

CHAPTER 155.

[H. B. 651.]

PROVIDING FOR LAND DEVELOPMENT.

AN ACT relating to agriculture; promoting the general welfare by bringing into productive use the unimproved agricultural lands of this state and aiding in the production and marketing of agricultural products; providing for the establishment of agricultural development districts, and authorizing the investment of all public funds in the bonds of such districts.

Be it enacted by the Legislature of the State of Washington:

Agricultural
districts
created.

SECTION 1. For the purpose of improving the agricultural lands of this state and encouraging their most productive use, agricultural development districts are hereby authorized to be established in the various counties in this state, as hereinafter provided.

Districts co-
extensive
with the
county.

SEC. 2. At any general election, or at any special election which may be called for that purpose, the board of county commissioners of any county in this state may, and on petition of ten per cent. of the qualified electors of such county based on the total vote cast in the last general county election shall, by resolution submit to the voters of such county the proposition of creating an agricultural development district, which shall be co-extensive with the limits of such county as now or hereafter established, except as provided in section 7.

Petition
filed with
auditor.

SEC. 3. Such petition shall be filed with the county auditor, who shall within fifteen (15) days examine the signatures thereto and certify to the sufficiency or insufficiency thereof, and for such purpose the county auditor shall have access to all registration books in the possession of the officers of any incorporated city or town in such proposed agricultural development district.

Petition
may be
amended.

SEC. 4. If the signatures to such petition are found to be insufficient the petition shall be returned to the persons filing the same, who may amend or add names thereto for ten days, when the same shall be returned to the county auditor, who shall have an additional fifteen (15) days to

examine the same and attach his certificate thereto. No person having signed such petition shall be allowed to withdraw his name therefrom after the filing of the same with the county auditor.

SEC. 5. Whenever such petition shall be certified to as sufficient, the county auditor shall forthwith transmit the same, together with his certificate of sufficiency attached thereto, to the board of county commissioners, who shall submit such proposition at the next general election or, if such petition so requests, the board of county commissioners shall, at their first meeting after the date of such certificate, by resolution call a special election to be held not less than thirty nor more than sixty days from the date of such certificate. Such notice of election shall describe the boundaries of the district and state the purpose for which such district is proposed to be formed.

Election.

Notice of election.

SEC. 6. In submitting the said question to the voters for their approval or rejection, the proposition shall be expressed on said ballot substantially in the following terms:

Propositions.

“.....Agricultural Development District of.....Yes.”
(Inserting the name of the county or number of district and county.)

“.....Agricultural Development District of.....No.”
(Inserting the name of the county or number of district and county.)

SEC. 7. Any petition for the formation of an agricultural development district may describe a district of less area than the county in which such petition is filed, and in such event the county commissioners shall fix a date for hearing on such petition and publish a notice of such hearing for two weeks in a newspaper of general circulation in such county, after which hearing the county commissioners may increase or diminish the boundaries of such proposed agricultural development district, and thereafter the same procedure shall be followed as is prescribed in this act for the formation of the larger agricultural development district, except that the petition and election

Districts less than county.

Hearing on petition.

Conflicting petitions, greater area to be voted on first.

shall be confined solely to the lesser agricultural development district: *And provided*, That whenever two or more petitions for the formation of an agricultural development district shall be filed as herein provided, the petition describing the greater area shall supersede all others and an election shall first be held thereunder, and no lesser agricultural development district shall ever be created within the limits, in whole or in part, of any agricultural development district.

Canvass of vote and declaration of result.

SEC. 8. Within five days after such election the board of county commissioners shall canvass the returns, and if at such election a majority of the voters voting upon such proposition shall vote in favor of the formation of such district, the board of county commissioners shall so declare in its canvass of the returns of such election and such agricultural development district shall then be and become a municipal corporation of the State of Washington and the name of such agricultural development district shall be "Agricultural Development District of" (inserting the name on the ballot.)

Expenses of election.

SEC. 9. All expenses of election for the formation of such agricultural development district shall be paid by the county holding such election, and such expenditure is hereby declared to be for a county purpose, and the money paid out for such purpose shall be repaid to such county by the agricultural development district, if formed.

