

**SSB 5232** - H COMM AMD

By Committee on State Government & Tribal Affairs

ADOPTED AS AMENDED 04/01/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that consumer savings  
4 is essential, both for individuals seeking to obtain the American  
5 dream, and in order to rebuild a strong economy. The legislature  
6 further finds that for most of the last two decades, consumers have  
7 borrowed more than they have saved, with current United States savings  
8 rates under six percent. The legislature intends to encourage  
9 financial institutions to develop innovative products that create  
10 incentives to encourage consumer savings, particularly savings by low-  
11 income consumers.

12 **Sec. 2.** RCW 9.46.0356 and 2000 c 228 s 1 are each amended to read  
13 as follows:

14 (1) The legislature authorizes:

15 (a) A business to conduct a promotional contest of chance as  
16 defined in this section, in this state, or partially in this state,  
17 whereby the elements of prize and chance are present but in which the  
18 element of consideration is not present;

19 (b) A financial institution, as defined in RCW 30.22.040, to  
20 conduct a promotional contest of chance under this section in which a  
21 drawing for a prize is held that includes as eligible prize recipients  
22 only those persons who: (i) Deposited funds at the financial  
23 institution in a savings account, certificate of deposit, or any other  
24 savings program; and (ii) retained those funds for at least one year in  
25 a savings account, certificate of deposit, or any other savings program  
26 of the financial institution. No such contest may be conducted, either  
27 wholly or partially, by means of the internet.

28 (2) Promotional contests of chance under this section are not  
29 gambling as defined in RCW 9.46.0237.

1 (3) Promotional contests of chance shall be conducted as  
2 advertising and promotional undertakings solely for the purpose of  
3 advertising or promoting the services, goods, wares, and merchandise of  
4 a business.

5 (4) No person eligible to receive a prize in a promotional contest  
6 of chance under subsection (1)(a) of this section may be required to:

7 (a) Pay any consideration to the promoter or operator of the  
8 business in order to participate in the contest; or

9 (b) Purchase any service, goods, wares, merchandise, or anything of  
10 value from the business, however, for other than contests entered  
11 through a direct mail solicitation, the promoter or sponsor may give  
12 additional entries or chances upon purchase of service, goods, wares,  
13 or merchandise if the promoter or sponsor provides an alternate method  
14 of entry requiring no consideration.

15 (5) No person eligible to receive a prize in a promotional contest  
16 of chance under subsection (1)(b) of this section may be required to  
17 pay any consideration other than the deposit of funds, or purchase any  
18 service, goods, wares, merchandise, or anything of value from the  
19 financial institution.

20 (6)(a) As used in this section, "consideration" means anything of  
21 pecuniary value required to be paid to the promoter or sponsor in order  
22 to participate in a promotional contest. Such things as visiting a  
23 business location, placing or answering a telephone call, completing an  
24 entry form or customer survey, or furnishing a stamped, self-addressed  
25 envelope do not constitute consideration.

26 (b) Coupons or entry blanks obtained by purchase of a bona fide  
27 newspaper or magazine or in a program sold in conjunction with a  
28 regularly scheduled sporting event are not consideration.

29 ((+6)) (7) Unless authorized by the commission, equipment or  
30 devices made for use in a gambling activity are prohibited from use in  
31 a promotional contest.

32 ((+7)) (8) This section shall not be construed to permit  
33 noncompliance with chapter 19.170 RCW, promotional advertising of  
34 prizes, and chapter 19.86 RCW, unfair business practices.

35 **Sec. 3.** RCW 19.170.020 and 1991 c 227 s 2 are each amended to read  
36 as follows:

1 Unless the context clearly requires otherwise, the definitions in  
2 this section apply throughout this chapter.

3 (1) "Person" means an individual, corporation, the state or its  
4 subdivisions or agencies, business trust, estate, trust, partnership,  
5 association, cooperative, or any other legal entity.

6 (2) "Prize" means a gift, award, travel coupon or certificate, free  
7 item, or any other item offered in a promotion that is different and  
8 distinct from the goods, service, or property promoted by a sponsor.  
9 "Prize" does not include an item offered in a promotion where all of  
10 the following elements are present:

11 (a) No element of chance is involved in obtaining the item offered  
12 in the promotion;

13 (b) The recipient has the right to review the merchandise offered  
14 for sale without obligation for at least seven days, and has a right to  
15 obtain a full refund in thirty days for the return of undamaged  
16 merchandise;

17 (c) The recipient may keep the item offered in the promotion  
18 without obligation; and

19 (d) The recipient is not required to attend any sales presentation  
20 or spend any sum in order to receive the item offered in the promotion.

