

hundred dollars, or so much thereof as may be necessary, to carry out the purposes of this act.

NEW SECTION. Sec. 7. Sections 1 through 5 of this act shall constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 8. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 9. The office of international investment shall be reviewed under the process provided in chapter 43.131 RCW before December 1, 1985. Unless extended by law, the office and its powers and duties shall be terminated on June 30, 1986.

NEW SECTION. Sec. 10. The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 1987:

- (1) Section 1 of this act and RCW 43.—.—;
- (2) Section 2 of this act and RCW 43.—.—;
- (3) Section 3 of this act and RCW 43.—.—;
- (4) Section 4 of this act and RCW 43.—.—; and
- (5) Section 5 of this act and RCW 43.—.—.

Passed the Senate February 29, 1984.

Passed the House February 17, 1984.

Approved by the Governor March 8, 1984.

Filed in Office of Secretary of State March 8, 1984.

CHAPTER 177

[Substitute Senate Bill No. 4332]

PUBLIC DEPOSITARIES

AN ACT Relating to public depositaries; amending section 35.38.010, chapter 7, Laws of 1965 as last amended by section 1, chapter 126, Laws of 1973 and RCW 35.38.010; amending section 35.38.040, chapter 7, Laws of 1965 as last amended by section 3, chapter 126, Laws of 1973 and RCW 35.38.040; amending section 35.38.055, chapter 7, Laws of 1965 and RCW 35.38.055; amending section 35.38.060, chapter 7, Laws of 1965 and RCW 35.38.060; amending section 35A.40.020, chapter 119, Laws of 1967 ex. sess. and RCW 35A.40.020; amending section 35A.40.030, chapter 119, Laws of 1967 ex. sess. as amended by section 4, chapter 126, Laws of 1973 and RCW 35A.40.030; amending section 36.29.020, chapter 4, Laws of 1963 as last amended by section 1, chapter 73, Laws of 1982 and RCW 36.29.020; amending section 36.48.010, chapter 4, Laws of 1963 as last amended by section 5, chapter 126, Laws of 1973 and RCW 36.48.010; amending section 36.48.060, chapter 4, Laws of 1963 and RCW 36.48.060; amending section 1, chapter 193, Laws of 1969 ex. sess. as last amended by section 3, chapter 66, Laws of 1983 and RCW 39.58.010; amending section 2, chapter 193, Laws of 1969 ex. sess. as last amended by section 5, chapter 66, Laws of 1983 and RCW 39.58.020; amending section 4, chapter 193, Laws of 1969 ex. sess. as last amended by section 7, chapter 66, Laws of 1983 and RCW 39.58.040; amending section 5, chapter 193, Laws of 1969 ex. sess. as last amended by section 8, chapter 66, Laws of 1983 and RCW 39.58.050; amending section 8, chapter 193, Laws of 1969 ex. sess. as amended by section 11, chapter 66, Laws of 1983 and RCW 39.58.080; amending section 9, chapter 193, Laws of 1969 ex. sess. and RCW 39.58.090; amending section 10, chapter 193, Laws of 1969 ex. sess. as amended by section 12, chapter

66, Laws of 1983 and RCW 39.58.100; amending section 6, chapter 77, Laws of 1975 1st ex. sess. as amended by section 15, chapter 66, Laws of 1983 and RCW 39.58.108; amending section 13, chapter 193, Laws of 1969 ex. sess. as amended by section 16, chapter 66, Laws of 1983 and RCW 39.58.130; amending section 43.85.230, chapter 8, Laws of 1965 as amended by section 19, chapter 66, Laws of 1983 and RCW 43.85.230; adding a new section to chapter 39.58 RCW; creating a new section; repealing section 35.38.030, chapter 7, Laws of 1965, section 24, chapter 193, Laws of 1969 ex. sess., section 2, chapter 126, Laws of 1973 and RCW 35.38.030; repealing section 17, chapter 126, Laws of 1973 and RCW 35.38.041; repealing section 35A.40.040, chapter 119, Laws of 1967 ex. sess., section 63, chapter 3, Laws of 1983 and RCW 35A.40.040; repealing section 36.48.020, chapter 4, Laws of 1963, section 3, chapter 132, Laws of 1967, section 28, chapter 193, Laws of 1969 ex. sess., section 6, chapter 126, Laws of 1973 and RCW 36.48.020; repealing section 43.85.020, chapter 8, Laws of 1965 and RCW 43.85.020; and repealing section 9, chapter 230, Laws of 1969 ex. sess. and RCW 43.85.270.

