military or naval reservation any contract entered into with the United States of America, or any department or agency thereof or any sub-contract made pursuant thereto for which a bid covering such contract or sub-contract was submitted prior to October 9, 1940.

Sec. 3. This act is necessary for the support of the state government and its existing institutions and shall take effect immediately.

Passed the House March 6, 1941.
Passed the Senate March 11, 1941.
Approved by the Governor March 21, 1941.

CHAPTER 176.

[122x312]FORTY MILL LIMIT REFERENDUM.

[107x290]AN ACT relating to the taxation of real and personal property and limiting the aggregate annual rate of levy thereon for all purposes to forty mills, and submitting this act to the people for their approval or rejection at the general election in November, 1942.

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

SECTION 1. Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the state, municipal corporations, taxing districts and governmental agencies, now existing or hereafter created, shall not in any year exceed forty mills on the dollar of assessed valuation, which assessed valuation shall be fifty per centum (50%) of the true and fair value of such property in money; and within and subject to the aforesaid limitation the levy by the state shall not exceed two (2) mills to be used exclusively for the support of the University of Washington, Washington State College
and the State College of Education; the levy by any county shall not exceed ten (10) mills including any levy for the county school fund required by law, the levy by or for any school district shall not exceed ten (10) mills, the levy for any road district shall not exceed three (3) mills, and the levy by any city or town shall not exceed fifteen (15) mills: Provided, That nothing herein shall prevent levies at the rates provided by existing law by or for any port or power district: Provided, further, That the limitations imposed by this section shall not prevent the levy of additional taxes, not in excess of five (5) mills per annum and without anticipation of delinquencies in payment of taxes, in an amount equal to the interest and principal payable in the next succeeding year on general obligation bonds, outstanding on December 6, 1934, issued by or through the agency of the state, or any county, city, town, or school district, nor the levy of additional taxes to pay interest on or toward the reduction, at the rate provided by statute, of the principal of county, city, town, or school district warrants outstanding on December 6, 1932; but the millage limitation of this proviso with respect to general obligation bonds shall not apply to any taxing district in which a larger levy is necessary in order to prevent the impairment of the obligation of contracts: Provided further, That any county, school district, city or town shall have the power to levy taxes at a rate in excess of the rate specified in this act, when authorized so to do by the electors of such county, school district, city or town by a three-fifths majority of those voting on the proposition at a special election, to be held in the year in which the levy is made, and not oftener than once in such year, in the manner provided by law for holding general elections, at such time as may be fixed by the body authorized
to call the same, which special election may be called by the Board of County Commissioners, Board of School Directors, or Council or other governing body of any city or town, by giving notice thereof for two (2) successive weeks by publication and posting in the manner provided by law for giving notices of general elections, at which special election the proposition of authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "Yes", and those opposed thereto to vote "No": Provided, That the total number of persons voting at such special election shall constitute not less than forty per cent (40%) of the voters in said taxing district who voted at the last preceding general state election: Provided further, That any municipal corporation otherwise authorized by law to issue general obligation bonds for capital purposes may, at an election duly held after giving notice thereof as required by law, authorize the issuance of general obligation bonds for capital purposes only, which shall not include the replacement of equipment, and provide for the payment of the principal and interest of such bonds by annual levies in excess of the tax limitation contained herein: Provided, That such election shall not be held oftener than once a year, and that the proposition to issue such bonds and to exceed said tax limitation shall receive the affirmative vote of a three-fifths majority of those voting on the proposition and that the total number of persons voting at such election shall constitute not less than forty per cent (40%) of the voters in said municipal corporation who voted at the last preceding general state election: Provided further, That any taxing district shall have the right by vote of its governing body to refund any general obligation bonds of said district issued for capital purposes only, and to provide for the
interest thereon and amortization thereof by annual levies in excess of the tax limitation provided for herein.

Sec. 2. This act shall be referred and submitted to the people for their approval and ratification or rejection at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1942, by the officers and in the manner provided by section 5416 of Remington's Revised Statutes.

Passed the House March 12, 1941.
Passed the Senate March 11, 1941.
Approved by the Governor March 21, 1941.

CHAPTER 177.
[H. B. 596]

NATIONAL AND STATE DEFENSE.

An Act relating to national and state defense; providing for the establishment of a State Council of Defense and of local councils of defense; prescribing the powers and duties thereof; making an appropriation; and declaring an emergency.

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

Section 1. Short Title. This act may be cited as the "Washington State Defense Council Act."

Sec. 2. Establishment of State Defense Council. There is hereby created the Washington State Defense Council, hereinafter designated the State Council, for the general purpose of assisting in the coordination of the statewide and local activities related to national and state defense. Whenever he deems it expedient, the Governor may, by proclamation, dissolve or suspend the State Council or re-establish it after any such dissolution or suspension.

Sec. 3. Organization of Council. (a) The