

RCW 39.58.080 Deposit of public funds in public depository required—Deposits in institutions located outside the state. (1) Except for funds deposited pursuant to a fiscal agency contract with the state fiscal agent or its correspondent bank, funds deposited pursuant to a custodial bank contract with the state's custodial bank, and funds deposited pursuant to a local government multistate joint self-insurance program as provided in RCW 48.62.081, no public funds shall be deposited in demand or investment deposits except in a public depository located in this state or as otherwise expressly permitted by statute: PROVIDED, That the commission, or the chair upon delegation by the commission, upon good cause shown, may authorize, for such time and upon such terms and conditions as the commission or chair deem appropriate, a treasurer to maintain a demand deposit account with a banking institution located outside the state of Washington solely for the purpose of transmitting money received to public depositories in the state of Washington for deposit.

(2) Notwithstanding subsection (1) of this section, the commission, or the chair upon delegation by the commission, upon good cause shown, may authorize, for that time and upon the terms and conditions as the commission or chair deems appropriate, a treasurer to maintain a demand deposit account with a banking institution located outside the state of Washington for deposit of certain higher education endowment funds, for a specified instructional program or research project being performed outside the state of Washington.

(3) Notwithstanding subsection (1) of this section, public funds may be deposited in institutions located outside of Washington state if the following conditions are met:

(a) The funds must initially be deposited in a public depository selected by the state or local government that is located in the state of Washington;

(b) The selected Washington state public depository must arrange for the funds to be deposited in one or more federally insured banks or savings and loan associations, including out-of-state institutions, for the account of the state or local government;

(c) The full amount of the principal and any accrued interest of each deposit of funds into a depository pursuant to (b) of this subsection must be insured by an agency of the federal government;

(d) The public depository selected under (a) of this subsection must act as a custodian for the state or local government with respect to any deposits made pursuant to (b) of this subsection; and

(e) On the same date that the state or local government funds are deposited, the selected public depository must receive deposits from customers of other financial institutions, which may include out-of-state institutions, in an amount equal to or greater than the amount of the funds initially deposited by the state or local government.

[2016 sp.s. c 2 s 1; 2005 c 203 s 1; 1996 c 256 s 8; 1991 sp.s. c 30 s 27; 1986 c 160 s 1; 1984 c 177 s 14; 1983 c 66 s 11; 1969 ex.s. c 193 s 8.]

Effective date, implementation, application—1991 sp.s. c 30: See RCW 48.62.900.

Severability—1983 c 66: See note following RCW 39.58.010.