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

Sec. 1. Section 35.38.010, chapter 7, Laws of 1965 as last amended by section 1, chapter 126, Laws of 1973 and RCW 35.38.010 are each amended to read as follows:

The ~~((city))~~ treasurer in all cities ~~((having a population of seventy-five thousand or more inhabitants))~~ and towns shall annually at the end of each fiscal year, or at such other times as may be deemed necessary, designate one or more ~~((banks in the city))~~ financial institutions which are qualified public depositories as set forth by the public deposit protection commission as depository or depositories for the moneys required to be kept by the treasurer ~~((; and such designation shall be subject to the approval of the mayor, and filed with the comptroller))~~.

Sec. 2. Section 35.38.040, chapter 7, Laws of 1965 as last amended by section 3, chapter 126, Laws of 1973 and RCW 35.38.040 are each amended to read as follows:

Before any such designation shall entitle the treasurer to make deposits in ~~((such bank or banks, the bank or banks))~~ any financial institution, each financial institution so designated shall ~~((; within ten days after the same is filed with the city or town clerk;))~~ segregate eligible securities as collateral as provided by RCW 39.58.050 as now or hereafter amended.

Sec. 3. Section 35.38.055, chapter 7, Laws of 1965 and RCW 35.38-.055 are each amended to read as follows:

Whenever a ~~((bank))~~ financial institution is designated by the treasurer ~~((or governing body of a city or town))~~ in accordance with the provisions of this chapter, as a depository for funds to be kept by the treasurer of such city or town and such ~~((bank))~~ financial institution has filed and had approved a contract with such city or town and ~~((deposited a surety bond or bonds or securities as provided in this chapter))~~ complied with chapter 39-.58 RCW, such contract shall not be invalid by reason of any official of the city being also an officer, employee, or stockholder of such ~~((bank))~~ financial institution.

Sec. 4. Section 35.38.060, chapter 7, Laws of 1965 and RCW 35.38-.060 are each amended to read as follows:

~~((The word bank))~~ "Financial institution," as used in the foregoing provisions of this chapter ~~((includes any trust company organized under the laws of this state and engaged in the banking business))~~, means a branch of a bank engaged in banking in this state in accordance with RCW 30.04.300, and any state bank or trust company, national banking association, stock savings bank, mutual savings bank, or savings and loan association, which institution is located in this state and lawfully engaged in business.

Sec. 5. Section 35A.40.020, chapter 119, Laws of 1967 ex. sess. and RCW 35A.40.020 are each amended to read as follows:

A code city, by ordinance, may adopt a policy for the payment of claims or other obligations of the city, which are payable out of solvent funds, electing either to pay such obligations by warrant, or to pay such obligations by ~~((bank))~~ check: PROVIDED, That no check shall be issued when the applicable fund is not solvent at the time payment is ordered, but a warrant shall be issued therefor. When ~~((bank))~~ checks are to be used, the legislative body shall designate the ~~((bank))~~ qualified public depository whereon such checks are to be drawn, and the officers authorized or required to sign such checks. Wherever in this title, reference is made to warrants, such term shall include ~~((bank))~~ checks where authorized by this section.