ELECTION OF COMMISSIONERS.

Commissioners.

SEC. 10. The powers of the agricultural development district shall be exercised through an agricultural development commission consisting of three members, who shall serve without pay, save expenses incurred in the course of their duties under the provisions of this act. For the purposes of this act the said commissioners shall be entitled to the advice and service of all state, county and municipal officers and institutions, particularly engineers, agricultural chemists, directors of experiment stations, and the state department of agriculture, and all such officers and

Officers to lend assistance.

institutions are hereby authorized and directed to cooperate with said commissioners in furthering the purposes of this act. Said commissioners are hereby forbidden to become interested, directly or indirectly, in any purchase, contract or work under this act, and any such interest is hereby declared void.

Commissioners not to be interested in contracts.

SEC. 11. The said commissioners shall be elected one from each of the county commissioner districts of the county in which the agricultural development district is located, when the agricultural development district is co-extensive with the limits of such county. When the agricultural development district comprises only a portion of the county, three commissioner districts numbered consecutively having approximately equal population and with boundaries following ward and precinct lines, shall be described in the petition for the formation of the agricultural development district, and one commissioner shall be elected from each of the said commissioner districts. Said commissioners shall hold office for a term of three years and until their respective successors are elected and qualified, each term to commence on the second Monday in January following the election thereto. At the same election at which the proposition is submitted to the voters as to whether an agricultural development district shall be formed, three commissioners shall be elected to hold office, respectively, for the term of one, two and three years. All candidates shall be voted upon by the entire agricultural development district, and the candidate residing in commissioner district number one receiving the highest number of votes in the agricultural development district shall hold office for the term of three (3) years; and the candidate residing in commissioner district number two receiving the highest number of votes in the agricultural development district shall hold office for the term of two years, and the candidate residing in commissioner district number three receiving the highest number of votes in the agricultural development district shall hold office for the term of one year, each of said terms to date

Election of commissioners.

Terms of office.

Time of election.

Commencement of terms.

from the second Monday in January following the election, but also to include the period intervening between the election and the second Monday in January following.

Qualifications
of commis-
sioner.

SEC. 12. No person shall be eligible to hold the office of an agricultural development commissioner unless he is a qualified voter, a freeholder within such agricultural development district, and is and has been a resident for a period of three (3) years of the commissioner district from which he is elected.

Nominations
by petition.

SEC. 13. Nominations for agricultural development commissioners at the first special election and at subsequent general elections shall be by petition of not less than one per cent. of the qualified electors of the commissioner district in which the candidate is a resident, to be filed in the office of the county auditor at least twenty days prior to such election.

Vacancies,
cause of.

SEC. 14. A vacancy in the office of agricultural development commissioner shall occur by death, resignation, removal, conviction of a felony, non-attendance at meetings of the agricultural development commission for a period of sixty days unless excused by the agricultural development commission, by any statutory disqualification, or by any permanent disability preventing the proper discharge of his duty.

Filling
vacancies.

SEC. 15. In the event of a vacancy in the office of agricultural development commissioner by death, resignation, or otherwise, such vacancy shall be filled at the next general election, the vacancy in the interim to be filled by appointment by a majority vote of the remaining agricultural development commissioners. In the event that such ad interim appointment shall not be made by the remaining commissioners within thirty (30) days following the occurrence of the vacancy, the appointment shall be made forthwith by the superior court of the county. If there should be at the time more than one vacancy, a special election shall be called to fill the same, by the remaining member, or, that failing, by the board of county commis-

Special elec-
tions to fill
vacancies.

sioners of the county, such election to be held not more than forty days after the occurring of such vacancies.

SEC. 16. The manner of conducting and voting at elections under this act, opening and closing of polls, keeping of poll lists, canvassing the votes, declaring the result, and certifying the returns, shall be the same as provided by the general election laws governing the election of state and county officers, except as otherwise provided in this act.

General election laws applicable.

SEC. 17. A general election shall be held on the first Saturday in December of each year, (except the first Saturday in December immediately following the creation of such agricultural development district), for the election of agricultural development commissioners and for the submission of propositions, and special elections shall be held at such other times and for such purposes as the agricultural development commissioners may by resolution prescribe, subject to the limitations and pursuant to the requirements of this act.

