individual, schedule or blanket form, and the premiums therefor shall be paid by the bank or trust company.

(b) The said directors shall also direct and require suitable insurance protection to the bank or trust company against burglary, robbery, theft and other similar insurance hazards to which the bank or trust company may be exposed in the operations of its business on the premises or elsewhere.

The said directors shall be responsible for prescribing at least once in each year the amount or penal sum of such bonds or policies and the sureties or underwriters thereon, after giving due consideration to all known elements and factors constituting such risk or hazard. Such action shall be recorded in the minutes of the board of directors and thereafter be reported to the Supervisor of Banking and be subject to his approval.

Passed the Senate February 24, 1947.
Passed the House March 6, 1947.
Approved by the Governor March 17, 1947.

CHAPTER 133.
[ S. B. 218.]

REGULATION AND CONTROL OF WATERS.


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

SECTION 1. Section 31 of chapter 117, Laws of 1917, as last amended by section 2 of chapter 127, Laws of 1939 (sec. 7382 Rem. Rev. Stat., 993-97 PPC) is hereby amended to read as follows:

Section 31. When an application complying with the provisions of this chapter and with the rules and regulations of the State Supervisor of Hydraulics
has been filed, the same shall be placed on record in the office of the State Supervisor of Hydraulics, and it shall be his duty to investigate the application, and determine what water, if any, is available for appropriation, and find and determine to what beneficial use or uses it can be applied. If it is proposed to appropriate water for irrigation purposes, the State Supervisor of Hydraulics shall investigate, determine and find what lands are capable of irrigation by means of water found available for appropriation. If it is proposed to appropriate water for the purpose of power development, the Supervisor shall investigate, determine and find whether the proposed development is likely to prove detrimental to the public interest, having in mind the highest feasible use of the waters belonging to the public. If the application does not contain, and the applicant does not promptly furnish sufficient information on which to base such findings, the Supervisor may issue a preliminary permit, for a period of not to exceed three (3) years, requiring the applicant to make such surveys, investigations, studies, and progress reports, as in the opinion of the Supervisor may be necessary. If the applicant fails to comply with the conditions of the preliminary permit, it and the application or applications on which it is based shall be automatically cancelled and the applicant so notified.

If the holder of a preliminary permit shall, before its expiration, file with the Supervisor a verified report of expenditures made and work done under the preliminary permit, which, in the opinion of the Supervisor, establishes the good faith, intent and ability of the applicant to carry on the proposed development, the preliminary permit may, with the approval of the Governor, be extended, but not to exceed a maximum period of five (5) years from the date of the issuance of the preliminary permit. The State Supervisor of Hydraulics shall make and file
as part of the record in the matter, written findings of fact concerning all things investigated, and if he shall find that there is water available for appropriation for a beneficial use, and the appropriation thereof as proposed in the application will not impair existing rights or be detrimental to the public welfare, he shall issue a permit stating the amount of water to which the applicant shall be entitled and the beneficial use or uses to which it may be applied: Provided, That where the water applied for is to be used for irrigation purposes, it shall become appurtenant only to such land as may be reclaimed thereby to the full extent of the soil for agricultural purposes. But where there is no unappropriated water in the proposed source of supply, or where the proposed use conflicts with existing rights, or threatens to prove detrimental to the public interest, having due regard to the highest feasible development of the use of the waters belonging to the public, it shall be duty of the State Supervisor of Hydraulics to reject such application and to refuse to issue the permit asked for. If the permit is refused because of conflict with existing rights and such applicant shall acquire same by purchase or condemnation under section 7354 hereof, said Supervisor may thereupon grant such permit. Any application may be approved for a less amount of water than that applied for, if there exists substantial reason therefor, and in any event shall not be approved for more water than can be applied to beneficial use for the purposes named in the application. In determining whether or not a permit shall issue upon any application, it shall be the duty of the State Supervisor of Hydraulics to investigate all facts relevant and material to the application. After the State Supervisor of Hydraulics approves said application in whole or in part and before any permit shall be issued thereon to the applicant, such applicant shall pay the fee provided in section 7399

[683]
of this Code: Provided further, That in the event a permit is issued by the Supervisor of Hydraulics upon any application, it shall be his duty to notify both the Director of Fisheries and the Director of Game of such issuance.

Passed the Senate February 28, 1947.
Passed the House March 6, 1947.
Approved by the Governor March 17, 1947.

CHAPTER 134.
[S. B. 332.]

AUTHORIZING LIQUOR BOARD TO ACQUIRE WAREHOUSE.

An Act authorizing the Liquor Board to lease or purchase or erect a warehouse in the City of Seattle and to borrow money and issue bonds to finance the same.

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

SECTION 1. The Washington State Liquor Board and the State Finance Committee are hereby authorized to lease or purchase or acquire a site and erect a warehouse building in the City of Seattle, and for that purpose may borrow money and may issue bonds in an amount not to exceed one million five hundred thousand dollars ($1,500,000) to be amortized from liquor revenues over a period of not to exceed ten years.

Passed the Senate March 7, 1947.
Passed the House March 6, 1947.
Approved by the Governor March 17, 1947.