

assessor at least five business days prior to such subsequent proceedings: PROVIDED FURTHER, That the board of equalization may waive the requirements contained in the preceding proviso or allow the assessor a continuance of reasonable duration to check the comparables furnished by the taxpayer.

Passed the House April 7, 1973.

Passed the Senate April 3, 1973.

Approved by the Governor April 14, 1973.

Filed in Office of Secretary of State April 14, 1973.

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CHAPTER 31  
[ House Bill No. 300 ]  
MUTUAL SAVINGS BANKS--  
LENDING AUTHORITY

AN ACT Relating to mutual savings banks; amending section 32.20.280, chapter 13, Laws of 1955, as amended by section 7, chapter 55, Laws of 1969 and RCW 32.20.280; amending section 6, chapter 80, Laws of 1955 as amended by section 6, chapter 222, Laws of 1971 ex. sess. and RCW 32.20.330; and adding new sections to chapter 13, Laws of 1955 and to chapter 32.20 RCW.

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

NEW SECTION. Section 1. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

The legislature finds there is a shortage of adequate housing in a suitable environment in many parts of this state for people of modest means, which shortage adversely affects the public in general and the mutual savings banks of this state and their depositors. The legislature further finds that the making of loans or investments to alleviate this problem which may provide a less than market rate of return and entail a higher degree of risk than might otherwise be acceptable, will benefit this state, the banks, and their depositors.

NEW SECTION. Sec. 2. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

In addition to the portions of its funds permitted to be invested in real estate loans under RCW 32.20.250 as limited by RCW 32.20.410 and in loans for home or property repairs, alterations, appliances, improvements, or additions, home furnishings, for installation of underground utilities, for educational purposes, for mobile homes used or to be used for permanent or semi-permanent housing, or for nonbusiness family purposes under RCW 32.20.400, a mutual savings bank may invest not to exceed five percent of its funds in loans and investments made after the effective date of this

1973 amendatory act as follows:

(1) Loans for the rehabilitation, remodeling, or expansion of existing housing, if it is arranged that the loan proceeds will be used for such purpose. Such loans may be secured by second mortgages, shall require the payment of principal and interest in annual, semiannual, quarterly or monthly payments at a rate which if continued would repay the loan in full in not more than fifteen years, and shall be in a principal amount not to exceed nine thousand five hundred dollars per living unit for single family housing or seven thousand five hundred dollars per living unit for multi-family housing.

(2) Loans in connection with, or participation in:

(a) Housing programs of any agency of federal, state or local government; and

(b) Housing programs of any nonprofit, union, community, public, or quasi-public corporation or entity.

Such housing must be made available to all without regard to race, creed, sex, color, or national origin.

(3) Loans for purchasing or constructing factory built housing, including but not limited to mobile homes used or to be used for permanent or semi-permanent housing, where the principal balance of any such loan does not exceed in the case of a new mobile home one hundred percent of the manufacturer's invoice price of such mobile home (including any equipment installed by the manufacturer, or installed or to be installed by the dealer); or in the case of a used mobile home, one hundred percent of the wholesale value of such used mobile home (including any installed equipment) as established in the dealer's market. The loan shall be secured by a first mortgage on the real estate, except that no real estate mortgage need be obtained if provision satisfactory to the bank is made for removal of the mobile home or other housing in the event of default and realization on the security.

(4) In mobile home chattel paper which finances the acquisition of inventory by a mobile home dealer if the inventory is to be held for sale in the ordinary course of business by the mobile home dealer, the monetary obligation evidenced by such chattel paper is the obligation of the mobile home dealer and the amount thereof does not exceed the amount allowed to be loaned on such mobile homes under subsection (3) of this section.

NEW SECTION. Sec. 3. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

Subject to the limits hereinafter set forth, a mutual savings bank may expend its funds for the improvement for public use of privately owned land as parks or recreation areas, including but not limited to "vest pocket" parks, provided that the owner of such land

will:

(1) Permit public use thereof for a period of at least eighteen months or for such longer period and subject to such other requirements as the bank may impose; and

(2) At or before the end of public use, permit the removal of all such improvements which in the bank's judgment reasonably may be accomplished.

As used in this section, "public use" means use without regard to race, creed, sex, color, or national origin. The amount expended hereunder and under RCW 32.12.070(2)(d) in any calendar year shall not exceed one-half of one percent of the net earnings of bank for the preceding year.

NEW SECTION. Sec. 4. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

Loans or investments made under this 1973 amendatory act may provide a less than market rate of return and entail a higher degree of risk than might otherwise be acceptable to the general market, so long as the board of trustees of the bank determines the loan or investment may be beneficial to the community where made, without the need to show a direct corporate benefit, and so long as any private individual who benefits is not, and is not related to any person who is, an officer, employee, or trustee of the bank. It is hereby recognized that the mutual savings banks of the state of Washington and their depositors are affected adversely by the absence of adequate low-cost housing and environmental developments and improvements within the communities they serve and the state of Washington.