21 (3) "Promoter" means a person conducting a promotion.

22 (4) "Promotion" means an advertising program, sweepstakes, contest,  
23 direct giveaway, or solicitation directed to specific named  
24 individuals, that includes the award of or chance to be awarded a  
25 prize, but does not include a promotional contest of chance under RCW  
26 9.46.0356(1)(b).

27 (5) "Offer" means a written notice delivered by hand, mail, or  
28 other print medium offering goods, services, or property made as part  
29 of a promotion to a person based on a representation that the person  
30 has been awarded, or will be awarded, a prize.

31 (6) "Sponsor" means a person on whose behalf a promotion is  
32 conducted to promote or advertise goods, services, or property of that  
33 person.

34 (7) "Simulated check" means a document that is not currency or a  
35 check, draft, note, bond, or other negotiable instrument but has the  
36 visual characteristics thereof. "Simulated check" does not include a  
37 nonnegotiable check, draft, note, or other instrument that is used for

1 soliciting orders for the purchase of checks, drafts, notes, bonds, or  
2 other instruments and that is clearly marked as a sample, specimen, or  
3 nonnegotiable.

4 (8) "Continuing obligation check" means a document that is a check,  
5 draft, note, bond, or other negotiable instrument that, when cashed,  
6 deposited, or otherwise used, imposes on the payee an obligation to  
7 enter into a loan transaction. This definition does not include  
8 checks, drafts, or other negotiable instruments that are used by  
9 consumers to take advances on revolving loans, credit cards, or  
10 revolving credit accounts.

11 (9) "Verifiable retail value" means:

12 (a) A price at which a promoter or sponsor can demonstrate that a  
13 substantial number of prizes have been sold at retail in the local  
14 market by a person other than the promoter or sponsor; or

15 (b) If the prize is not available for retail sale in the local  
16 market, the retail fair market value in the local market of an item  
17 substantially similar in each significant aspect, including size,  
18 grade, quality, quantity, ingredients, and utility; or

19 (c) If the value of the prize cannot be established under (a) or  
20 (b) of this subsection, then the prize may be valued at no more than  
21 three times its cost to the promoter or sponsor.

22 (10) "Financial institution" means any bank, trust company, savings  
23 bank, savings and loan association, credit union, industrial loan  
24 company, or consumer finance lender subject to regulation by an  
25 official agency of this state or the United States, and any subsidiary  
26 or affiliate thereof.

27 **Sec. 4.** RCW 30.22.040 and 1981 c 192 s 4 are each amended to read  
28 as follows:

29 Unless the context of this chapter otherwise requires, the terms  
30 contained in this section have the meanings indicated.

31 (1) "Account" means a contract of deposit between a depositor or  
32 depositors and a financial institution; the term includes a checking  
33 account, savings account, certificate of deposit, savings certificate,  
34 share account, savings bond, and other like arrangements.

35 (2) "Actual knowledge" means written notice to a manager of a  
36 branch of a financial institution, or an officer of the financial  
37 institution in the course of his employment at the branch, pertaining

1 to funds held on deposit in an account maintained by the branch  
2 received within a period of time which affords the financial  
3 institution a reasonable opportunity to act upon the knowledge.

4 (3) "Individual" means a human being; "person" includes an  
5 individual, corporation, partnership, limited partnership, joint  
6 venture, trust, or other entity recognized by law to have separate  
7 legal powers.

8 (4) "Agent" means a person designated by a depositor or depositors  
9 in a contract of deposit or other document to have the authority to  
10 deposit and to make payments from an account in the name of the  
11 depositor or depositors.

12 (5) "Agency account" means an account to which funds may be  
13 deposited and from which payments may be made by an agent designated by  
14 a depositor. In the event there is more than one depositor named on an  
15 account, each depositor may designate the same or a different agent for  
16 the purpose of depositing to or making payments of funds from a  
17 depositor's account.

18 (6) "Single account" means an account in the name of one depositor  
19 only.