Sec. 6. Section 35A.40.030, chapter 119, Laws of 1967 ex. sess. as amended by section 4, chapter 126, Laws of 1973 and RCW 35A.40.030 are each amended to read as follows:

The legislative body of a code city, at the end of each fiscal year, or at such other times as the legislative body may direct, shall designate one or more ~~((banks in the county wherein the code city is located))~~ financial institutions which are qualified public depositories as set forth by the public deposit protection commission as depository or depositories of the moneys required to be kept by the code city treasurer or other officer performing the duties commonly performed by the treasurer of a code city: PROVIDED, That where any bank has been designated as a depository hereunder such designation shall continue in force until revoked by a majority vote of the legislative body of such code city. The provisions relating to depositories, contained in chapter 39.58 RCW, as now or hereafter amended, are hereby recognized as applicable to code cities and to the depositories designated by them.

Sec. 7. Section 36.29.020, chapter 4, Laws of 1963 as last amended by section 1, chapter 73, Laws of 1982 and RCW 36.29.020 are each amended to read as follows:

The county treasurer shall keep all moneys belonging to the state, or to any county, in his or her own possession until disbursed according to law. The county treasurer shall not place the same in the possession of any person to be used for any purpose; nor shall he or she 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 qualified public 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 savings or time 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;)~~) designated qualified public depositories or in certificates, notes, or bonds of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States; in bankers' acceptances purchased on the secondary market, in federal home loan bank notes and bonds, federal land bank bonds and federal national mortgage association notes, debentures and guaranteed certificates of participation, or the obligations of any other government sponsored corporation whose obligations are or may become eligible as collateral for advances to member banks as determined by the board of governors of the federal reserve system or deposit such funds or any portion thereof in investment deposits as defined in RCW 39.58.010 secured by collateral in accordance with the provisions of chapter 39.58 RCW: PROVIDED, Five percent of the interest or earnings, with an 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 the county treasurer or other municipal corporation treasurer when the interest or earnings become available to the governing body: PROVIDED FURTHER, That if such investment service fee amounts to five dollars or less the county treasurer or other municipal corporation treasurer may waive such fee.

Whenever the funds of any municipal corporation which are not required for immediate expenditure are in the custody or control of the county treasurer, and the governing body of such municipal corporation has not taken any action pertaining to the investment of any such funds, the county finance committee shall direct the county treasurer to invest, to the maximum prudent extent, such funds or any portion thereof in savings or time accounts in (~~(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 savings or time 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;)~~) designated qualified public depositories or in certificates, notes, or bonds of the United States, or other obligations of the United

States or its agencies, or of any corporation wholly owned by the government of the United States, in bankers' acceptances purchased on the secondary market, in federal home loan bank notes and bonds, federal land bank bonds and federal national mortgage association notes, debentures and guaranteed certificates of participation, or the obligations of any other government sponsored corporation whose obligations are or may become eligible as collateral for advances to member banks as determined by the board of governors of the federal reserve system or deposit such funds or any portion thereof in investment deposits as defined in RCW 39.58.010 secured by collateral in accordance with the provisions of chapter 39.58 RCW: PROVIDED, That the county treasurer shall have the power to select the specific qualified financial institution in which said funds may be invested. The interest or other earnings from such investments or deposits shall be deposited in the current expense fund of the county and may be used for general county purposes. The investment or deposit and disposition of the interest or other earnings therefrom authorized by this paragraph shall not apply to such funds as may be prohibited by the state Constitution from being so invested or deposited.

Sec. 8. Section 36.48.010, chapter 4, Laws of 1963 as last amended by section 5, chapter 126, Laws of 1973 and RCW 36.48.010 are each amended to read as follows:

Each county treasurer shall annually ~~((on the second Monday in January, and))~~ at the end of each fiscal year or at such other times as ~~((he deems))~~ may be deemed necessary, designate one or more ~~((banks))~~ financial institutions in the state which are qualified public depositaries as set forth by the public deposit protection commission as depositary or depositaries for all public funds held and required to be kept by him as such treasurer, ~~((and such designation or designations shall be in writing, and shall be filed with the board of county commissioners of his county;))~~ and no county treasurer shall deposit any public money in ~~((banks))~~ financial institutions, except as herein provided.

