

instruments destroyed, which certificates shall be filed with those of the cremating agency herein designated. No certificate required by this section shall be destroyed until all of the bonds and coupons of the issue or series described thereon shall have matured and been paid or cancelled.

SEC. 2. Section 4, chapter 141, Laws of 1895, and RCW 43.80.040 are each amended to read as follows:

RCW 43.80.040 amended.

The fiscal agency established by this chapter shall receive no compensation for the performance of the duties as fiscal agency so prescribed: *Provided however*, That such fiscal agency may receive compensation for the additional duties performed, as set forth in RCW 43.80.030, as amended, in such amounts as may be agreed upon between said fiscal agency and the state or any of its political subdivisions that may be involved.

Compensation only as cremating agency.

Passed the Senate February 17, 1961.

Passed the House March 5, 1961.

Approved by the Governor March 20, 1961.

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## CHAPTER 165.

[ S. B. 123. ]

### CITIES AND TOWNS—LOCAL IMPROVEMENT INSTALLMENT NOTES AND CONTRACTS.

AN ACT relating to cities and towns; providing for local improvement installment notes and certificates; and adding a new section to chapter 35.45 RCW.

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

SECTION 1. There is added to chapter 35.45 RCW a new section to read as follows:

New section.

In addition to the issuance of bonds and warrants in payment of the cost and expense of any local improvement, any city or town may also issue installment notes payable out of the local improve-

City and town L. I. D.'s. Installment notes for financing authorized.

ment district fund, where such notes are to be sold exclusively to another fund of the same municipality as an investment thereof. Such installment notes may be issued any time after the thirty day period allowed by law for the payment of assessments of any district without penalty or interest, and may bear any denomination or denominations, the aggregate of which shall represent the balance of the cost and expense of the local improvement district which is to be borne by the property owners therein.

Application of local improvement district funds for the reduction of the principal and interest amounts due on any notes herein provided to finance said improvement shall be made not less than once each year beginning with the issue date thereof. If more than one local improvement installment note is issued for a single district, said notes shall be numbered consecutively. All notes issued shall bear on the face thereof: (1) The name of the payee; (2) the number of the local improvement district from whose funds the notes are payable; (3) the date of issue of each note; (4) the date on which the note, or the final installment thereon shall become due; (5) the rate of interest, not to exceed eight percent, to be paid on the unpaid balance thereof, and; (6) such manual or facsimile signatures and attestations as are required by state statute or city charter to appear on the warrants of each issuing municipality.

The reverse side of each installment note issued pursuant to this section shall bear a tabular payment record which shall indicate at prescribed installment dates, the receipt of any local improvement district funds for the purpose of servicing the debt evidenced by said notes. Such receipts shall first be applied toward the interest due on the unpaid balance of the note, and any additional moneys shall thereafter apply as a reduction of the principal amount thereof. The tabular payment record shall,

in addition to the above, show the unpaid principal balance due on each installment note, together with sufficient space opposite each transaction affecting said note for the manual signature of the city's clerk, treasurer or other properly designated receiving officer of the municipality.

Whenever there are insufficient funds in a local improvement district to meet any payment of installment interest due on any note herein authorized, a non-interest-bearing defaulted installment interest certificate shall be issued by the city treasurer which shall consist of a written statement certifying the amount of such defaulted interest installment; the name of the payee of the note to whom the interest is due and the number of the local improvement district from whose funds the note and interest thereon is payable. The certificate herein provided shall bear the manual signature of the city treasurer or his authorized agent. The defaulted installment interest certificate so issued shall be redeemed for the face amount thereof with any available funds in the local improvement guaranty fund.

Defaulted  
installment  
interest  
certificate.

Whenever at the date of maturity of any installment note issued pursuant to this section, there are insufficient funds in a local improvement district, due to delinquencies in the collection of assessments, to pay the final installment of principal due thereon, the note shall be redeemed with any available funds in the local improvement guaranty fund for the amount of said final installment.

All certificates and notes issued pursuant to this section are to become subject to the same redemption privileges as apply to any local improvement district bonds and warrants now accorded the protection of the local improvement guaranty fund as provided in chapter 35.54 RCW, and whenever the certificates or notes issued as herein provided are redeemed by said local improvement guaranty fund, they shall be held therein as investments thereof in the same

Redemption  
privileges.

manner as prescribed for other defaulted local improvement district obligations.

Installment notes as legal investment.

Notwithstanding any other statutory provisions, local improvement installment notes authorized by this section which are within the protection of the local improvement guaranty fund law shall be considered legal investments for any available surplus funds of the issuing municipality which now or hereafter may be authorized to be invested in the city's local improvement districts' bonds or warrants.

Passed the Senate February 10, 1961.

Passed the House March 5, 1961.

Approved by the Governor March 20, 1961.

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CHAPTER 166.

[ S. B. 125. ]

CITIES AND TOWNS—FUNDS—EXPENDITURES—  
APPROPRIATIONS.

AN ACT relating to cities and towns; amending section 32, chapter 337, Laws of 1955 and RCW 35.33.080; amending section 33, chapter 337, Laws of 1955 and RCW 35.33.090; amending section 5, chapter 158, Laws of 1923 as last amended by section 1, chapter 322, Laws of 1955 and RCW 35.33.120 and RCW 35.33.130; and amending section 35, chapter 337, Laws of 1955 as amended by section 2, chapter 44, Laws of 1957 and RCW 35.33.150.

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

RCW 35.33.080 amended.

SECTION 1. Section 32, chapter 337, Laws of 1955, and RCW 35.33.080 are each amended to read as follows:

Budgets of cities under 300,000 population, excluding towns. Emergency expenditures—Nondebatable emergencies.

Upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, epidemic, riot, or insurrection, or for the immediate preservation of order or public health, or for the restoration to a condition of usefulness of any public property, the usefulness of which has been destroyed by acci-