General district election.

SEC. 18. All notices of election shall be given by publishing the same for a period of ten days in a daily newspaper of general circulation in said agricultural development district, or in at least two issues of a weekly newspaper of general circulation in said agricultural development district, such publication to be made within a period of twenty days immediately preceding such election; and by posting, for at least ten days prior to the date of election, a written or printed notice of such election in each polling place within such agricultural development district. The published notice shall give the time of holding the election, the hours the polls will remain open, the officer or officers to be elected, and a statement of the propositions to be submitted; and the posted notices shall, in addition, give the location of the polling places.

Notices of election, publication of.

SEC. 19. Officers of the city and county having charge of the registration books of any city or precinct in an agricultural development district shall deliver the same for the use of the election officers at all agricultural de-

Registration books.

velopment elections. In the event of such registration books being required by law to be used by any school district or other public corporation at the same time as the use thereof will be necessary to the agricultural development district, such books shall be delivered to the agricultural development commission and school district or other public corporation jointly, and the same polling places and registration books may be used jointly in such cases, and the same individuals may serve as election officers for all such joint elections, and in such cases the compensation of such election officers and other expenses shall be so divided that the agricultural development district shall bear only its proportionate share thereof.

Joint use
of books.

SEC. 20. There shall be not less than one polling place in each of the various wards of any incorporated city within such agricultural development district, and one polling place within each precinct of each agricultural development district not within the limits of any incorporated city. It shall be the duty of the county commissioners in the formation of the agricultural development district, and of the agricultural development commission in all subsequent elections to designate the polling places and appoint three election officers for each place of voting at least twenty days before each election.

Polling
places.

SEC. 21. The polls shall be open between such hours of the day as the commission shall designate, but in every case the polls shall be open between one o'clock p. m., and eight o'clock p. m.

Polls open
from one to
eight P. M.

SEC. 22. Immediately after the closing of the polls the election officers shall then and there, without removing the ballot box from the place where the ballots were cast, proceed to count the votes, and as soon as such count is completed a return thereof shall be signed by such election officers and securely enveloped and sealed and delivered, together with the ballot box containing the ballots, to the agricultural development commission, or some person delegated to receive the same on their behalf.

Counting
votes.

Within five days after the election, the agricultural development commission shall meet and proceed to canvass the returns of such election, and shall thereupon declare the result.

Canvass.

SEC. 23. All electors who are, at the time of such election, duly qualified to vote within their respective precincts under the general election laws for state and county officers shall be entitled to vote at any election held in such agricultural development district.

Who may vote.

POWERS OF DISTRICT.

SEC. 24. All agricultural development districts organized under the provisions of this act shall be and are hereby authorized to exercise the following rights and powers, and all other rights and powers necessary for the purposes of this act.

Powers.

(a) To acquire by purchase, condemnation and purchase or otherwise all lands, property rights, leases, or easements necessary for the purposes of the agricultural development district; also water for irrigation purposes from any public watercourse, lake, stream or any other source;

Acquire property.

(b) To exercise the right of eminent domain in the acquirement or damaging of all lands, property, property rights, leases or easements, and levying and collection of assessments upon property for the payment of all damages and compensation in carrying out the provisions for which said district shall have been created. Such right shall be exercised in the same manner and by the same procedure as is or may be provided by law for cities of the first class, except in so far as such law may be inconsistent with the provisions of this act, and that the duties devolving upon the city treasurer under such law are hereby imposed upon the county treasurer for the purposes of this act;

Eminent domain.

(c) To own and control lands, leases, and all easements in land necessary for the purposes of such agricultural development districts;

Own and control lands and interests therein.

