in which the bank owns an interest, and in the event the bank owns an interest in property hereunder with or as a part of another entity, no officer or trustee of the bank shall own more than two and one-half percent of the equity or stock of any entity involved, and all of the officers and trustees of the bank shall not own more than five percent of the equity or stock of any entity involved.

NEW SECTION. Sec. 16. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

A mutual savings bank may invest its funds in loans secured by real estate mortgages or deeds of trust not otherwise eligible for investment by the savings bank, which are prudent real estate loans for the bank in the opinion of its board of trustees or of officers or committees designated by the board, whose action is ratified by the board at its regular meeting next following the investment. The total amount a mutual savings bank may invest pursuant to this section shall not exceed twenty-five percent of the total of its guaranty fund, undivided profits, and unallocated reserves.

Passed the House March 8, 1969. Passed the Senate March 10, 1969. Approved by the Governor March 24, 1969. Filed in office of Secretary of State March 24, 1969.

CHAPTER 56
[House Bill No. 179]
STATE INSTITUTIONS--OFFICERS-RESIDENCE REQUIREMENTS

AN ACT Relating to state institutions; amending section 72.08.040, chapter 28, Laws of 1959 and RCW 72.08.040; amending section 72.23.030, chapter 28, Laws of 1959 and RCW 72.23.030; and amending section 72.33.040, chapter 28, Laws of 1959 and RCW 72.33.040.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 72.08.040, chapter 28, Laws of 1959 and RCW 72.08.040 are each amended to read as follows:

((The-superintendent-shall-reside-at-the-penitentiary,-and-it shall-be-his-duty)) It shall be the duty of the superintendent of the penitentiary:

(1) Under the order and direction of the department to pros-

ecute all suits at law or in equity that may be necessary to protect the rights of the state in matters or property connected with the penitentiary and its management, such suits to be prosecuted by the attorney general, in the name of the department.

- (2) To supervise the government, discipline and police of the penitentiary, and to enforce all orders and regulations of the department in respect to the penitentiary. He shall keep a registry of the convicts, in which shall be entered the names of each convict, the crime for which he is convicted, the period of his sentence, from what county sentenced, by what court sentenced, his nativity, to what degree educated, an accurate description of his person, and whether he has previously been confined in a prison in this or any other state, and if so where, and how he was discharged.
- (3) To perform such other duties as may be prescribed by the department.
- Sec. 2. Section 72.23.030, chapter 28, Laws of 1959 and RCW 72.23.030 are each amended to read as follows:

The superintendent of a state hospital shall be a skillful practicing physician ((and-shall-reside-in-the-hospital)); he shall have control of the medical, therapeutic, and dietetic treatment of the patients, which shall include authority to cause the performance of all necessary surgery. The superintendent, subject to rules and regulations of the department, shall have control of the internal government and economy of a state hospital ((7)) and shall appoint and direct all subordinate officers and employees ((7-and-shall designate-those-employees-whose-residence-at-the-hospital-is-deemed essential-for-its-proper-operation)).

Sec. 3. Section 72.33.040, chapter 28, Laws of 1959 and RCW 72.33.040 are each amended to read as follows:

The superintendent of a state school appointed after June 12, 1957 shall be a person of good character, over the age of thirty years, in good physical health, and either a physician licensed to practice in the state of Washington or has attained a minimum of a

master's degree from an accredited college or university in psychology, social science, or education, and in addition shall have had suitable experience in an administrative or professional capacity in the residential care, treatment and training of mentally deficient persons.

The superintendent shall have custody of all residents and control of the medical, educational, therapeutic and dietetic treatment of all persons resident in such state school: PROVIDED, That the superintendent shall cause surgery to be performed on any resident only upon gaining the consent of a parent or guardian, except, if after reasonable effort to locate the parents or guardian and the health of such resident is certified by the attending physician to be jeopardized unless such surgery is performed, the required consent shall not be necessary.

The superintendent shall have control of the internal government and economy of the state school ((7)) and shall appoint and direct all subordinate officers and employees ((and-shall-designate-those-officers-and-employees-whose-residence-at-the-state-school is-deemed-essential-for-its-efficient-operation)): PROVIDED, That the powers and duties conferred upon the superintendent shall be subject to the rules and regulations of the department and the state personnel board.

The superintendent shall have authority to engage the residents of the state school in beneficial work programs but shall not abuse such therapy by excessive hours or for purposes of discipline or punishment.

Passed the House February 18, 1969. Passed the Senate March 10, 1969. Approved by the Governor March 24, 1969. Filed in office of Secretary of State March 24, 1969.

> CHAPTER 57 [House Bill No. 198] VETERAN'S RELIEF FUND

AN ACT Relating to revenue and taxation; and amending section 7, page 210, Laws of 1888, as last amended by section 7, chapter 144, [150]