

levied against it or from liability for payment of outstanding bonds or warrants issued prior to said annexation.

SEC. 6. The method of annexation herein provided for shall be deemed cumulative and additional to any others.

Method cumulative.

Passed the House February 7, 1945.

Passed the Senate March 7, 1945.

Approved by the Governor March 15, 1945.

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## CHAPTER 129.

[ H. B. 401. ]

### DEPOSITARIES—SURETY BOND IN LIEU OF COLLATERAL.

AN ACT relating to depositaries for public funds, requiring of such depositaries a surety bond, or in lieu thereof the deposit of certain securities; authorizing the acceptance of insurance of deposits by the Federal Deposit Insurance Corporation; and amending section 2, chapter 37, Laws of 1907, as last amended by chapter 146, Laws of 1939 (section 5549, Remington's Revised Statutes, also Pierce's Perpetual Code 956-67); and amending section 4, chapter 37, Laws of 1907, as last amended by chapter 134, Laws of 1943 (section 5551, Remington's Revised Statutes, also Pierce's Perpetual Code 956-71).

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

SECTION 1. Section 2, chapter 37, Laws of 1907, as last amended by chapter 146, Laws of 1939 (section 5549, Remington's Revised Statutes, also Pierce's Perpetual Code 956-67), is amended to read as follows:

Amendment.

Section 2. Every state depositary, before it shall be entitled to receive any state moneys, shall deposit with the State Treasurer securities hereinafter enumerated as collateral and pledge for the payment on demand or at a specified future date, to him or his order, free of exchange at any place designated by

Security or  
deposit re-  
quired of  
public de-  
positories.

him, of all such moneys deposited with it and of interest thereon at the rate fixed by the State Finance Committee, if there has been no default in the payment of principal or interest thereon; (1) Bonds, notes or other securities constituting the direct and general obligations of the United States or the bonds, notes or other securities constituting the direct and general obligation of any instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States. (2) Direct and general obligation bonds and warrants of the State of Washington or of any other state of the United States. (3) Direct and general obligation bonds and warrants of any city, town, county, school district, port district or other political subdivision of the State of Washington, having the power to levy general taxes, which are payable from general ad valorem taxes. (4) Bonds issued by public utility districts as authorized under the provisions of section 6(f) chapter 1, Laws of 1931: *Provided, however,* That the State Finance Committee may accept from any depository a good and sufficient bond of a surety company authorized to do business in this state, to be approved by said Finance Committee, as security and pledge for the payment on demand or at a specified future date to the State Treasurer or his order, free of exchange, at any place in this state designated by said Treasurer, of all such moneys deposited with it, and of interest thereon at the rate fixed by said State Finance Committee, which bond shall be at least equal to the amount of the moneys to be received by said depository of said state.

Investigation.

The finance committee may require the State Auditor or the Supervisor of Banking to thoroughly investigate and report to it concerning the condition of any bank which makes application to become a state depository, and may also as often as it deems

necessary require such investigation and report concerning the condition of any bank which may have been designated as such depository, the expense of such investigation to be borne by the depository examined.

SEC. 2. Section 4, chapter 37, Laws of 1907, as last amended by chapter 134, Laws of 1943 (section 5551, Remington's Revised Statutes, also Pierce's Perpetual Code 956-71), is amended to read as follows:

Amendment.

Section 4. The State Treasurer may deposit with any depository which has fully complied with all requirements of law any state moneys in his hands or under his official control and any sum so on deposit shall be deemed to be in the state treasury, and such Treasurer shall not be liable for any loss thereof resulting from the failure or default of any such depository without fault or neglect on his part or on the part of his assistants or clerks. The amount at any time on deposit with any depository shall not exceed ninety per cent of the value of the securities deposited by it, and: *Provided*, That in the event repayment of deposits in any such depository is insured by the Federal Deposit Insurance Corporation, or by any other corporation, agency or instrumentality organized under and acting under and pursuant to the laws of the United States of America, and authorized to insure the repayment of bank deposits, said depository shall be required to deposit securities only to the amount necessary to secure the excess of the moneys on deposit with it over the amount covered by such insurance.

Liability of Treasurer.

Where deposit insured.

Passed the House February 27, 1945.

Passed the Senate March 7, 1945.

Approved by the Governor March 15, 1945.