

CHAPTER 111.

[Senate Bill No. 200.]

PUBLIC FUNDS—INVESTMENTS.

AN ACT relating to investment of funds and service fees; amending section 1, chapter 123, Laws of 1961 and RCW 28.58.440; amending section 11, chapter 176, Laws of 1963 and RCW 32.12.100; and amending section 36.29.020, chapter 4, Laws of 1963 and RCW 36.29.020.

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

RCW 28.58.440 amended.

SECTION 1. Section 1, chapter 123, Laws of 1961 and RCW 28.58.440 are each amended to read as follows:

Investing public funds. School districts. Investment of funds of district not needed for immediate necessities—Service fee.

The county treasurer, or the trustee, guardian, or any other custodian of any school fund shall, when authorized to do so by the board of directors of any school district, invest or reinvest any school funds of such district in savings or time accounts in banks, trust companies and mutual savings banks which are doing business in this state, up to the amount of insurance afforded such accounts by the Federal Deposit Insurance Corporation, or in accounts in savings and loan associations which are doing business in this state, up to the amount of insurance afforded such accounts by the Federal Savings and Loan Insurance Corporation, or any obligations, securities, certificates, notes, bonds, or short term securities or obligations, of the United States. The county treasurer shall have the power to select the particular investment in which said funds may be invested. All earnings and income from such investments shall inure to the benefit of any school fund designated by the board of directors of the school district which such board may lawfully designate: *Provided*, That any interest or earnings being credited to a fund different from that which earned the interest or earnings shall only be expended for instructional sup-

plies, equipment or capital outlay purposes. This section shall apply to all funds which may be lawfully so invested or reinvested which in the judgment of the school board are not required for the immediate necessities of the district.

Five percent of the interest or earnings, with an annual minimum of ten dollars or annual maximum of fifty dollars, on any transactions authorized by each resolution of the board of school directors shall be paid as an investment service fee to the office of county treasurer when the interest or earnings becomes available to the school district.

SEC. 2. Section 36.29.020, chapter 4, Laws of 1963 and RCW 36.29.020 are each amended to read as follows:

RCW 36.29.020 amended.

The county treasurer shall keep all moneys belonging to the state, or to any county, in his own possession until disbursed according to law. He shall not place the same in the possession of any person to be used for any purpose; nor shall he loan or in any manner use or permit any person to use the same; but it shall be lawful for a county treasurer to deposit any such moneys in any regularly designated county depository. Any municipal corporation may by action of its governing body authorize any of its funds which are not required for immediate expenditure, and which are in the custody of the county treasurer or other municipal corporation treasurer, to be invested by such treasurer in savings or time accounts in banks, trust companies and mutual savings banks which are doing business in this state, up to the amount of insurance afforded such accounts by the Federal Deposit Insurance Corporation, or in accounts in savings and loan associations which are doing business in this state, up to the amount of insurance afforded such accounts by the Federal Savings and Loan Insurance Corporation, or in any

Counties. Custodian of moneys—Investment of funds not required for immediate expenditures, service fee.

Investing public funds. Counties

short term United States government securities: *Provided*, Five percent of the interest or earnings, with an annual minimum of ten dollars or annual maximum of fifty dollars, on any transactions authorized by each resolution of the governing body shall be paid as an investment service fee to the office of county treasurer or other municipal corporation treasurer when the interest or earnings become available to the governing body.

RCW 32.12.100 amended.

SEC. 3.. Section 11, chapter 176, Laws of 1963 and RCW 32.12.100 are each amended to read as follows:

Mutual savings banks. Deposits or investment of public funds.

Any funds of the state and of any municipal corporation, taxing district, political subdivision, or political entity thereof, and any funds held in trust by or under the management of any of the above may be deposited or invested in a mutual savings bank.

All the deposits or investments must be fully insured by the federal deposit insurance corporation.

Passed the Senate March 5, 1965.

Passed the House March 10, 1965.

Approved by the Governor March 20, 1965.

CHAPTER 112.

[Senate Bill No. 202.]

FIRE PROTECTION DISTRICTS.

AN ACT relating to fire districts and fire district commissioners; amending section 22, chapter 34, Laws of 1939 as last amended by section 4, chapter 237, Laws of 1959 and RCW 52.12.010; and amending section 30, chapter 34, Laws of 1939 and RCW 52.12.080.

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

RCW 52.12.010 amended.

SECTION 1. Section 22, chapter 34, Laws of 1939 as last amended by section 4, chapter 237, Laws of 1959 and RCW 52.12.010 are each amended to read as follows: