

any subsequent revisions to the codes in RCW 19.27.030 (1), (2), (3), and (4) (~~and (5)~~)).

Nothing in this section shall authorize any modifications of the requirements of (~~chapter 35, Laws of 1967, or chapter 70.92 RCW~~) sections 1 through 7 of this amendatory act.

NEW SECTION. Sec. 10. The following acts or parts of acts are each hereby repealed:

- (1) Section 1, chapter 35, Laws of 1967 and RCW 70.92.010;
- (2) Section 2, chapter 35, Laws of 1967 and RCW 70.92.020;
- (3) Section 3, chapter 35, Laws of 1967 and RCW 70.92.030;
- (4) Section 4, chapter 35, Laws of 1967 and RCW 70.92.040;
- (5) Section 5, chapter 35, Laws of 1967 and RCW 70.92.050;
- (6) Section 6, chapter 35, Laws of 1967 and RCW 70.92.060;
- (7) Section 1, chapter 219, Laws of 1971 ex. sess. and RCW 70.92A.010;
- (8) Section 2, chapter 219, Laws of 1971 ex. sess. and RCW 70.92A.020;
- (9) Section 3, chapter 219, Laws of 1971 ex. sess. and RCW 70.92A.030;
- (10) Section 4, chapter 219, Laws of 1971 ex. sess. and RCW 70.92A.040;
- (11) Section 5, chapter 219, Laws of 1971 ex. sess. and RCW 70.92A.050; and
- (12) Section 11, chapter 96, Laws of 1974 ex. sess. and RCW 70.92A.060.

NEW SECTION. Sec. 11. Sections 1 through 7 of this amendatory act are each added to chapter 35, Laws of 1967 and to chapter 70.92 RCW.

NEW SECTION. Sec. 12. Sections 8, 9, and 10 of this amendatory act shall take effect on July 1, 1976.

Passed the Senate May 20, 1975.

Passed the House May 16, 1975.

Approved by the Governor May 28, 1975.

Filed in Office of Secretary of State May 28, 1975.

CHAPTER 111

[Senate Bill No. 2741]

BUILDING AND LOAN, SAVINGS AND LOAN ASS'NS—CONVERSION TO MUTUAL SAVINGS BANK

AN ACT Relating to savings and loan associations and mutual savings banks; and amending section 1, chapter 154, Laws of 1917 as amended by section 1, chapter 177, Laws of 1927 and RCW 33.44.020.

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

Section 1. Section 1, chapter 154, Laws of 1917 as amended by section 1, chapter 177, Laws of 1927 and RCW 33.44.020 are each amended to read as follows:

Any going building and loan or savings and loan association or society organized under the laws of this state, or under the laws of the United States, may, if its contingent fund regularly accumulated, exclusive of any reserve fund stock, amounts to not less than five thousand dollars and if it has obtained the approval, required by law or regulation, of any federal agencies, including the federal home

loan bank board and the federal savings and loan insurance corporation, be converted into a mutual savings bank in the following manner:

(1) The board of directors of such association shall pass a resolution declaring their intention to convert the association into a mutual savings bank and shall apply to the supervisor of banking for leave to submit to the shareholders of the association the question whether the same shall be converted into a mutual savings bank. A duplicate of the application to the supervisor of banking shall be filed with the supervisor of savings and loan associations, except that no such filing shall be required in the case of an association organized under the laws of the United States.

(2) Thereupon the supervisor of banking shall make the same investigation and determine the same questions as he would be required by law to make and determine in case of the submission to him of a certificate of incorporation of a proposed new mutual savings bank, and he shall also determine after conference with the supervisor of savings and loan associations whether by the proposed conversion the business needs and conveniences of the shareholders of such association would be served with facility and safety, except that no such conference shall be pertinent to such investigation or determination in the case of an association organized under the laws of the United States. After the supervisor of banking shall have satisfied himself by such investigation whether it is expedient and desirable to permit the proposed conversion, he shall, within sixty days after the filing of said application, endorse thereon over his official signature the word "granted" or the word "refused", with the date of such endorsement and shall immediately notify the secretary of such association of his decision: PROVIDED, That if the application is granted the supervisor of banking shall require the applicants to enter into such an agreement or undertaking with him as trustee for the depositors with the savings bank to make such contributions in cash to the expense fund of the savings bank as in his judgment will be necessary then and from time to time thereafter to pay the operating expenses of the bank if its earnings should not be sufficient to pay the same in addition to the payment of such dividends as may be declared and credited to depositors from its earnings.

In case of refusal, said board of directors, or a majority thereof, may, within thirty days after receiving the notice of such refusal appeal to a board of appeal composed of the governor, the attorney general and the supervisor of banking, in the same manner and under the same procedure as that prescribed by law for an appeal to such board from the supervisor of banking's refusal to permit the original organization of a mutual savings bank.

(3) If such application be granted by the supervisor of banking or by the board of appeal, as the case may be, the board of directors of such association shall, within sixty days thereafter, submit the question of the proposed conversion to the shareholders of the association at a special meeting called for that purpose. Notice of such meeting shall be given in the manner prescribed by the bylaws of the association. Such notice shall state the time, place and purpose of the meeting, and that the only question to be voted upon will be, "shall the (naming the association) be converted into a mutual savings bank under the laws of the state of Washington?" The vote on said question shall be by ballot. Any shareholder may vote by proxy or may transmit his ballot by mail if the bylaws provide a method

for so doing. If two-thirds or more in number of the shareholders voting on the question vote affirmatively, then the board of directors shall have power, and it shall be their duty, to proceed to convert such association into a mutual savings bank; otherwise, the proposed conversion shall be abandoned and shall not be again submitted to the shareholders within three years from the date of said meeting.

(4) If authority for the proposed conversion has been voted by the shareholders as hereinabove required, the directors shall, within thirty days thereafter, subscribe and acknowledge and file with the supervisor of banking in quadruplicate a certificate of reincorporation, stating:

(a) The name by which the converted corporation is to be known, which name shall include the words "mutual savings bank."

(b) The place where the bank is to be located and its business transacted, naming the city or town and county, which city or town shall be the same as that where the principal place of business of the corporation has theretofore been located.

(c) The name, occupation, residence and post office address of each signer of the certificate.

(d) The amount of the assets of the corporation, the amount of its liabilities and the amount of its contingent fund as of the first day of the then calendar month.

(e) A declaration that each signer will accept the responsibilities and faithfully discharge the duties of a trustee of the savings bank, and is free from all the disqualifications specified in the laws applicable to mutual savings banks.

(5) Upon the filing of said certificate in quadruplicate the supervisor of banking shall, within thirty days thereafter, if satisfied that all the provisions of this chapter have been complied with, issue in quadruplicate an authorization certificate stating that the corporation has complied with all the requirements of law, and that it has authority to transact at the place designated in its certificate of incorporation the business of a mutual savings bank. One of the supervisor's quadruplicate certificates of authorization shall be attached to each of the quadruplicate certificates of reincorporation, and one set of these shall be filed and retained by the supervisor of banking, one set shall be filed in the office of the county auditor of the county in which such bank is located, one set shall be filed in the office of the secretary of state, and one set shall be transmitted to the bank for its files. Upon the receipt from the corporation of the same fees as are required for filing and recording other incorporation certificates or articles the county auditor and secretary of state shall file said certificates in their respective offices and the secretary of state shall record the same; whereupon the conversion of such association shall be deemed complete, and the signers of said reincorporation certificate and their successors shall thereupon become and be a corporation having the powers and being subject to the duties and obligations prescribed by the laws of this state applicable to mutual savings banks, and the time of existence of such

corporation shall continue for the period of fifty years from the date of the filing of such certificate, unless sooner terminated pursuant to law.

Passed the Senate April 16, 1975.

Passed the House May 21, 1975.

Approved by the Governor May 28, 1975.

Filed in Office of Secretary of State May 28, 1975.

CHAPTER 112

[Engrossed Substitute Senate Bill No. 2855]

COMMUNITY COLLEGE FACULTY TENURE

AN ACT Relating to community college faculty tenure; and amending section 33, chapter 283, Laws of 1969 ex. sess. as last amended by section 1, chapter 33, Laws of 1974 ex. sess. and RCW 28B.50.851.

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

Section 1. Section 33, chapter 283, Laws of 1969 ex. sess. as last amended by section 1, chapter 33, Laws of 1974 ex. sess. and RCW 28B.50.851 are each amended to read as follows:

As used in RCW 28B.50.850 through 28B.50.869:

(1) "Tenure" shall mean a faculty appointment for an indefinite period of time which may be revoked only for adequate cause and by due process;

(2) (a) "Faculty appointment", except as otherwise provided in subsection (2)(b) below, shall mean full time employment as a teacher, counselor, librarian or other position for which the training, experience and responsibilities are comparable as determined by the appointing authority, except administrative appointments; "faculty appointment" shall also mean department heads, division heads and administrators to the extent that such department heads, division heads or administrators have had or do have status as a teacher, counselor, or librarian;

(b) "Faculty appointment" shall not mean special faculty appointment as a teacher, counselor, librarian, or other position as enumerated in subsection (2)(a) of this section, when such employment results from special funds provided to a community college district from federal moneys or other special funds which other funds are designated as "special funds" by the state board for community college education: PROVIDED, That such "special funds" so designated by the state board for purposes of this act shall apply only to teachers, counselors and librarians hired from grants and service agreements and teachers, counselors and librarians hired in non-formula positions. A special faculty appointment resulting from such special financing may be terminated upon a reduction or elimination of funding or a reduction or elimination of program: PROVIDED FURTHER, That a "faculty appointee" holding a faculty appointment pursuant to subsections (1) or (2)(a) who has been subsequently transferred to a position financed from "special funds" pursuant to subsection (2)(b) and who thereafter loses his position upon reduction or elimination of such "special funding" shall be entitled to be returned to his previous status as a faculty appointee pursuant to subsection (1) or (2)(a) depending upon his status prior to the "special funding" transfer. Notwithstanding the fact that tenure shall not be granted to anyone holding a special faculty appointment, the termination of any such faculty appointment prior to the