Sec. 9. Section 36.48.060, chapter 4, Laws of 1963 and RCW 36.48.060 are each amended to read as follows:

~~((The word "bank"))~~ "Financial institution," whenever it occurs in RCW 36.48.010 through 36.48.050 ~~((includes all national, foreign, state, and private banks and trust companies doing business in the state)),~~ means a branch of a bank engaged in banking in this state in accordance with RCW 30.04.300, and any state bank or trust company, national banking association, stock savings bank, mutual savings bank, or savings and loan association, which institution is located in this state and lawfully engaged in business.

Sec. 10. Section 1, chapter 193, Laws of 1969 ex. sess. as last amended by section 3, chapter 66, Laws of 1983 and RCW 39.58.010 are each amended to read as follows:

In this chapter, unless the context otherwise requires:

(1) "Public ~~((deposit))~~ funds" means moneys under the control of a treasurer or custodian belonging to, or held for the benefit of, the state or any of its political subdivisions, municipal corporations, agencies, courts, boards, commissions, or committees, including moneys held as trustee, agent, or bailee ~~((, when deposited in any qualified public depository))~~;

(2) "Qualified public depository," "public depository," or "depository" means a financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has been approved by the commission to hold public deposits, and which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability. Addition of the word "bank" denotes a bank, trust company, or national banking association and the word "thrift" denotes a savings and loan association, mutual savings bank, or stock savings bank;

(3) "Loss" means the issuance of an order by a regulatory or supervisory authority or a court of competent jurisdiction (a) restraining a qualified public depository from making payments of deposit liabilities or (b) appointing a receiver for a qualified public depository;

(4) "Commission" means the Washington public deposit protection commission created under RCW 39.58.030;

(5) "Eligible collateral" means securities which are enumerated in RCW 39.58.050(5) and (6) as eligible collateral for public deposits;

(6) The "maximum liability" of a qualified public depository on any given date means a sum equal to ten percent of (a) all public deposits held by the qualified public depository on the then most recent ~~((call report date if it is a bank depository and on the then most recent))~~ commission report date ~~((if it is a thrift depository))~~, or (b) the average of the balances of said public deposits on the last four immediately preceding reports required pursuant to RCW 39.58.100, whichever amount is greater, less any assessments paid to the commission pursuant to this chapter since the then most recent ~~((call report date for a bank depository or))~~ commission report date ~~((for a thrift depository))~~;

(7) "Public funds available for investment" means such public funds as are in excess of the anticipated cash needs throughout the duration of the contemplated investment period;

(8) "Investment deposits" means ~~((all))~~ time deposits and savings deposits ~~((in qualified public depositories))~~ of public funds available for investment;

(9) "Treasurer" shall mean the state treasurer, a county treasurer, a city treasurer, a treasurer of any other municipal corporation, and the custodian of any other public funds;

(10) "Financial institution" means a branch of a bank engaged in banking in this state in accordance with RCW 30.04.300, and any state bank or trust company, national banking association, stock savings bank, mutual savings bank, or savings and loan association located in this state and lawfully engaged in business;

(11) (~~"Call report" means a formal accounting rendered by banks to the comptroller of the currency or the supervisor of banks in response to a demand made by such authority for a statement of the condition of each bank as of the close of business on a specified date, which is the "call report date." "Call report due date" is the last day for the timely filing of a call report;~~

~~(12))~~ "Commission report" means a formal accounting rendered by all ~~((thrift))~~ qualified public depositories to the commission in response to a demand for specific information made upon all ~~((thrift))~~ depositories by the commission detailing pertinent affairs of each ~~((thrift))~~ depository as of the close of business on a specified date, which is the "commission report date." "Commission report due date" is the last day for the timely filing of a commission report;

