is hereby reserved to the State of Washington, except that in cases situate in a port district such control and use shall vest in such port district.

Passed the House March 5, 1913.
Passed the Senate March 11, 1913.
Approved by the Governor March 22, 1913.

CHAPTER 169.
[Sub. H. B. 80.]

RELATING TO HARBOR AREAS.

An Act providing for the leasing of harbor areas and tide lands situate within the territorial limits of port districts, annul- ing certain preferences relating to leasing of harbor areas and tide lands, and repealing all conflicting enactments.

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

Section 1. The port commission of each port district heretofore created or hereafter to be created under the laws of the State of Washington, shall have full power and authority to lease the harbor areas and tide lands belonging to the State of Washington situate within the territorial limits of such port district to such persons and upon such terms and conditions conforming to the provisions of the constitution of the State of Washington as shall be determined by resolution of such port commission. Every such lease shall provide that the rentals thereunder shall be payable to the state treasurer.

Sec. 2. The owner of any tide or shore lands abutting any such harbor area shall have the preference right, to be exercised by written application filed within ninety (90) days following the filing of the plat of any tide or shore lands hereafter to be filed, covering tide or shore lands or harbor area within the limits of any port district, or in case of plats heretofore filed, then within ninety (90) days following the taking effect of this act, to obtain a lease of the harbor area abutting his tide land or shore land for a thirty (30) year period, and every lease
obtained by virtue of the exercise of such preference right shall conform to the provisions of the state constitution and shall provide that the harbor area described therein, or such a reasonable portion thereof as shall be designated by the port commission of such port district, having in view the requirements of the business proposed to be carried on thereon, shall be improved upon plans approved by such port commission, the construction of such improvement to be commenced within such time as may be fixed in each case by such port commission, such time to be in no case less than two (2) years from the date of such lease and be completed within such reasonable time thereafter as such port commission shall fix in each case, any of which times so fixed may be thereafter extended by such commission, the character of which improvements may, with the approval of the port commission, be changed either before or after completion, but in all cases where the abutting owner or one claiming under him had prior to February 22, 1913, built upon such area, his improvements shall, so far as otherwise conforming to the provisions of the state constitution, be recognized and accepted as a sufficient compliance with the requirements of this act so far as concerns the area covered thereby, and as to uncovered area such improvements shall be given the same consideration as in other cases, and every lease obtained by virtue of such preference shall further provide that the annual rental to be paid shall be a sum equal to two per cent. of the assessed valuation for the year preceding the date of such lease of an equal area of adjoining or abutting shore or tide lands, exclusive of improvements thereon, and where the adjoining or abutting strip of shore or tide lands is of less width than the harbor area, a value proportional to said width: Provided further, however, that the foregoing provision fixing the rate of rental shall not extend beyond December 31, 1928, but all rentals after that date shall be subject to be controlled and fixed in the manner and by the public authority or authorities then provided by law for the same: Provided, further, That it
shall not be necessary for any public corporation proposing to make use of any such harbor area to acquire by condemnation or otherwise the preference right hereby granted relating thereto, but nothing herein contained shall be construed to deprive any party to any such condemnation proceeding of any damages to which he would have been entitled if this act had not been passed.

Sec. 3. The port commission shall require of every lessee under this act a bond with sufficient surety, to be approved by the port commission, in such penalty, and not exceeding twice the amount of the annual rental, but in no case less than five hundred dollars, as may be prescribed by the port commission, conditioned for the payment by the lessee of the rental reserved in his lease at or prior to the time of payment therein specified, during the term of such lease or during such part thereof as the port commission in its discretion shall require to be covered by such bond; and in case only a part of the term of such lease shall be covered thereby, said port commission shall require of such lessee another like bond, to be executed and delivered within three months and not less than one month prior to the expiration of the period covered by the previous bond, covering the remainder of the term of the lease, or such part thereof as the port commission in its discretion shall require to be covered thereby. The port commission shall have power at any time to summon sureties upon any bond and to examine into the sufficiency thereof, and if it shall find the same to be insufficient it shall require the lessee to file a new and sufficient bond within thirty days after receiving notice so to do, under penalty of cancellation of the lease; and the port commission shall have power upon sixty days' notice to cancel any lease for a substantial breach by the lessee of any of the conditions thereof, or for lack of a bond therewith as herein required. Notwithstanding any such lease now or hereafter existing the state shall ever retain and does hereby reserve the right to regulate the rates of wharfage, dockage or other tolls to be imposed by the lessee or his assigns upon commerce for any of the purposes
for which the leased area may be used, and the right to prevent extortion and discrimination in such use thereof.

Sec. 4. The lessee under any lease now existing of harbor area situate in a port district, which shall be cancelled or annulled for any reason, shall, upon such cancellation or annulment, have, for ninety (90) days thereafter, a preference right to a new lease, for the remainder of the term of the lease cancelled or annulled, upon the terms and conditions provided in sections 2 and 3 of this act; but in all cases where any cancelled or annulled lease contained provisions relating to the right of the state to annul or cancel the same, like provisions shall be incorporated in any new lease covering in whole or in part the same area.

Sec. 5. All preferences of lease of harbor areas or tide lands situate in a port district heretofore created by the laws of the State of Washington, which have not been already exercised are hereby annulled.

Sec. 6. All acts and parts of acts in conflict with the provisions of this act are hereby repealed, but no lease of harbor area or tide lands heretofore executed shall be invalidated hereby.

Passed the House March 5, 1913.
Passed the Senate March 11, 1913.
Approved by the Governor March 22, 1913.

CHAPTER 170.
[H. B. 79.]

RENTALS FROM HARBOR AREAS AND TIDE LANDS.

An Act providing for the disposition to be made of the rents received from leases of harbor areas and tide lands.

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

Section 1. That the rents hereinafter to be paid under existing or future leases of harbor areas and also of tide lands belonging to the State of Washington, shall be hereafter disposed of as follows:

In cases where the leased harbor area or tide land is situated within the territorial limits of a port district already