(d) To sell or lease lands and other property owned and controlled by said agricultural development district

Sell and lease.

as hereinafter provided, and to execute all titles, leases and any other papers and documents in connection therewith, or incidental thereto;

Make roads. (e) To build, improve or repair any roads within the agricultural development district;

Levy tax not exceeding two mills. (f) To raise revenue by levy of an annual tax on all taxable property within such agricultural development district, not exceeding two mills in any one year: *Provided*, That such levy shall be made and taxes collected in the manner now or hereafter provided by law for the levy and collection of taxes in school districts of the first class;

To acquire material and implements to improve land. (g) To purchase, manufacture or otherwise acquire all materials and equipments necessary for the improvement of agricultural lands under the provisions of this act, and to sell or lease such materials and equipments at cost to farmers and settlers, within such agricultural development district;

Aid in raising and selling produce. (h) To give such aid in the production and marketing of agricultural products, not inconsistent with law, as said commissioners may deem proper;

Borrow money. (i) To borrow money and issue bonds as provided by the state constitution for municipal corporations. General bonds of any such district may be issued for any period not exceeding twenty years.

Create subordinate offices. (j) To create and fill such positions and offices and fix salaries and bonds thereof as may be necessary for the purposes of this act.

ORGANIZATION OF BOARD.

Officers of commission. SEC. 25. The agricultural development commission shall organize by the election annually from its own members of a president and secretary, shall by resolution adopt rules governing the transaction of its business, and shall adopt an official seal.

Resolutions. SEC. 26. All proceedings of the agricultural development commission shall be by a resolution recorded in a book or books kept for such purpose, which shall be public records.

SEC. 27. All funds of the agricultural development district shall be paid to the county treasurer, and all disbursements shall be made by such officer on warrants drawn by the county auditor upon order of or vouchers approved by the agricultural development commission. No payments of any kind under this act shall be paid except upon certificate of the agricultural development commission that the sum therein named has been justly incurred, is necessary for or is due to the person, firm or corporation therein named over and above all just credits and offsets for services performed or to be performed or material furnished or property sold to the agricultural development district for the uses of this act.

Claims,
how paid.

SEC. 28. The county treasurer shall create a fund to be designated the "Agricultural Development Fund," into which shall be paid all money received by him in behalf of such agricultural development district, and no money shall be disbursed therefrom except upon warrants of the county auditor issued as in this act provided. The county treasurer shall also maintain such other special funds as may be prescribed by the agricultural development commission, into which shall be placed such moneys as the agricultural development commission may by its resolution direct, and from which disbursements shall be made upon proper warrants of the county auditor issued against the same by the authority of the agricultural development commission.

Agricultural
Development
Fund.

Special
funds.

SEC. 29. Any agricultural development commission created under the provisions of this act is hereby authorized, prior to the receipt of taxes raised by levy, to borrow money or issue the warrants of the district in anticipation of the revenues to be derived by such district from the levy of taxes for the purpose of such district during the first year, and such warrants shall be redeemed from the first money available from such taxes when collected.

Indebtedness
may be
created.

DEVELOPING AGRICULTURAL LANDS.

SEC. 30. It shall be the duty of the said commissioners, as promptly as possible after the organization of such

Investigation
of lands.

district, to commence an investigation of the unimproved agricultural lands within such district, for the purpose of determining what portions or areas of such lands are adapted to economical irrigation or clearing, and adapted for sale or lease as agricultural lands to settlers. For the purpose of such investigation the said commissioners are authorized to employ all necessary assistants, and shall be entitled to the services of all state, county and municipal officers and institutions in accordance with section ten of this act.

May employ assistants.

SEC. 31. Such investigation shall include a description of the qualities of the soil and of the locality as regards existing highways and railway transportation, also an estimated cost of clearing such lands or of conducting water upon any proposed tract, and shall point out the opportunities for reservoir sites and the probable cost of acquiring such sites for purposes of irrigating tracts of land. The result of such investigation shall be kept on record in the office of said commissioners, and a certified copy thereof shall be sent to the state department of agriculture for public information and use.

Matters to be considered in investigating lands.

SEC. 32. The said commissioners shall have power to acquire by purchase or otherwise, except by condemnation, in accordance with the provisions of this act any undeveloped agricultural lands within the limits of the agricultural development district, for the purpose of improving and fitting such lands for productive use, but no lands may be acquired under this act from private owners (except from settlers under the provisions of sections 35 and 36 of this act) at a price exceeding twenty dollars an acre for logged-off lands and twenty-five dollars an acre for arid lands, and unless authorized by subsequent legislation no lands shall be cleared when the estimate therefor shall exceed one hundred dollars an acre.

