

CHAPTER 182.

[S. B. 309.]

DIKING AND DRAINAGE DISTRICTS.

AN ACT providing for the reorganization of diking improvement districts and drainage districts as diking, drainage and irrigation improvement districts and drainage and irrigation improvement districts, providing for the levy and collection of assessments on lands therein and the issuance of bonds thereby, and providing for assessing the costs of extensions or enlargements of the improvements of such districts, and declaring an emergency.

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

SECTION 1. Any diking district organized under the provisions of chapter CXVII (117) of the Laws of 1895, and the acts amendatory thereof, which has been reorganized under the provisions of chapter 131 of the Laws of 1917, and the acts amendatory thereof, and any drainage district organized under the provisions of chapter CXV (115) of the Laws of 1895, and the acts amendatory thereof, whether the same has been organized as a drainage and irrigation improvement district or as a drainage district, may reorganize as a drainage and irrigation improvement district or as a diking, drainage and irrigation improvement district in the manner provided in this act.

Reorganiza-
tion provided
for.

SEC. 2. For the purpose of securing such reorganization, a petition shall be presented to the clerk of the board of county commissioners of the county in which such district is located, at a regular or special meeting of the board. The petition shall be signed by the board of commissioners of the district and shall state the number of the district seeking to reorganize, and shall pray that such district be reorganized as a drainage and irrigation improvement district or diking, drainage and irrigation improvement district.

Petition.

Notice of
election.

SEC. 3. Whenever a petition is presented as provided in section 2, the clerk of the board of county commissioners shall give notice of an election to be held on a day, and at a place within the district, to be fixed in such notice, at which the electors of the district shall vote for or against the reorganization of the district so petitioning as a drainage and irrigation improvement district or diking, drainage and irrigation improvement district. The notice shall state the number of the district so petitioning to reorganize, the place where and the time when the election is to be held, and shall require the voters to cast ballots which shall contain the words "Reorganization, Yes," or "Reorganization, No." Such notice shall be posted for at least twenty days prior to the date fixed for the election in four of the public places of said district; and if the board of county commissioners shall so direct, shall be published once a week for four successive weeks in some newspaper published in the county, the last publication of which shall be not less than ten days prior to the day fixed for such election.

Election.

SEC. 4. An election board for such election shall be appointed, and such election shall be held and the votes cast thereat shall be canvassed as is provided for elections held for the organization of a drainage district. If, upon such canvass and count, it appears that a majority of the votes cast are for "Reorganization, Yes" the board shall enter an order upon their minutes declaring such district reorganized as a drainage and irrigation improvement district or diking and irrigation improvement district. If it appears that a majority of the votes cast are for "Reorganization, No," the board shall enter an order dismissing the proceedings, and shall, in either case, cause a statement of the costs of such proceeding to be prepared and transmitted to the commissioners of the district, who shall allow and

pay the same as an expense of maintenance of the district.

SEC. 5. Upon the entry of the order provided for in section 4, such reorganized district shall be known as a drainage and irrigation improvement district or diking, drainage and irrigation improvement district of the same number borne by it as a diking or drainage district. Such pre-existing district so reorganized shall be dissolved without any further proceedings therefor. The commissioners of the old district shall become the commissioners of the reorganized district and shall have all the rights and powers and be subject to all laws applicable to a diking or drainage improvement district. The said commissioners shall also have the power of using such drainage ditches and equipment in the district for irrigation purposes at proper times and may adapt such ditches to such purposes by making the necessary improvements therein. The said commissioners shall also have the right to purchase and install machinery, pumps and other equipment for the carrying on of such irrigation within the district. Notwithstanding such dissolution and reorganization, none of the outstanding bonds, warrants or other indebtedness of the district, shall be affected thereby; and all lands liable to be assessed to pay any of such bonds, warrants or other indebtedness shall remain liable to the same extent as if such reorganization had not been made, and any and all assessments theretofore levied or made against any such lands shall be and remain unimpaired and shall be collected in the same manner as if no such reorganization had been had. The board of county commissioners of the county in which such reorganized district is situated shall have all the powers possessed at the time of the reorganization by the board of commissioners of such district to levy, assess, and cause to be collected any and all assess-

Reorganiza-
tion.

Commis-
sioners,
powers.

County
commis-
sioners.

ments or charges against any of the lands within such district that may be necessary or required to provide funds for the payment of all the bonds, warrants and other indebtedness thereof.

