

proviso is inconsistent with the intent of the 1981-83 appropriations act. In addition, the provision, which does not apply to other community colleges, is unnecessarily restrictive on the effective management of the first new community college district since the creation of the community college system.

Consequently, I have vetoed the proviso beginning after the colon on line 12 down through and including the word "positions" on line 14.

With the exception of the proviso in Section 7, which I have vetoed, the remainder of Substitute House Bill No. 335 is approved."

CHAPTER 73

[Senate Bill No. 3632]

BANKS—MERGER, CONVERSION, PROHIBITED, TIME PERIOD

AN ACT Relating to banks and banking; amending section 30.08.020, chapter 33, Laws of 1955 as last amended by section 4, chapter 104, Laws of 1973 1st ex. sess. and RCW 30.08.020; amending section 30.40.020, chapter 33, Laws of 1955 as last amended by section 35, chapter 53, Laws of 1973 1st ex. sess. and RCW 30.40.020; providing an effective date; and declaring an emergency.

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

Section 1. Section 30.08.020, chapter 33, Laws of 1955 as last amended by section 4, chapter 104, Laws of 1973 1st ex. sess. and RCW 30.08.020 are each amended to read as follows:

Persons desiring to incorporate a bank or trust company shall file with the supervisor a notice of their intention to organize a bank or trust company in such form and containing such information as the supervisor shall prescribe by regulation, together with proposed articles of incorporation, which shall be submitted for examination to the supervisor at his office in Olympia.

The proposed articles of incorporation shall state:

- (1) The name of such bank or trust company.
- (2) The city, village or locality and county where such corporation is to be located.
- (3) The nature of its business, whether that of a commercial bank, a savings bank or both or a trust company.
- (4) The amount of its capital stock, which shall be divided into shares of not less than ten dollars each, nor more than one hundred dollars each, as may be provided in the articles of incorporation.
- (5) The period for which such corporation is organized, which may be for a stated number of years or perpetual.
- (6) The names and places of residence of the persons who as directors are to manage the corporation until the first annual meeting of its stockholders.
- (7) ~~((That for a stated number of years, which shall be not less than ten nor more than twenty))~~ In articles filed on or before June 1, 1985, for four years from the date of approval of the articles (a) no voting share of the corporation shall, without the prior written approval of the supervisor, be

affirmatively voted for any proposal which would have the effect of sale, conversion, merger, or consolidation to or with, any other banking entity or affiliated financial interest, whether through transfer of stock ownership, sale of assets, or otherwise, (b) the corporation shall take no action to consummate any sale, conversion, merger, or consolidation in violation of this subdivision, (c) this provision of the articles shall not be revoked, altered, or amended by the shareholders without the prior written approval of the supervisor, and (d) all stock issued by the corporation shall be subject to this subdivision and a copy hereof shall be placed upon all certificates of stock issued by the corporation.

Sec. 2. Section 30.40.020, chapter 33, Laws of 1955 as last amended by section 35, chapter 53, Laws of 1973 1st ex. sess. and RCW 30.40.020 are each amended to read as follows:

A bank or trust company having a paid-in capital of not less than five hundred thousand dollars may, with the approval of the supervisor, establish and operate branches in any city or town within the state. A bank or trust company having a paid-in capital of not less than two hundred thousand dollars may, with the approval of the supervisor, establish and operate branches within the limits of the county in which its principal place of business is located. A bank having a paid-in capital of not less than one million dollars may, with the approval of the supervisor, establish and operate branches in any foreign country. The supervisor's approval of a branch within this state shall be conditioned on a finding that the resources in the neighborhood of the proposed location and in the surrounding country offer a reasonable promise of adequate support for the proposed branch and that the proposed branch is not being formed for other than the legitimate objects covered by this title. The supervisor's approval of a branch in a foreign country shall be conditioned on a finding that the proposed location offers a reasonable promise of adequate support for the proposed branch, that the proposed branch is not being formed for other than the legitimate objects covered by this title, and that the principal purpose for establishing such branch is to aid in financing or facilitating exports and/or imports and the exchange of commodities with any foreign country or the agencies or nationals thereof.

The aggregate paid-in capital stock of every bank or trust company operating branches shall at no time be less than the aggregate of the minimum capital required by law for the establishment of an equal number of banks or trust companies in the cities or towns wherein the principal office or place of business of such bank or trust company and its branches are located.

No bank or trust company shall establish or operate any branch, except a branch in a foreign country, in any city or town outside the city or town in which its principal place of business is located in which any bank, trust company or national banking association regularly transacts a banking or

trust business, except by taking over or acquiring an existing bank, trust company or national banking association or the branch of any bank, trust company or national banking association operating in such city or town. However, on and after July 1, 1981, a bank or trust company having a paid-in capital of not less than five hundred thousand dollars may, with the approval of the supervisor, establish and operate branches within the limits of the county in which its principal place of business is located, including within any city or town located in such county and whether or not an existing bank, trust company, or national banking association or branch thereof is operating in the city or town. On and after July 1, 1985, a bank or trust company having a paid-in capital of not less than five hundred thousand dollars may, with the approval of the supervisor, establish and operate a branch anywhere within the state, including within cities and towns where an existing bank, trust company, or national banking association or a branch thereof is operating.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1981.

Passed the Senate March 20, 1981.

Passed the House April 15, 1981.

Approved by the Governor May 1, 1981.

Filed in Office of Secretary of State May 1, 1981.

CHAPTER 74

[Substitute House Bill No. 747]

NONPROFIT YOUTH ORGANIZATIONS—BUSINESS AND OCCUPATION, SALES TAX EXEMPTIONS—MEMBERSHIP FEES OR DUES, CAMPING AND RECREATIONAL SERVICES, FACILITY USE

AN ACT Relating to the taxation of youth-related organizations; adding a new section to chapter 82.04 RCW; and adding a new section to chapter 82.08 RCW.

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

NEW SECTION. Section 1. There is added to chapter 82.04 RCW a new section to read as follows:

In computing tax due under this chapter, there may be deducted from the measure of tax all amounts received by a nonprofit youth organization:

(1) As membership fees or dues, irrespective of the fact that the payment of the membership fees or dues to the organization may entitle its members, in addition to other rights or privileges, to receive services from the organization or to use the organization's facilities; or

(2) From members of the organization for camping and recreational services provided by the organization or for the use of the organization's camping and recreational facilities.