~~((13))~~ (12) "Supervisor" means either the supervisor of banks or the supervisor of savings and loan associations or both depending upon context and usage in accordance with applicable statutory authority;

~~((14))~~ (13) "Net worth" of a depository means (a) for a bank depository, the aggregate of capital, surplus, undivided profits and all capital notes and debentures which are subordinate to the interest of depositors, and (b) for a thrift depository, the aggregate of such capital stock, guaranty fund, general reserves, surplus, undivided profits, and capital notes and debentures which are subordinate to the interest of depositors, as are eligible for inclusion in otherwise determining the net worth of a mutual savings bank, stock savings bank, or savings and loan association.

Sec. 11. Section 2, chapter 193, Laws of 1969 ex. sess. as last amended by section 5, chapter 66, Laws of 1983 and RCW 39.58.020 are each amended to read as follows:

All public ~~((deposits))~~ funds deposited in qualified public depositories, including investment deposits and accrued interest thereon, shall be protected against loss, as provided in this chapter.

Sec. 12. Section 4, chapter 193, Laws of 1969 ex. sess. as last amended by section 7, chapter 66, Laws of 1983 and RCW 39.58.040 are each amended to read as follows:

The commission shall have power (1) to make and enforce regulations necessary and proper to the full and complete performance of its functions under this chapter; (2) to require any qualified public depository to furnish such information dealing with public deposits and the exact status of its ~~((capital, surplus, and undivided profits))~~ net worth as the commission shall request. Any public depository which ~~refuses~~ or neglects to give promptly and accurately or to allow verification of any information so requested shall no longer be a qualified public depository and shall be excluded from the right to receive or hold public deposits until such time as the commission shall acknowledge that such depository has furnished the information requested; (3) to take such action as it deems best for the protection, collection, compromise or settlement of any claim arising in case of loss; (4) to prescribe regulations, subject to this chapter, fixing the requirements for qualification of financial institutions as public depositories, and fixing other terms and conditions consistent with this chapter, under which public deposits may be received and held; (5) to fix the official date on which any loss shall be deemed to have occurred taking into consideration the orders, rules and regulations of supervisory authority as they affect the failure or inability of a qualified public depository to repay public deposits in full; (6) in case loss occurs in more than one qualified public depository, to determine the allocation and time of payment of any sums due to public depositors under this chapter.

Sec. 13. Section 5, chapter 193, Laws of 1969 ex. sess. as last amended by section 8, chapter 66, Laws of 1983 and RCW 39.58.050 are each amended to read as follows:

(1) Every qualified public depository shall at all times maintain, segregated from its other assets, eligible collateral in the form of securities enumerated in this section having a value at least equal to its maximum liability ~~((under))~~ and as otherwise prescribed in this chapter. Such collateral may be segregated by deposit in the trust department of the depository or in such other manner as the commission approves and shall be clearly designated as security for the benefit of public depositors under this chapter.

(2) Securities eligible as collateral shall be valued at ~~((face value or))~~ market value ~~((as determined by the commission))~~.

(3) The depository shall have the right to make substitutions of such collateral at any time.

(4) The income from the securities which have been segregated as collateral shall belong to the depository without restriction.

(5) Each of the following enumerated classes of securities, providing there has been no default in the payment of principal or interest thereon, shall be eligible to qualify as collateral:

(a) Bonds, notes, or other securities constituting 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, and bonds, notes, letters of credit, or other securities or evidence of indebtedness constituting the direct and general obligation of a federal home loan bank or federal reserve bank;

(b) (i) Direct and general obligation bonds and warrants of the state of Washington or of any other state of the United States;

(ii) Revenue bonds of this state or any authority, board, commission, committee, or similar agency thereof;

(c) Direct and general obligation bonds and warrants of any city, town, county, school district, port district, or other political subdivision of ~~((the))~~ any state, having the power to levy general taxes, which are payable from general ad valorem taxes;