The amount a mutual savings bank may invest under this 1973 amendatory act during any twelve month period at less than a market rate of return shall not exceed two percent of the total principal amount of all real estate loans made by the bank during the preceding twelve months.

NEW SECTION. Sec. 5. 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 first mortgages on single family residences, which loans are insured in whole or in part by an insurance company authorized to do business in the state of Washington and in the business of insuring real estate mortgages. Except as provided in subsections (1) and (2) of this section, the provisions of RCW 32.20.250 shall apply to such loans:

(1) Any loan so insured may exceed ninety percent of the value of the real estate, including improvements, but shall not exceed ninety-five percent of such value.

(2) The terms of payment and the ultimate maturity of such loan may exceed the limits as set forth in RCW 32.20.250.

Sec. 6. Section 32.20.280, chapter 13, Laws of 1955, as amended by section 7, chapter 55, Laws of 1969 and RCW 32.20.280 are each amended to read as follows:

A mutual savings bank may invest its funds in real estate as follows:

(1) A tract of land whereon there is or may be erected a building or buildings suitable for the convenient transaction of the business of the savings bank, from portions of which not required for its own use revenue may be derived: PROVIDED, That the cost of the land and building or buildings for the transaction of the business of the savings bank shall in no case exceed ((thirty)) fifty percent of the guaranty fund, undivided profits, reserves, and subordinated securities of the savings bank, except with the approval of the supervisor; and before the purchase of such property is made, or the erection of a building or buildings is commenced, the estimate of the cost thereof, and the cost of the completion of the building or buildings, shall be submitted to and approved by the supervisor. "The cost of the land and building or buildings" means the amounts paid or expended therefor less the reasonable depreciation thereof taken by the bank against such improvements during the time they were held by the bank.

(2) Such lands as shall be conveyed to the savings bank in satisfaction of debts previously contracted in the course of its business.

(3) Such lands as the savings bank shall purchase at sales under judgments, decrees, or mortgages held by it.

All real estate purchased by any such savings bank, or taken by it in satisfaction of debts due it, under this section, shall be conveyed to it directly by name, and the conveyance shall be immediately recorded in the office of the proper recording officer of the county in which such real estate is situated.

Every parcel of real estate purchased or acquired by a savings bank under this section, shall be sold by it within five years from the date on which it was purchased or acquired, or in case it was acquired subject to a right of redemption, within five years from the date on which the right of redemption expires, unless:

(1) There is a building thereon occupied by the savings bank and its offices, or

(2) The supervisor, on application of the board of trustees of the savings bank, extends the time within which such sale shall be made.

Sec. 7. Section 6, chapter 80, Laws of 1955 as amended by section 6, chapter 222, Laws of 1971 ex. sess. and RCW 32.20.330 are each amended to read as follows:

A mutual savings bank may invest not to exceed fifteen percent

of its funds in such interest bearing obligations issued, guaranteed or assumed by corporations commonly accepted as industrial corporations or engaged in communications, transportation, furnishing utility or telephone services, manufacturing, mining, merchandising or commercial financing, incorporated under the laws of the United States, or any state thereof, or the District of Columbia, or the Dominion of Canada, or any province thereof, as mature within thirty years from the time of the investment, subject to the following conditions:

(1) Not more than two percent of said bank's funds shall be invested in such obligations of any one such corporation, pursuant to this section or otherwise.

(2) Such obligations at the time of purchase are rated among the three highest classifications of (~~two~~) one or more nationally recognized investment rating services.

NEW SECTION. Sec. 8. There is added to chapter 13, Laws of 1955 and to chapter 32.20 RCW a new section to read as follows:

The powers granted by this 1973 amendatory act are in addition to and not in limitation of the powers conferred upon a mutual savings bank by other provisions of law.

Passed the House March 20, 1973.

Passed the Senate April 6, 1973.

Approved by the Governor April 14, 1973.

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CHAPTER 32

[House Bill No. 482]

INDUSTRIAL INSURANCE--REPORTING PERIODS--  
PAYMENT--RULE-MAKING AUTHORITY

AN ACT Relating to industrial insurance; and amending section 51.16.060, chapter 23, Laws of 1961 as last amended by section 76, chapter 289, Laws of 1971 ex. sess. and RCW 51.16.060.

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

Section 1. Section 51.16.060, chapter 23, Laws of 1961 as last amended by section 76, chapter 289, Laws of 1971 ex. sess. and RCW 51.16.060 are each amended to read as follows:

Every employer not qualifying as a self-insurer shall insure with the state and shall, on or before the last day of January, April, July and October of each year thereafter, furnish the department with a true and accurate payroll for the period in which workmen were employed by him during the preceding calendar quarter, the total amount paid to such workmen during such preceding calendar