Outstanding
bonds.

SEC. 6. Whenever in any district reorganized under the provisions of this act any bonds issued prior to such reorganization shall become payable and the board of county commissioners shall determine that it will be for the best interests of the owners of a majority of the acreage of lands included in such district to issue refunding bonds and to levy an assessment, payable in ten or fifteen years, instead of levying the annual assessments required by law to be levied to liquidate such outstanding bonds, they may levy such assessment and fix the time for the payment thereof at either ten or fifteen years, and fix the installments in which such assessment shall be paid as provided for the payment of assessments for the costs of construction under the provisions of chapter 176 of the Laws of 1913, and acts amendatory thereof; and they may issue refunding bonds of the district in the manner thereafter provided, to provide funds with which to pay such outstanding bonds then payable.

Refunding
bonds.

Assessment.

SEC. 7. The board shall determine the amount of the assessment necessary to be levied to provide funds to liquidate the bonds of the district then payable and shall cause such assessment to be apportioned to the lands of the district in proportion to the maximum benefits as fixed by the judgment of the jury, and shall cause to be prepared an assessment roll showing the assessment apportioned against each tract, lot and parcel of land contained in such judgment and shall file such roll with the clerk of the board. Thereupon the board shall adopt a resolution which shall set forth:

Assessment
roll.

1. A schedule showing the bonds outstanding against the district then payable which they propose to refund, and the assessment necessary to be levied to provide funds for the payment thereof.

Board resolution :
Schedule of bonds payable.

2. That the assessment roll for the collection of the assessments proposed to be levied against the lands of the district is on file with the clerk of the board and open to the inspection of all persons interested.

Assessment roll.

3. That the commissioners propose to levy such assessments for collection in installments according to the schedule attached thereto.

Installments.

4. A schedule showing the installments in which such assessments are to be paid.

Schedule of.

5. That the assessments contained in such assessment roll may be paid in full at any time prior to the expiration of thirty days after such assessment roll shall have been turned over to the treasurer for collection and he shall have published a notice to that effect, and that all assessments not so paid shall thereafter bear interest until due at a rate to be fixed therein.

Assessments, payment.

6. That the commissioners propose to issue bonds under the provisions of chapter 176 of the Laws of 1913, and acts amendatory thereof, payable in.....years (to be stated in the resolution), to refund such outstanding bonds then payable.

Issue of bonds.

7. A date which shall be not more than sixty nor less than thirty days after the date of the adoption of such resolution, on which the board will hear any objections offered to the proposed levy and issuance of refunding bonds, or to the assessment roll prepared by the commissioners.

Hearing.

8. Upon the preparation of the roll and the adoption of the resolution, the clerk of the board shall cause to be published in some newspaper published in the county and of general circulation therein, a notice containing a copy of the resolution

Board's notice.

and stating that on the date fixed therein for the hearing the board will meet and hear any objection offered to the proposed levy of the assessment roll or any assessment therein contained; and stating that all persons interested may file any objections that they may have to the proposed levy or issuance of bonds or the assessment roll with the board of commissioners prior to the date fixed for such hearing. The last publication of such notice shall not be less than ten days prior to the date fixed for such hearing.

Meeting: SEC. 9. The board shall meet on the day fixed in the notice or to which the hearing may have been adjourned, and shall consider all objections which shall have been filed, and may modify any action as proposed in said resolution; and may correct any errors in the assessment roll and shall confirm the roll as corrected and shall levy the assessments therein contained for collection as prescribed in the resolution as finally adopted and shall enter an order confirming said roll.

Hearings.

Levy.

Collection.

Upon the confirmation of the assessment roll and the levy of the assessments therein contained, the board shall cause the clerk to attach thereto a copy of the resolution and certify such roll and resolution and turn the assessment roll over to the county treasurer for collection in accordance with the resolution attached thereto.

Dismissal
of proceed-
ings.

If before or at the hearing herein provided for protests have been filed by the owners of more than fifty per cent of the acreage of land in the district objecting to the proposed levy and issuance of bonds, the board shall enter an order dismissing the proceedings and shall charge the cost thereof to the district as a maintenance charge.

