

debtedness (if any indebtedness exist) not exceeding six mills on the dollar, and all moneys collected from the taxes levied for payment of current expenses shall be credited and applied by the treasurer to "Current Expense Fund"; and all moneys collected from the taxes levied for the payment of indebtedness shall be credited and applied to a fund to be designated as the "Indebtedness Fund": *Provided*, that this act shall not apply to cities of the third class.

Indebtedness levy.

Passed the Senate February 10, 1919.

Passed the House March 10, 1919.

Approved by the Governor March 19, 1919.

CHAPTER 171.

[S. B. 140.]

LIBRARY TAX LEVIES IN THIRD AND FOURTH CLASS CITIES.

AN ACT providing for tax levies for public library purposes in cities of the third and fourth class.

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

SECTION 1. The city council of cities of the third or fourth class are hereby authorized, without vote of the people, to annually levy a property tax, not to exceed two mills, for public library purposes.

Levy authorized.

SEC. 2. The city council of cities of the third or fourth class are hereby authorized to hold a special election annually, upon ten days' posted notices, at which shall be submitted to the voters of such city the question whether the said council shall be authorized to levy a property tax of three mills for public library purposes, and if a majority of the voters voting at such election shall decide in the affirmative, then the said council shall be authorized

Question of increasing levy submitted to voters.

to levy a property tax, of not to exceed three mills, for public library purposes for the year in which said election is held.

Passed the Senate February 25, 1919.

Passed the House March 11, 1919.

Approved by the Governor March 19, 1919.

CHAPTER 172.

[S. B. 198.]

INCREASE AND REDUCTION OF CAPITAL STOCK AND ISSUANCE OF PREFERRED STOCK BY CORPORATIONS.

AN ACT in relation to corporations, and amending Sections 3686, 3705 and 3706 of Remington & Ballinger's Annotated Codes and Statutes of Washington, and validating preferred stock heretofore issued in compliance with the provisions hereof.

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

SECTION 1. That Section 3686 of Rem. & Bal. Code be, and the same is, hereby amended to read as follows:

Section 3686. The corporate powers of a corporation shall be exercised by a board of not less than two trustees, who shall be stockholders in the company, and at least one of whom shall be a resident of the State of Washington, and a majority of them citizens of the United States, who shall, before entering upon the duties of their office, respectively take and subscribe to an oath, as provided by the laws of this state, and who shall, after the expiration of the term of the trustees first elected, be actually elected by the stockholders, at such time and place, within this state, and upon such notice and in such manner, as shall be directed by the by-laws of the company; but all elections shall be by ballot, and each stockholder, either in person or by proxy, shall be entitled to as many votes as he may own,

Board of trustees.

Election.