20 (7) "Joint account without right of survivorship" means an account  
21 in the name of two or more depositors and which contains no provision  
22 that the funds of a deceased depositor become the property of the  
23 surviving depositor or depositors.

24 (8) "Joint account with right of survivorship" means an account in  
25 the name of two or more depositors and which provides that the funds of  
26 a deceased depositor become the property of one or more of the  
27 surviving depositors.

28 (9) "Trust and P.O.D. accounts" means accounts payable on request  
29 to a depositor during the depositor's lifetime, and upon the  
30 depositor's death to one or more designated beneficiaries, or which are  
31 payable to two or more depositors during their lifetimes, and upon the  
32 death of all depositors to one or more designated beneficiaries. The  
33 term "trust account" does not include deposits by trustees or other  
34 fiduciaries where the trust or fiduciary relationship is established  
35 other than by a contract of deposit with a financial institution.

36 (10) "Trust or P.O.D. account beneficiary" means a person or  
37 persons, other than a codepositor, who has or have been designated by

1 a depositor or depositors to receive the depositor's funds remaining in  
2 an account upon the death of a depositor or all depositors.

3 (11) "Depositor", when utilized in determining the rights of  
4 individuals to funds in an account, means an individual who owns the  
5 funds. When utilized in determining the rights of a financial  
6 institution to make or withhold payment, and/or to take any other  
7 action with regard to funds held under a contract of deposit,  
8 "depositor" means the individual or individuals who have the current  
9 right to payment of funds held under the contract of deposit without  
10 regard to the actual rights of ownership thereof by these individuals.  
11 A trust or P.O.D. account beneficiary becomes a depositor only when the  
12 account becomes payable to the beneficiary by reason of having survived  
13 the depositor or depositors named on the account, depending upon the  
14 provisions of the contract of deposit.

15 (12) "Financial institution" means a bank, trust company, mutual  
16 savings bank, savings and loan association, or credit union authorized  
17 to do business and accept deposits in this state under state or federal  
18 law.

19 (13) "Depositor's funds" or "funds of a depositor" means the amount  
20 of all deposits belonging to or made for the benefit of a depositor,  
21 less all withdrawals of the funds by the depositor or by others for the  
22 depositor's benefit, plus the depositor's prorated share of any  
23 interest or dividends included in the current balance of the account  
24 and any proceeds of deposit life insurance added to the account by  
25 reason of the death of a depositor.

26 (14) "Payment(s)" of sums on deposit includes withdrawal, payment  
27 by check or other directive of a depositor or his agent, any pledge of  
28 sums on deposit by a depositor or his agent, any set-off or reduction  
29 or other disposition of all or part of an account balance, and any  
30 payments to any person under RCW 30.22.120, 30.22.140, 30.22.150,  
31 30.22.160, 30.22.170, 30.22.180, 30.22.190, 30.22.200, and 30.22.220.

32 (15) "Proof of death" means a certified or authenticated copy of a  
33 death certificate, or photostatic copy thereof, purporting to be issued  
34 by an official or agency of the jurisdiction where the death  
35 purportedly occurred, or a certified or authenticated copy of a record  
36 or report of a governmental agency, domestic or foreign, that a person  
37 is dead. In either case, the proofs constitute prima facie proof of

1 the fact, place, date, and time of death, and identity of the decedent  
2 and the status of the dates, circumstances, and places disclosed by the  
3 record or report.

4 (16) "Request" means a request for withdrawal, or a check or order  
5 for payment, which complies with all conditions of the account,  
6 including special requirements concerning necessary signatures and  
7 regulations of the financial institution; but if the financial  
8 institution conditions withdrawal or payment on advance notice, for  
9 purposes of this chapter the request for withdrawal or payment is  
10 treated as immediately effective and a notice of intent to withdraw is  
11 treated as a request for withdrawal.

12 (17) "Withdrawal" means payment to a person pursuant to check or  
13 other directive of a depositor.

14 (18) "Director" means the director of the department of financial  
15 institutions or his or her designee.

16 (19) "Promotional contest of chance" means a drawing for a prize  
17 that includes as eligible prize recipients only those persons who: (a)  
18 Deposited funds at the financial institution in a savings account,  
19 certificate of deposit, or any other savings program; and (b) retained  
20 those funds for at least one year in a savings account, certificate of  
21 deposit, or any other savings program of the financial institution.