To acquire undeveloped land.

SEC. 33. In negotiating for the purchase of unimproved agricultural lands, whenever there shall have been offered in writing to a private owner a certain price and it shall be refused, the commissioners shall report that fact

Refusal price reported to assessor.

to the county assessor forthwith, and the price refused for such lands shall be considered by the assessor in respect to such and similar lands in that vicinity.

SEC. 34. The said commissioners may lease or purchase any undeveloped agricultural lands at public auction or otherwise in accordance with law, including school and granted lands, for the purpose of bringing such lands into productive use, and may sell or lease the lands so acquired and improved for agricultural use as provided in sections 44 to 49 of this act.

Purchase
or lease
lands.

SEC. 35. All citizens of this state shall be entitled to the benefits of this act as provided in this and the next following section. Any settler, being a citizen of the United States may offer not to exceed twenty acres of undeveloped, logged-off agricultural lands for sale to the commissioners of the agricultural development district in which such lands are located, and if the offer be accepted, then such vendor shall have a preferential right after such lands have been cleared and improved for agricultural use to repurchase and entry of not to exceed twenty acres of such lands, upon the terms described in sections 44 to 49 of this act, notwithstanding that such vendor may retain ownership of other lands not offered to said commissioners. Such vendors and repurchasers shall be subject to all the terms and conditions imposed by this act upon other purchasers.

Who entitled
to benefit of
this act.

Preference
right to
purchase.

SEC. 36. When logged-off or cut-over lands have been sold by settlers subject to the right of preferential repurchase as provided in the next preceding section of this act, the commissioners shall give preference to the vendors of such lands when letting contracts for the clearing and improving of the same: *Provided*, Such vendors undertake by contract in writing, on such terms and conditions as said commissioners may prescribe, to effect such clearing and improving at a price not exceeding the most satisfactory tender received by the commissioners from outside bidders, or in any case not exceeding a reasonable price in view of the value of such lands for agricultural purposes.

Preference
in letting
contracts for
improving.

Notice of letting of contracts.

SEC. 37. Before awarding any contract (except only in the case of preferential repurchasers provided for in section 36 of this act), the agricultural development commission shall cause to be published, in some newspaper within the district for at least fifteen days before the letting of such contract, a notice inviting sealed proposals for such work, plans and specifications for which must at the time of publication of such notice be on file in the office of the agricultural development commission subject to public inspection: *Provided, however,* That the agricultural development commission may at the same time, and as a part of the same notice, invite tenders for said work or materials upon plans and specifications to be submitted by the bidder. Such notice shall state generally the work to be done and shall call for proposals for doing the same to be sealed and filed with the commission on or before the day and hour named.

Check to accompany bid.

SEC. 38. Each bid, tender or proposal named in section 37 of this act shall be accompanied by a certified check payable to the order of the agricultural development commission for a sum not less than five per cent. of the amount of such bid, and no bid, tender or proposal shall be considered unless accompanied by such check.

Opening of bids and letting of contracts.

SEC. 39. At the time and place named such bids shall be publicly opened and read and the commission shall proceed to canvass the bids and may let such contract to the lowest responsible bidder upon plans and specifications on file, or to the best bidder submitting his own plans and specifications. If, in the opinion of the commission, all bids are unsatisfactory, they may reject all of them and readvertise, and in such case all checks shall be returned to the bidders.

Successful bidder's check retained until contract and bond are executed.

SEC. 40. If such contract be let, then and in such case all checks shall be returned to the bidders, except that of the successful bidder, which shall be retained until a contract shall be entered into for the purchase of such materials or doing of such work, and a bond given to the agricultural development district for the performance of

the contract and otherwise conditioned as required by law, with sureties satisfactory to the commissioners, in an amount to be fixed by the commission, but not in any event less than twenty-five per cent. of the contract price. If said bidder fails to enter into said contract in accordance with said bid and furnish such bond within fifteen days from the date at which he is notified that he is the successful bidder, the said check and the amount thereof shall be forfeited to the agricultural development district.

Forfeiture
of check.

SEC. 41. All materials and equipments required by the agricultural development district for the purposes of this act may be manufactured or purchased in the open market or by contract, and all work ordered may be let by contract or done by day labor, as the agricultural development commission may determine.

