

Mar 16, 2026

SEAN F. MCAVOY, CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

In Re:

GENERAL ORDER NO. 2026-21

ADEQUATE
COLLATERALIZATION OF
REGISTRY FUNDS

Updated guidance from the Administrative Office of the United States Courts necessitates expansion to the categorization, investment and handling of disputed ownership funds as established through General Order No. 20-112-1 of this Court, as entered on July 21, 2020.

THEREFORE, IT IS HEREBY ORDERED that General Order No. 20-112-1 is vacated and of no further force and effect.

IT IS FURTHER ORDERED that the following shall govern receipt, deposit, and investment of registry funds:

I. Receipt of Funds

A. No money shall be sent to the Court or its officers for deposits in the Court's registry without a court order signed by the presiding judge in the case or proceeding.

1 **B.** The party making a deposit or transferring funds to the Court’s registry
2 shall serve the order permitting the deposit or transfer on the Clerk of Court.

3 **C.** Unless provided for elsewhere in this Order, all monies ordered to be paid
4 to the Court or received by its officers in any case pending or adjudicated
5 shall be deposited with the Treasurer of the United States in the name and to
6 the credit of this Court pursuant to 28 U.S.C. § 2041 through depositories
7 designated by the Treasury to accept such deposit on its behalf.

8 **D.** Court ordered deposits of registry funds less than \$5,000, and pre-trial
9 restitution funds to be held temporarily in suspense by the Court for later
10 refund, transfer or disbursal, including restitution for the benefit of
11 aggrieved parties, regardless of amount, will be deposited by the Clerk of
12 Court directly into the United States Treasury and shall earn no interest
13 while on deposit with the Court.

14 **E.** Court ordered deposits of registry funds of \$5,000 or greater will be
15 deposited by the Clerk of Court into an interest-bearing account with the
16 United States Treasury utilizing the Court Registry Investment System
17 (CRIS).

18 **II. Investment of Registry funds**

19 **A.** Where, by order of the Court, funds on deposit with the Court are to be
20 placed in some form of interest-bearing account or invested in a court-

1 approved, interest-bearing instrument in accordance with Rule 67 of the
2 Federal Rules of Civil Procedure, the Court Registry Investment System
3 (CRIS), administered by the Administrative Office of the United States
4 Courts under 28 U.S.C. 2045, shall be the only investment mechanism
5 authorized.

6 **B.** IRS regulations require special handling for “Disputed Ownership Funds”
7 (DOF), as defined in 26 CFR § 1.468B-9 (Disputed ownership funds).

8 Unless otherwise ordered by the court, interpleader funds that qualify as a
9 DOF under IRS regulations (e.g., eligible cases filed under 28 U.S.C. §
10 1335 or Fed. R. Civ. P. 22) shall be deposited in the DOF Pool established
11 within the CRIS and administered by the Administrative Office of the
12 United States Courts, which shall be responsible for meeting all DOF tax
13 administration requirements.

14 **C.** The Director of Administrative Office of the United States Courts is
15 designated as custodian for all CRIS funds. The Director or the Director’s
16 designee shall perform the duties of custodian. Funds held in the CRIS
17 remain subject to the control and jurisdiction of the Court.

18 **D.** Money from each case deposited in the CRIS shall be “pooled” together
19 with those on deposit with Treasury to the credit of other courts in the CRIS
20 and used to purchase Government Account Series securities through the

Bureau of Public Debt, which will be held at Treasury, in an account in the name and to the credit of the Director of Administrative Office of the United States Courts. The pooled funds will be invested in accordance with the principals of the CRIS Investment Policy as approved by the Registry Monitoring Group.

E. An account will be established in the CRIS Liquidity Fund titled in the name of the case giving rise to the deposit invested in the fund. Income generated from fund investments will be distributed to each case based on the ratio each account's principal and earnings has to the aggregated principal and income total in the fund after the CRIS fee has been applied. Reports showing the interest earned and principal amounts contributed in each case will be prepared and distributed to each court participating in the CRIS and made available to litigants and/or their counsel.

F. For each interpleader case, an account shall be established in the CRIS Disputed Ownership Fund, titled in the name of the case giving rise to the deposit invested in the fund. Income generated from fund investments will be distributed to each case after the DOF fee has been applied and tax withholdings have been deducted from the fund. Reports showing the interest earned and the principal amounts contributed in each case will be available through the FedInvest/CMS application for each court

1 participating in the CRIS and made available to litigants and/or their
2 counsel. On appointment of an administrator authorized to incur expenses
3 on behalf of the DOF in a case, the case DOF funds should be transferred to
4 another investment account as directed by court order.

5 **III. Fees and Taxes**

6 **A.** The custodian is authorized and directed by this Order to deduct the CRIS
7 fee of an annualized 10 basis points on assets on deposit for all CRIS funds,
8 excluding the case funds held in the DOF, for the management of
9 investments in the CRIS. According to the Court's Miscellaneous Fee
10 Schedule, the CRIS fee is assessed from interest earnings to the pool before
11 a pro rata distribution of earnings is made to court cases.

12 **B.** The custodian is authorized and directed by this Order to deduct the DOF
13 fee of an annualized 20 basis points on assets on deposit in the DOF for
14 management of investments and tax administration. According to the
15 Court's Miscellaneous Fee Schedule, the DOF fee is assessed from interest
16 earnings to the pool before a pro rata distribution of earnings is made to
17 court cases. The custodian is further authorized and directed by this Order
18 to withhold and pay federal taxes due on behalf of the DOF.

1 The District Court Executive is directed to post this Amended General Order to
2 the Court's website and distribute a copy to each attorney registered in the CM/ECF
3 system.

4 **DATED** this 16th day of March, 2026.

5 

6 STANLEY A. BASTIAN

7 Chief United States District Judge