



# Using CDARS® for Public Funds

## In the State of Washington

Rev. Code Wash. (ARCW)

**Title 39 Public Contracts and Indebtedness**

**Chapter 39.58 Public Funds -- Deposits and Investments -- Public Depositories**

### **39.58.010. Definitions**

In this chapter, unless the context otherwise requires:

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

### **39.58.080. Deposit of public funds in public depository required -- Deposits in institutions located outside the state.**

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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.