Material or
labor may
be by con-
tract or
otherwise.

SEC. 42. The commissioners shall cause all lands in their possession or control to be subdivided into the smallest practicable tracts, in order to provide for as many settlers as possible, giving preference whenever practicable to resident householders with families depending upon them. All tracts distant less than one mile from a state or county highway shall be connected by a temporary road, and the proportion which any particular tract should bear of the expense of that road shall be estimated by said commissioners against that tract in the price subsequently to be placed upon it for purposes of future sale or lease.

Lands to be
subdivided.

Roads to
be built.

SEC. 43. Whenever agricultural lands have been cleared or otherwise improved under the provisions of this act, the commissioners shall prepare a statement finally showing, in respect to each tract, in detail, the original cost of acquired lands, the cost of clearing, the quantity cleared, the soil analysis, the condition of the uncleared portion, and such other particulars as experience may show to be useful data for colonists, and shall keep such statements on permanent record and transmit a certified copy thereof to the state department of agriculture for public information and use.

Prospectus
of each tract.

SEC. 44. The said commissioners, as soon and so often as any lands acquired by purchase or otherwise are cleared and improved as aforesaid, shall cause the same to be appraised and offered to settlers on twenty equal annual payments (or less if so requested by the settler) at not less than the cost of their acquisition and improvement plus five per cent. One-half of one per cent. per annum above the rate realized by the agricultural development district on its issue of bonds, and not less than four and one-half per cent. per annum, interest shall be charged on deferred payments.

Lands to be sold on twenty-payment plan.

SEC. 45. The manner of sale shall be by application and entry with priority to the first applicant. The commissioners shall execute the contracts of sale to purchasers on behalf of the agricultural development district in such form as shall carry out the intent of this statute to encourage settlement, and they shall make reasonable rules and regulations in respect thereto to insure good faith from the purchaser.

Application to purchase.

SEC. 46. No assignment of any claim by any purchaser shall be permitted until after such purchaser has made at least three annual payments and also has actually resided on the land at least two years. Continuous residence of not less than three years shall be required of any purchaser who may desire to anticipate the remaining payments and pre-empt the tract. The commissioners may on written application therefor, but are not required to permit in writing an absence from the land of not to exceed five continuous months in any one year.

Assignability of right to purchase.

SEC. 47. No purchaser shall directly or indirectly acquire more than one tract. Tracts may be entered by persons who are not yet citizens of the United States, but all contracts shall provide that title shall not be delivered, notwithstanding the acceptance of payments meantime, until the purchaser has declared intention in good faith to become a citizen of the United States. All tracts shall be entered in parcels of not to exceed twenty acres each.

Purchasers limited to one tract.

IRRIGABLE LANDS.

SEC. 48. In respect of irrigable lands, whenever and so often as the commissioners shall have decided upon improvement thereof by a system of irrigation, then said commissioners are authorized to acquire by purchase, by condemnation and purchase, or by any other lawful means any reservoir sites or other land necessary for reservoirs, canals, ditches and laterals, within or without the district: *Provided*, They shall first have obtained offers from the owners of two-thirds of the lands that can be watered therefrom, or from an irrigation district or company, to accept distribution from such reservoirs, which offer shall be in form binding upon such owners or irrigation districts or companies during a period sufficient and reasonable for the construction of the reservoir. The commissioners, having obtained such binding offers, may then call for the written opinion of some competent engineering expert, showing the estimated cost of the reservoir, its capacity, the area that can be watered therefrom and the source and constancy of supply thereto, and when reports thereon satisfactory to the commissioners shall be filed, they may proceed with the construction of any works within or without the district which in the opinion of said commissioners may be necessary for the impounding and distribution of the waters.

Reservoir sites may be acquired.

Conditions precedent.

Expert advice.

SEC. 49. The commissioners may make offer to purchase from private owners any lands necessary, in whole or in part, for the purpose of such reservoir, canals, ditches and laterals aforementioned and if the price offered be refused, they shall certify such offer and refusal to the assessor of taxes in the county where such lands are situated and the price refused for such lands shall be considered by the assessor in respect of such and all similarly situated lands in the next assessment.