(d) Bonds issued by public utility districts as authorized under the provisions of Title 54 RCW, as now or hereafter amended;

(e) Bonds of any city of the state of Washington for the payment of which the entire revenues of the city's water system, power and light system, or both, less maintenance and operating costs, are irrevocably pledged, even though such bonds are not general obligations of such city;

(6) In addition to the securities enumerated in subsections (5)(a) through (e) of this section, every public depository may also segregate such bonds, securities, and other obligations as are designated to be authorized security for all public deposits pursuant to RCW 35.58.510, 35.81.110, 35.82.220, 39.60.030, 39.60.040 and 54.24.120, as now or hereafter amended.

(7) The commission may at any time or times declare any particular security as ineligible to qualify as collateral when in the commission's judgment it is deemed desirable to do so.

Sec. 14. Section 8, chapter 193, Laws of 1969 ex. sess. as amended by section 11, chapter 66, Laws of 1983 and RCW 39.58.080 are each amended to read as follows:

Except for funds deposited pursuant to a fiscal agency contract with the state fiscal agent or its correspondent bank, no public ~~((deposit))~~ funds shall be ~~((made))~~ deposited in demand or investment deposits except in a qualified public depository located in this state or as otherwise expressly permitted by statute.

Sec. 15. Section 9, chapter 193, Laws of 1969 ex. sess. and RCW 39.58.090 are each amended to read as follows:

All institutions located in this state which are permitted by the statutes of this state to hold and receive public ~~((deposits))~~ funds shall have power to secure such deposits in accordance with this chapter. Except as provided

in this chapter, no bond or other security shall be required of or given by any qualified public depository for any public funds on deposit (~~(defined in RCW 39.58.010)~~).

Sec. 16. Section 10, chapter 193, Laws of 1969 ex. sess. as amended by section 12, chapter 66, Laws of 1983 and RCW 39.58.100 are each amended to read as follows:

~~((On each call report due date, each bank depository shall render to the commission a written report, certified under oath, indicating the total amount of public deposits held by it on the call report date and the amount and nature of eligible collateral then segregated for the benefit of the commission:))~~

On or before each commission report due date, each ((thrift)) depository shall render to the commission a written report, certified under oath, indicating the total amount of public funds on deposit((s)) held by it on the commission report date and the amount and nature of eligible collateral then segregated for the benefit of the commission.

The commission may instruct the supervisor to examine and thereafter certify as to the accuracy of any statement as to the segregation of securities by any public depository.

Sec. 17. Section 6, chapter 77, Laws of 1975 1st ex. sess. as amended by section 15, chapter 66, Laws of 1983 and RCW 39.58.108 are each amended to read as follows:

~~((Newly chartered))~~ Any financial institution((s)) may become a qualified ~~((depositories))~~ depository upon approval by the commission and segregation of collateral in the manner as set forth in this chapter, and upon compliance with all rules as promulgated by the commission. Until such time as ~~((newly chartered))~~ depositories have submitted four consecutive reports to the commission as required by RCW 39.58.100, they shall at all times pledge and segregate eligible securities in an amount equal to not less than ten percent of all public funds on deposit in said depository.

Sec. 18. Section 13, chapter 193, Laws of 1969 ex. sess. as amended by section 16, chapter 66, Laws of 1983 and RCW 39.58.130 are each amended to read as follows:

A treasurer as defined in RCW 39.58.010 is authorized to deposit in investment deposits in a qualified public depository any public funds available for investment and secured by collateral in accordance with the provisions of this chapter, and receive interest thereon. The authority provided by this section is additional to any authority now or hereafter provided by law for the investment or deposit of public funds by any such treasurer: **PROVIDED**, That in no case shall the deposit or deposits of public funds by any

such treasurer in any one qualified public depository exceed at any time the net worth of that depository. If a depository's net worth is reduced, a treasurer may allow public funds on deposit in excess of the reduced net worth to remain until maturity upon pledging by the depository of eligible securities valued at market value in an amount at least equal to the amount of the excess deposits. The collateral shall be segregated as provided in RCW 39.58.050. If the additional securities required by this section are not pledged by the depository, the depository shall permit withdrawal prior to maturity by the treasurer of deposits, including accrued interest, in accordance with applicable statutes and governmental regulations.