22 NEW SECTION. Sec. 5. A new section is added to chapter 30.22 RCW  
23 to read as follows:

24 (1) If approved by its board of directors, a financial institution  
25 may conduct a promotional contest of chance as permitted under RCW  
26 9.46.0356(1)(b).

27 (2) A financial institution must not conduct a savings promotional  
28 contest of chance, if, in the opinion of the director:

29 (a) It is likely to or does adversely affect the financial  
30 institution's safety and soundness;

31 (b) It is administered in an unsafe and unsound or imprudent  
32 manner, or in a manner that is likely to or does result in actual or  
33 potential reputational harm to the financial institution; or

34 (c) It is likely to or has misled the financial institution's  
35 members, depositors, or the general public.

36 (3) The director may examine the conduct of a promotional contest

1 of chance pursuant to his or her supervisory and examination powers  
2 under:

- 3 (a) Title 30 RCW, in regard to a bank;
- 4 (b) Title 32 RCW, in regard to a mutual or stock savings bank; or
- 5 (c) Chapter 31.12 RCW, in regard to a state credit union.
- 6 (4) The director may exercise his or her full enforcement powers  
7 under the titles and chapter in subsection (3) of this section and may  
8 issue a cease and desist order for a violation of this section.
- 9 (5) A financial institution must maintain records sufficient to  
10 facilitate an audit of a promotional contest of chance, and must  
11 provide those records to the director upon request.

12 **Sec. 6.** RCW 31.12.402 and 2001 c 83 s 14 are each amended to read  
13 as follows:

14 A credit union may:

- 15 (1) Issue shares to and receive deposits from its members in  
16 accordance with RCW 31.12.416;
- 17 (2) Make loans to its members in accordance with RCW 31.12.426 and  
18 31.12.428;
- 19 (3) Pay dividends and interest to its members in accordance with  
20 RCW 31.12.418;
- 21 (4) Impose reasonable charges for the services it provides to its  
22 members;
- 23 (5) Impose financing charges and reasonable late charges in the  
24 event of default on loans, subject to applicable law, and recover  
25 reasonable costs and expenses, including, but not limited to,  
26 collection costs, and reasonable attorneys' fees incurred both before  
27 and after judgment, incurred in the collection of sums due, if provided  
28 for in the note or agreement signed by the borrower;
- 29 (6) Acquire, lease, hold, assign, pledge, sell, or otherwise  
30 dispose of interests in personal property and in real property in  
31 accordance with RCW 31.12.438;
- 32 (7) Deposit and invest funds in accordance with RCW 31.12.436;
- 33 (8) Borrow money, up to a maximum of fifty percent of its total  
34 shares, deposits, and net worth;
- 35 (9) Discount or sell any of its assets, or purchase any or all of  
36 the assets of another credit union, out-of-state credit union, or



1 federal credit union. However, a credit union may not discount or sell  
2 all, or substantially all, of its assets without the approval of the  
3 director;

4 (10) Accept deposits of deferred compensation of its members;

5 (11) Act as fiscal agent for and receive payments on shares and  
6 deposits from the federal government or this state, and any agency or  
7 political subdivision thereof;

8 (12) Engage in activities and programs as requested by the federal  
9 government, this state, and any agency or political subdivision  
10 thereof, when the activities or programs are not inconsistent with this  
11 chapter;

12 (13) Hold membership in credit unions, out-of-state credit unions,  
13 or federal credit unions and in organizations controlled by or  
14 fostering the interests of credit unions, including, but not limited  
15 to, a central liquidity facility organized under state or federal law;

16 (14) Pay additional dividends and interest to members, or an  
17 interest rate refund to borrowers;

18 (15) Enter into lease agreements, lease contracts, and  
19 lease-purchase agreements with members;

20 (16) Act as insurance agent or broker for the sale to members of:

21 (a) Group life, accident, health, and credit life and disability  
22 insurance; and

23 (b) Other insurance that other types of Washington state-chartered  
24 financial institutions are permitted to sell, on the same terms and  
25 conditions that these institutions are permitted to sell such  
26 insurance;

27 (17) Impose a reasonable service charge for the administration and  
28 processing of accounts that remain dormant for a period of time  
29 specified by the credit union;