Refused price of land reported to assessor.

SEC. 50. Whenever the said commissioners feel justified in so doing, in view of the provisions of section 48 of this act, they may construct any reservoirs, canals, pipe lines,

Irrigation system may be constructed.

ditches, laterals and other necessary works, within or without the district, by contract or by direct labor, in such manner as in their judgment shall most effectively and economically store and distribute the water at least cost; and may sell perpetual water rights to individual land owners, or may supply water to irrigation districts or companies, on terms of twenty annual payments (or less if so requested by such owners, districts or companies), with interest on deferred payments at the rate of not less than four and one-half per cent. per annum, and not in any case less than one-half of one per cent. per annum above the rate realized by the agricultural development district upon its issue of bonds, of which the proceeds, directly or indirectly, may go into such undertaking.

Price of
water.

SEC. 51. The price per acre, for a water right shall be determined by dividing the total cost to the district of acquiring and constructing the reservoir and distribution system (including all expenses in connection therewith or incidental thereto), by the number of acres furnished with water rights therefrom; and an annual charge per acre for water rights may be levied for maintenance of such reservoir and distribution systems.

Mainten-
ance.

May sell
irrigable
lands.

SEC. 52. Whenever and so often as the district may itself own or acquire any lands watered by such irrigation works, it may dispose of such lands to settlers, irrigation districts or companies upon the terms, interest rates and conditions described in section 50 of this act.

Limitation
on sales to
one person.

SEC. 53. Until the legislature shall otherwise provide, the commissioners shall not sell or dispose of any irrigable lands to any one firm, person, or corporation exceeding forty acres, directly or indirectly, or sell or dispose of water rights to any firm, person or corporation to any tract exceeding one hundred and sixty acres, nor shall any assignment between holders be effective to evade these provisions without the written consent of the commissioners.

SEC. 54. Any land or other property owned or controlled by the agricultural development district may, in

the discretion of the commissioners, be leased for a period of not exceeding twenty years, on such terms and conditions as the commissioners may determine: *Provided*, That in all leases of land or property the net income therefrom to the agricultural development district, after allowing for depreciation, shall be not less than six per cent. per annum of the fair selling value of such land or property, and shall in any case be sufficient to yield a net interest return to the district upon such investment at the rate of one-half of one per cent. above the rate realized by the district upon any issues of bonds, the proceeds of which directly or indirectly may enter into the cost to the district of such land or property.

Time limit
on leases.

Leases must
yield six
per cent.

SEC. 55. It shall be the duty of the commissioners to utilize, as far as practicable any and all by-products from the lands secured, cleared and otherwise improved by them, and to make tests for the utilization and sale of by-products, and to manufacture or purchase equipment for any processes that may prove successful for that purpose.

By-products.

ISSUANCE OF BONDS.

SEC. 56. To provide funds for its purposes, any agricultural development district formed under authority of this act may issue negotiable bonds, to be designated "Agricultural Development Bonds". These bonds shall be payable not more than twenty years after their date, and shall be executed in accordance with law by the president of the agricultural development commission and attested by the secretary thereof. They shall be registered or coupon bonds, issued in denominations of not less than one hundred nor more than one thousand dollars each, numbered from one up consecutively, and shall bear interest, payable semi-annually, at a rate not to exceed six per cent. per annum. They shall be disposed of serially, dated the day of issuance, and shall not bear interest until after their actual sale, and shall be sold only when their proceeds may from time to time be required. The principal and interest shall be payable at such place as may be

Agricultural
Development
bonds.

Coupons.

Delivery.

Officers to sign.

Sale.

Register.

designated in the bond. The bonds and each coupon shall be signed by said presiding officer, and shall be attested by the secretary under the seal of the agricultural development district. Such bonds shall be sold in such manner as the agricultural commission may by resolution declare to be for the best interest of the district. A register shall be kept of all the bonds issued, showing the number, date, amount, interest, to whom delivered (if coupon bonds) and the name of payee (if registered bonds); and also showing each and every bond executed, issued or sold under the provisions of this act, and when and where payable.

Coupons considered warrants.