SEC. 10. As soon as the assessment roll has been turned over to the treasurer for collection, he shall publish a notice in the official newspaper of

the county, once a week for at least two successive weeks, that the said roll is in his hands for collection and that any assessments therein or any portion of any such assessments may be paid at any time on or before a date stated in such notice, which date shall be thirty days after the date of the first publication, without interest. All assessments levied as provided herein, which shall not be paid within thirty days as herein provided for shall be collected in the manner provided for the collection of assessments levied to pay the costs of construction in drainage and irrigation improvement district or diking and irrigation improvement district, and all the provisions of chapter 176 of the Laws of 1913, and acts amendatory thereof, shall govern the collection of such assessments so far as the same shall be applicable.

Treasurer's notice.

SEC. 11. Upon the expiration of thirty days from the first publication of the notice given by the treasurer as provided herein, the board of county commissioners may issue and sell refunding bonds of the district, payable as determined by them in their resolution, in the manner provided for the issuance of bonds to pay the costs of construction in drainage improvement districts; and all the provisions of law governing the issuance, sale and payment of such bonds shall govern the issuance, sale and payment of the bonds herein provided for.

Issue and sale of refunding bonds.

SEC. 12. The proceeds of all assessments paid within the thirty-day period herein provided for, and the proceeds of the sale of all refunding bonds, shall be paid into a proper fund to be established in the county treasury, and shall be applied to the payment of all outstanding bonds then due in the manner in which such bonds are required to be paid by the law under which they were issued, and such bonds shall be called and paid accordingly. The proceeds of all payments of assessments paid

Disposition of proceeds.

"Refunding
bond redemp-
tion fund."

after the expiration of thirty days from the first publication of the notice given by the treasurer as herein provided, shall be paid into a fund to be established in the county treasury, to be known as the "refunding bond redemption fund," and shall be applied to the payment of such bonds as provided by chapter 176 of the Laws of 1913, and acts amendatory thereof.

County
commis-
sioners:
power to levy
assessments.

SEC. 13. The board of county commissioners shall have all the powers possessed by the board of commissioners of any district reorganized under the provisions of this act prior to such reorganization, to levy assessments for the payment of the interest on any other bonds of the district not then payable and refunded under the provisions of this act, and to levy assessments to provide a sinking fund for the liquidation of such bonds at their maturity. Such assessments shall be called and collected in the manner provided by the law under which they were assessed, and such bonds shall be paid as provided by the law under which they were issued. Proper funds shall be established in the county treasury for the proceeds of the payments of such assessments, and such funds shall be applied to the payment of the bonds for the payment of which they were levied.

Extensions or
additions.

SEC. 14. Whenever in any district reorganized under the provisions of this act, extensions or additions are made to the system of improvements of the district to provide drainage or protection from overflow for lands previously found benefited and assessed for the construction of the original system of improvement which are not receiving benefits therefrom in proportion to the benefits found and the assessments levied against such lands, the costs of such extensions or additions shall be included as a cost of maintenance of the improvements of the district and shall be levied and col-

lected in the manner provided for the levy and collection of such costs.

SEC. 15. This act is necessary for the immediate preservation of the public peace, health and safety and shall take effect immediately. Effective immediately.

Passed the Senate February 28, 1933.

Passed the House March 8, 1933.

Approved by the Governor March 20, 1933.

CHAPTER 183.

[S. B. 238.]

SAVINGS AND LOAN ASSOCIATIONS.

AN ACT relating to the organization, management and supervision of savings and loan associations; declaring specific actions to be crimes; providing penalties for violations; repealing sections 9, 12, 17, 21, 22, 25 and 26, of chapter 110, Laws of 1913, sections 1, 4, 5 and 7 to 15, inclusive, and 17 to 23 inclusive, of chapter 144, Laws of 1925 (being sections 3716 to 3748 inclusive, of chapter 1, Title XXI, of Remington's Compiled Statutes of Washington and Remington's 1927 Supplement thereto); and declaring that this act shall take effect immediately.

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

SECTION 1. This act shall be known as the "Savings and Loan Association Act." Savings and loan association act.

SEC. 2. Wherever used in this act, unless the context otherwise requires, words and terms shall have the meanings attributed to them herein. Definitions:

Capital: The contingent fund and other reserves, other than reserves for expenses and losses, of an association. Capital.

Debenture: A written instrument evidencing an indebtedness of an association, which is not secured by lien upon or pledge of any specific property, and constituting a charge upon the assets of the association prior to that of its members. Debenture.