limited to, all equipment, utilities, structures, real property, and interests