

5333-S

Sponsor(s): Senate Committee on Law & Justice (originally sponsored by Senators Smith, Long and Johnson)

Brief Description: Revising regulations for the investment of trust funds.

**SB 5333-S - DIGEST**

(DIGEST AS ENACTED)

Provides that a fiduciary shall invest and manage the trust assets solely in the interests of the trust beneficiaries.

Provides that a fiduciary shall diversify the investments of the trust unless the fiduciary reasonably determines that the purposes of the trust are better served without diversifying.

VETO MESSAGE ON SB 5333-S

May 9, 1995

To the Honorable President and Members,  
The Senate of the State of Washington  
Ladies and Gentlemen:

I am returning herewith, without my approval as to section 8, Substitute Senate Bill No. 5333 entitled:

"AN ACT Relating to investment of trust lands;"

This legislation includes an emergency clause in section 8. Although the clarification of the fiduciary's responsibility to trust assets is important, it is not a matter necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions. Preventing this bill from being subject to a referendum under Article II, section 1 (b) of the state Constitution unnecessarily denies the people of this state their power, at their own option, to approve or reject this bill at the polls.

For this reason, I have vetoed section 8 of Substitute Senate Bill No. 5333.

With the exception of section 8, Substitute Senate Bill No. 5333 is approved.

Respectfully submitted,  
Mike Lowry  
Governor