The coupons for the payment of interest on said bonds shall be considered for all purposes as warrants drawn upon the general fund of the agricultural development district issuing such bonds, and when presented to the treasurer of the county having custody of the funds of such agricultural development district, if there are no funds in the treasury to pay the said coupons, it shall be the duty of the county treasurer to indorse said coupons as presented for payment, in the same manner as county warrants are indorsed, and thereafter said coupons shall bear interest at the rate named in the bond.

SEC. 57. The form of the bond shall be substantially as follows:

\$..... No.....

Form of bond.

UNITED STATES OF AMERICA
STATE OF WASHINGTON
AGRICULTURAL DEVELOPMENT BOND

The....Agricultural Development District of..... in the State of Washington, for value received, hereby promises to pay to bearer, or to the registered holder of this bond, if the same be registered, on the 1st day of, 19..., the sum of.....Dollars with interest thereon at the rate of.....per centum per annum, payable semi-annually on the first day ofand.....in each year upon the presentation and surrender of the annexed interest coupons, as they severally become due; both principal and in-

terest of this bond are payable in gold coin of the United States, of the present standard weight and fineness, at the.....County Treasury, in the State of Washington; for the prompt payment whereof, both principal and interest as they mature, the full faith, credit and resources of the.....Agricultural Development District of....., in the State of Washington, are hereby irrevocably pledged.

It is redeemable on any interest date occurring..... or more years after the date hereof, at par, and interest on this bond shall cease when it is called for payment either at maturity or by redemption before maturity.

This bond is one of an issue of.....similar bonds authorized by the legislature of the State of Washington in a statute passed in the year 1913 and entitled: (here insert the exact title of act.)

It is hereby certified and declared that all conditions and things required by the constitution and laws of the State of Washington to exist and be done precedent to the issuance of this bond have existed and been done in due and regular form, as required by law, and that this bond is by virtue of the law made incontestible for any informalities preceding its issuance, and the signatures of the president and the secretary hereto attached, together with the seal of the.....Agricultural Development District of.....in the State of Washington, are warrants to the holder thereof of the due execution and valid consideration for this instrument.

In Testimony Whereof the said president and secretary have hereto affixed their signatures and attached an impression of the seal of the.....Agricultural Development District of....., in the State of Washington, and the coupons hereto annexed have been executed by lithographed fac simile in accordance with the act this..... day of....., 19....

SEC. 58. All state, county, municipal and other public funds may be invested in such bonds of any agricultural development districts established under authority of this

Public funds may be invested in bonds.

act, and such bonds shall be a preferential investment for the permanent school fund, second only to school district bonds, except when a higher rate of interest can be secured for the school fund by investment in other municipal bonds.

SEC. 59. The secretary of state is hereby authorized and directed to print for general distribution not less than 100,000 copies of this act, with such explanatory notes and comments as may be useful for the information of immigrants and settlers desiring to acquire or improve agricultural lands in this state.

This act to
be printed.

Passed the House March 10, 1913.

Passed the Senate March 12, 1913.

Approved by the Governor March 21, 1913.

CHAPTER 156.

[H. B. 406.]

DIKING DISTRICT BONDS.

(For consolidation of districts, see ch. 43 *supra*. For readjustment of assessments see ch. 89 *supra*.)

AN ACT providing for the issuance of bonds by diking districts on petition of sixty per cent. in acreage, of the property owners of such district, to provide for the expense of repairs, improvements, maintenance and the purchase of machinery and other appliances.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. Whenever by reason of any extraordinary occurrence or other casualty there occur such changes in conditions as to warrant, in the opinion of the commissioners of any dyking district, an estimate for making repairs and improvements, including the yearly maintenance expense in an amount equal to twenty-five per cent. of the estimated cost of the original improvements, as provided for in section 9, chapter CX-VII of the Session Laws of 1895, (Remington & Ballinger's Annotated Codes and Statutes of Washington, section 4103) the funds therefor may be provided by the issuance of bonds of said dyking district, payable in not to exceed ten years, and to pay the same, such commissioners shall make a levy extending over

Extraordinary demands on funds.

Reference to Rem.-Bal., § 4103; Pierce's Code, 1912, 151 § 1.