30 (18) Establish and operate on-premises or off-premises electronic  
31 facilities;

32 (19) Enter into formal or informal agreements with another credit  
33 union for the purpose of fostering the development of the other credit  
34 union;

35 (20) Work with community leaders to develop and prioritize efforts  
36 to improve the areas where their members reside by making investments  
37 in the community through contributions to organizations that primarily

1 serve either a charitable, social, welfare, or educational purpose, or  
2 are exempt from taxation pursuant to section 501(c)(3) of the internal  
3 revenue code;

4 (21) Limit the personal liability of its directors in accordance  
5 with provisions of its articles of incorporation that conform with RCW  
6 23B.08.320;

7 (22) Indemnify its directors, supervisory committee members,  
8 officers, employees, and others in accordance with provisions of its  
9 articles of incorporation or bylaws that conform with RCW 23B.08.500  
10 through 23B.08.600;

11 (23) Conduct a promotional contest of chance as authorized in RCW  
12 9.46.0356(1)(b), as long as the conditions of RCW 9.46.0356(5) and  
13 section 5 of this act are complied with to the satisfaction of the  
14 director; and

15 ~~((+23))~~ (24) Exercise such incidental powers as are necessary or  
16 convenient to enable it to conduct the business of a credit union.

17 **Sec. 7.** RCW 30.08.140 and 1996 c 2 s 5 are each amended to read as  
18 follows:

19 Upon the issuance of a certificate of authority to a bank, the  
20 persons named in the articles of incorporation and their successors  
21 shall thereupon become a corporation and shall have power:

22 (1) To adopt and use a corporate seal.

23 (2) To have perpetual succession.

24 (3) To make contracts.

25 (4) To sue and be sued, the same as a natural person.

26 (5) To elect directors who, subject to the provisions of the  
27 corporation's bylaws, shall have power to appoint such officers as may  
28 be necessary or convenient, to define their powers and duties and to  
29 dismiss them at pleasure, and who shall also have general supervision  
30 and control of the affairs of such corporation.

31 (6) To make and alter bylaws, not inconsistent with its articles of  
32 incorporation or with the laws of this state, for the administration  
33 and regulation of its affairs.

34 (7) To invest and reinvest its funds in marketable obligations  
35 evidencing the indebtedness of any person, copartnership, association,  
36 or corporation in the form of bonds, notes, or debentures commonly

1 known as investment securities except as may by regulation be limited  
2 by the director.

3 (8) To discount and negotiate promissory notes, drafts, bills of  
4 exchange and other evidences of debt, to receive deposits of money and  
5 commercial paper, to lend money secured or unsecured, to issue all  
6 forms of letters of credit, to buy and sell bullion, coins and bills of  
7 exchange.

8 (9) To take and receive as bailee for hire upon terms and  
9 conditions to be prescribed by the corporation, for safekeeping and  
10 storage, jewelry, plate, money, specie, bullion, stocks, bonds,  
11 mortgages, securities and valuable paper of any kind and other valuable  
12 personal property, and to rent vaults, safes, boxes and other  
13 receptacles for safekeeping and storage of personal property.

14 (10) If the bank be located in a city of not more than five  
15 thousand inhabitants, to act as insurance agent. A bank exercising  
16 this power may continue to act as an insurance agent notwithstanding a  
17 change of the population of the city in which it is located.

18 (11) To accept drafts or bills of exchange drawn upon it having not  
19 more than six months sight to run, which grow out of transactions  
20 involving the importation or exportation of goods; or which grow out of  
21 transactions involving the domestic shipment of goods, providing  
22 shipping documents conveying or securing title are attached at the time  
23 of acceptance; or which are secured at the time of acceptance by a  
24 warehouse receipt or other such document conveying or securing title to  
25 readily marketable staples. No bank shall accept, either in a foreign  
26 or a domestic transaction, for any one person, company, firm or  
27 corporation, to an amount equal at any one time in the aggregate to  
28 more than ten percent of its paid up and unimpaired capital stock and  
29 surplus unless the bank is secured by attached documents or by some  
30 other actual security growing out of the same transaction as the  
31 acceptance; and no bank shall accept such bills to an amount equal at  
32 any time in the aggregate to more than one-half of its paid up and  
33 unimpaired capital stock and surplus: PROVIDED, HOWEVER, That the  
34 director, under such general regulations applicable to all banks  
35 irrespective of the amount of capital or surplus, as the director may  
36 prescribe may authorize any bank to accept such bills to an amount not  
37 exceeding at any time in the aggregate one hundred percent of its paid

1 up and unimpaired capital stock and surplus: PROVIDED, FURTHER, That  
2 the aggregate of acceptances growing out of domestic transactions shall  
3 in no event exceed fifty percent of such capital stock and surplus.