NEW SECTION. Sec. 19. There is added to chapter 39.58 RCW a new section to read as follows:

Notwithstanding RCW 39.58.130, (1) aggregate deposits received by a qualified public depository from all public treasurers shall not exceed at any time three hundred percent of the value of the depository's net worth as of the close of business of the most recent calendar quarter, nor (2) shall the aggregate deposits received by any qualified public depository exceed thirty percent of the total aggregate deposits of all public treasurers in all depositories as determined by the public deposit protection commission. However, a qualified public depository may receive deposits in excess of the limits provided in this section if eligible securities, as prescribed in RCW 39.58.050, are pledged as collateral in an amount equal to one hundred percent of the value of deposits received in excess of the limitations prescribed in this section.

Sec. 20. Section 43.85.230, chapter 8, Laws of 1965 as amended by section 19, chapter 66, Laws of 1983 and RCW 43.85.230 are each amended to read as follows:

The state treasurer(~~(- upon approval by the state finance committee,))~~) may deposit moneys not required to meet current demands upon a term deposit basis not to exceed one year at such interest rates and upon such conditions as to withdrawals of such moneys as may be agreed upon between the state (~~((finance committee))~~) treasurer and any qualified public depository.

NEW SECTION. Sec. 21. The following acts or parts of acts are each repealed:

(1) Section 35.38.030, chapter 7, Laws of 1965, section 24, chapter 193, Laws of 1969 ex. sess., section 2, chapter 126, Laws of 1973 and RCW 35.38.030;

(2) Section 17, chapter 126, Laws of 1973 and RCW 35.38.041;

(3) Section 35A.40.040, chapter 119, Laws of 1967 ex. sess., section 63, chapter 3, Laws of 1983 and RCW 35A.40.040;

(4) Section 36.48.020, chapter 4, Laws of 1963, section 3, chapter 132, Laws of 1967, section 28, chapter 193, Laws of 1969 ex. sess., section 6, chapter 126, Laws of 1973 and RCW 36.48.020;

(5) Section 43.85.020, chapter 8, Laws of 1965 and RCW 43.85.020; and

(6) Section 9, chapter 230, Laws of 1969 ex. sess. and RCW 43.85.270.

NEW SECTION. Sec. 22. (1) The joint committee on financial institutions created by section 114, chapter 3, Laws of 1982 is hereby extended until July 1, 1986.

(2) In addition to its other responsibilities, the committee shall study the practices of public depositories charging fees for cashing checks issued by governmental entities for unemployment compensation, workers' compensation, public assistance and social security.

(3) The committee shall make interim reports of its findings and recommendations to the legislature no later than January 1, 1985. A final report shall be submitted to the legislature no later than January 1, 1986.

(4) The committee shall cease to exist on July 1, 1986, unless extended by law for an additional fixed period of time.

Passed the Senate March 1, 1984.

Passed the House February 22, 1984.

Approved by the Governor March 8, 1984.

Filed in Office of Secretary of State March 8, 1984.

CHAPTER 178

[Engrossed Senate Bill No. 4415]

STANDARDIZED HIGH SCHOOL TRANSCRIPTS

AN ACT Relating to high school transcripts and diplomas; adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28A.04 RCW; and adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28A.58 RCW.

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

NEW SECTION. Sec. 1. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28A.04 RCW a new section to read as follows:

(1) The state board of education shall develop for use by all public school districts a standardized high school transcript. The state board of education shall establish clear definitions for the terms "credits" and "hours" so that school programs operating on the quarter, semester, or trimester system can be compared.