4 (12) To accept drafts or bills of exchange drawn upon it, having  
5 not more than three months sight to run, drawn under regulations to be  
6 prescribed by the director by banks or bankers in foreign countries or  
7 dependencies or insular possessions of the United States for the  
8 purpose of furnishing dollar exchange as required by the usages of  
9 trade in the respective countries, dependencies or insular possessions.  
10 Such drafts or bills may be acquired by banks in such amounts and  
11 subject to such regulations, restrictions and limitations as may be  
12 provided by the director: PROVIDED, HOWEVER, That no bank shall accept  
13 such drafts or bills of exchange referred to in this subdivision for  
14 any one bank to an amount exceeding in the aggregate ten percent of the  
15 paid up and unimpaired capital and surplus of the accepting bank unless  
16 the draft or bill of exchange is accompanied by documents conveying or  
17 securing title or by some other adequate security, and that no such  
18 drafts or bills of exchange shall be accepted by any bank in an amount  
19 exceeding at any time the aggregate of one-half of its paid up and  
20 unimpaired capital and surplus: PROVIDED FURTHER, That compliance by  
21 any bank which is a member of the federal reserve system of the United  
22 States with the rules, regulations and limitations adopted by the  
23 federal reserve board thereof with respect to the acceptance of drafts  
24 or bills of exchange by members of such federal reserve system shall be  
25 a sufficient compliance with the requirements of this subdivision or  
26 paragraph relating to rules, regulations and limitations prescribed by  
27 the director.

28 (13) To have and exercise all powers necessary or convenient to  
29 effect its purposes.

30 (14) To serve as custodian of an individual retirement account and  
31 pension and profit sharing plans qualified under internal revenue code  
32 section 401(a), the assets of which are invested in deposits of the  
33 bank or trust company or are invested, pursuant to directions from the  
34 customer owning the account, in securities traded on a national  
35 securities market: PROVIDED, That the bank or trust company shall  
36 accept no investment responsibilities over the account unless it is  
37 granted trust powers by the director.

1 (15) To be a limited partner in a limited partnership that engages  
2 in only such activities as are authorized for the bank.

3 (16) To exercise any other power or authority permissible under  
4 applicable state or federal law conducted by out-of-state state banks  
5 with branches in Washington to the same extent if, in the opinion of  
6 the director, those powers and authorities affect the operations of  
7 banking in Washington or affect the delivery of financial services in  
8 Washington.

9 (17) To conduct a promotional contest of chance as authorized in  
10 RCW 9.46.0356(1)(b), as long as the conditions of RCW 9.46.0356(5) and  
11 section 5 of this act are complied with to the satisfaction of the  
12 director.

13 **Sec. 8.** RCW 32.08.140 and 1999 c 14 s 17 are each amended to read  
14 as follows:

15 Every mutual savings bank incorporated under this title shall have,  
16 subject to the restrictions and limitations contained in this title,  
17 the following powers:

18 (1) To receive deposits of money, to invest the same in the  
19 property and securities prescribed in this title, to declare dividends  
20 in the manner prescribed in this title, and to exercise by its board of  
21 trustees or duly authorized officers or agents, subject to law, all  
22 such incidental powers as shall be necessary to carry on the business  
23 of a savings bank.

24 (2) To issue transferable certificates showing the amounts  
25 contributed by any incorporator or trustee to the guaranty fund of such  
26 bank, or for the purpose of paying its expenses. Every such  
27 certificate shall show that it does not constitute a liability of the  
28 savings bank, except as otherwise provided in this title.

29 (3) To purchase, hold and convey real property as prescribed in RCW  
30 32.20.280.

31 (4) To pay depositors as hereinafter provided, and when requested,  
32 pay them by drafts upon deposits to the credit of the savings bank in  
33 any city in the United States, and to charge current rates of exchange  
34 for such drafts.

35 (5) To borrow money in pursuance of a resolution adopted by a vote  
36 of a majority of its board of trustees duly entered upon its minutes  
37 whereon shall be recorded by ayes and noes the vote of each trustee,

1 for the purpose of repaying depositors, and to pledge or hypothecate  
2 securities as collateral for loans so obtained. Immediate written  
3 notice shall be given to the director of all amounts so borrowed, and  
4 of all assets so pledged or hypothecated.

5 (6) Subject to such regulations and restrictions as the director  
6 finds to be necessary and proper, to borrow money in pursuance of a  
7 resolution, policy, or other governing document adopted by its board of  
8 trustees, for purposes other than that of repaying depositors and to  
9 pledge or hypothecate its assets as collateral for any such loans,  
10 provided that no amount shall at any time be borrowed by a savings bank  
11 pursuant to this subsection (6), if such amount, together with the  
12 amount then remaining unpaid upon prior borrowings by such savings bank  
13 pursuant to this subsection (6), exceeds thirty percent of the assets  
14 of the savings bank.

15 The sale of securities or loans by a bank subject to an agreement  
16 to repurchase the securities or loans shall not be considered a  
17 borrowing. Borrowings from federal, state, or municipal governments or  
18 agencies or instrumentalities thereof shall not be subject to the  
19 limits of this subsection.

20 (7) To collect or protest promissory notes or bills of exchange  
21 owned by such bank or held by it as collateral, and remit the proceeds  
22 of the collections by drafts upon deposits to the credit of the savings  
23 bank in any city in the United States, and to charge the usual rates or  
24 fees for such collection and remittance for such protest.

25 (8) To sell gold or silver received in payment of interest or  
26 principal of obligations owned by the savings bank or from depositors  
27 in the ordinary course of business.

28 (9) To act as insurance agent for the purpose of writing fire  
29 insurance on property in which the bank has an insurable interest, the  
30 property to be located in the city in which the bank is situated and in  
31 the immediate contiguous suburbs, notwithstanding anything in any other  
32 statute to the contrary.

33 (10) To let vaults, safes, boxes or other receptacles for the  
34 safekeeping or storage of personal property, subject to laws and  
35 regulations applicable to, and with the powers possessed by, safe  
36 deposit companies.

37 (11) To elect or appoint in such manner as it may determine all

1 necessary or proper officers, agents, boards, and committees, to fix  
2 their compensation, subject to the provisions of this title, and to  
3 define their powers and duties, and to remove them at will.

4 (12) To make and amend bylaws consistent with law for the  
5 management of its property and the conduct of its business.

6 (13) To wind up and liquidate its business in accordance with this  
7 title.

8 (14) To adopt and use a common seal and to alter the same at  
9 pleasure.

10 (15) To exercise any other power or authority permissible under  
11 applicable state or federal law exercised by other savings banks or by  
12 savings and loan associations with branches in Washington to the same  
13 extent as those savings institutions if, in the opinion of the  
14 director, the exercise of these powers and authorities by the other  
15 savings institutions affects the operations of savings banks in  
16 Washington or affects the delivery of financial services in Washington.

17 (16) To exercise the powers and authorities conferred by RCW  
18 30.04.215.

19 (17) To exercise the powers and authorities that may be carried on  
20 by a subsidiary of the mutual savings bank that has been determined to  
21 be a prudent investment pursuant to RCW 32.20.380.

22 (18) To do all other acts authorized by this title.

23 (19) To exercise the powers and authorities that may be exercised  
24 by an insured state bank in compliance with 12 U.S.C. Sec. 1831a.

25 (20) To conduct a promotional contest of chance as authorized in  
26 RCW 9.46.0356(1)(b), as long as the conditions of RCW 9.46.0356(5) and  
27 section 5 of this act are complied with to the satisfaction of the  
28 director.

29 NEW SECTION. **Sec. 9.** Sections 7 and 8 of this act take effect  
30 when the director of the department of financial institutions finds  
31 that a federal regulatory agency has, through federal law, regulation,  
32 or official regulatory interpretation, interpreted federal law to  
33 permit banks operating under the authority of Title 30 or 32 RCW to  
34 conduct a promotional contest of chance as defined in RCW 30.22.040."

35 Correct the title.

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