

## CHAPTER 206.

[H. B. 167.]

## INVESTMENT OF FUNDS BY TRUST COMPANIES.

AN ACT relating to the investment of funds held in trust by corporations doing a trust business, and amending Chapter 80 of the Laws of 1917.

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

Amends  
§ 3255, Rem.  
Comp. Stat.

SECTION 1. That section 48 of chapter 80 of the Laws of 1917, pages 294 to 296, (section 3255 of Remington's Compiled Statutes) be amended to read as follows:

Investment  
as specified,  
not other-  
wise.

Section 48. A corporation doing a trust business may invest funds held in trust, in the manner hereinafter in this act specified and not otherwise.

Adds § 48a  
to Chap. 80,  
Laws 1917.

SEC. 2. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48a, to read as follows:

United  
States bonds.

Section 48a. A corporation doing a trust business may invest funds held in trust in bonds, notes, or other obligations constituting the direct and general obligation of the United States, or of any state thereof, or bonds, payment of which, both principal and interest, is guaranteed by the United States or any state thereof.

Adds § 48 b  
to Chap. 80,  
Laws 1917.

SEC. 3. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48b, to read as follows:

Dominion  
of Canada  
bonds.

Section 48b. A corporation doing a trust business may invest funds held in trust in bonds, notes, or other obligations constituting the direct and general obligation of the Dominion of Canada or any province thereof, or bonds, notes, or other obligations, payment of which, both principal and interest, is guaranteed by the Dominion of Canada or any province thereof, provided such bonds, notes or

other obligations are payable within the United States of America in gold coin of the United States of America or its equivalent.

SEC. 4. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48c, to read as follows:

Adds § 48c to Chap. 80, Laws 1917.

Section 48c. A corporation doing a trust business may invest funds held in trust in direct and general obligation bonds or notes issued by any county, city, school district or port district in the State of Washington having the power to levy taxes for the payment of principal and interest thereof.

Bonds of county, city, school or port district of this state.

SEC. 5. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48d, to read as follows:

Adds § 48d to Chap. 80, Laws 1917.

Section 48d. A corporation doing a trust business may invest funds held in trust in the bonds of any first or second class city of this state for the payment of which the entire revenues of the city's water system less maintenance and operating costs is irrevocably pledged, even though the bonds are not general obligation bonds of the city.

Water system bonds of 1st or 2nd class cities of this state.

SEC. 6. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48e, to read as follows:

Adds § 48e to Chap. 80, Laws 1917.

Section 48e. A corporation doing a trust business may invest funds held in trust in the direct and general obligation bonds or notes issued by any county, city, school district or port district in any other state of the United States having the power to levy taxes for the payment of principal and interest thereof: *Provided*, That such bonds, or notes are acceptable by the United States government as security for deposits of postal savings funds.

Bonds of county, city, school or port district of other states.

SEC. 7. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48f, to read as follows:

Adds § 48f to Chap. 80, Laws 1917.

Railroad  
corporation  
obligations.

Operating  
not less  
than  
500 miles.

Yearly reve-  
nue not less  
than  
\$10,000,000.

Earnings  
for five  
years.

Cash divi-  
dends on  
stock.

Paid regu-  
larly  
matured  
principal  
and interest  
on mortgage  
indebted-  
ness.

Section 48f. A corporation doing a trust business may invest funds held in trust in the following obligations of railroad corporations: Obligations issued, assumed or guaranteed as to principal and interest by endorsement by, or so guaranteed which guaranty has been assumed by, a railroad corporation or a successor railroad corporation thereof, incorporated under the laws of the United States or any state thereof, owning and operating not less than 500 miles of standard gauge railroad, exclusive of sidings: *Provided*, That if the mileage so owned shall be less than 500 miles, the railway operating revenues from the operation of such railroad shall have been not less than \$10,000,000 each year for at least five of the six fiscal years next preceding such investment; or obligations guaranteed as to principal and interest by, or so guaranteed which guaranty has been assumed by, such railroad corporation under the terms of a lease extending to a date not earlier than the maturity of the obligations so guaranteed, which lease shall provide that the rental thereunder shall be not less than twice the fixed charges of the lessor: *Provided, further*, That in each year for at least five of the six fiscal years next preceding such investment, the amount of earnings of such railroad corporation after deducting rent for hire of equipment and joint facility rents, if any, from gross income shall have been not less than one and one-half times the remaining deductions from such gross income as defined by the accounting regulations of the interstate commerce commission: *Provided further*, That such railroad corporation each year for at least five out of the six fiscal years next preceding such investment shall have paid dividends in cash upon its capital stock equivalent to at least one-fourth of such deductions: *Provided further*, That at no time within such period of six years such railroad corporation shall have failed regularly

and punctually to pay the matured principal and interest of all its mortgage indebtedness: *Provided further*, That all obligations so authorized for investment shall be

(a) Fixed interest-bearing bonds secured by direct mortgage on railroad operated by such railroad corporation; or

Fixed interest-bearing bonds.

(b) Bonds secured by first mortgage upon terminal, depot, bridge or tunnel property, including lands, buildings and appurtenances, used in the service of transportation by one or more such railroad corporations, provided that such bonds be the direct obligation of, or that payment of principal and interest thereof be guaranteed by endorsement by, or guaranteed by endorsement which guaranty has been assumed by, one or more such railroad corporations; or

First mortgage bonds.

(c) Debenture bonds of such railroad corporation secured by irrevocable pledge as collateral under a trust agreement of other railroad bonds that are legal investments for trust funds under this section, have a maturity not earlier than the bonds that they secure and of a total face amount not less than the total face amount of the bonds that they secure; or

Debenture bonds.

(d) Fixed interest-bearing mortgage bonds other than those described in paragraph (a) hereof, income mortgage bonds, collateral trust bonds other than those described in paragraph (c) hereof, or unsecured bonds, issued, assumed or guaranteed as to principal and interest by endorsement by, or so guaranteed which guaranty has been assumed by, such railroad corporation, the amount of earnings of which each year for at least five of the six fiscal years next preceding such investment after deducting rent for hire of equipment and joint facility rents, if any, from gross income shall have been not less than twice the remaining deductions from such

Other fixed interest-bearing bonds.

gross income as defined by the accounting regulations of the interstate commerce commission, including interest on such income mortgage bonds, if any, and the net income of which after such deductions shall have been not less than \$10,000,000 each year for at least five of the six fiscal years next preceding such investment, and which railroad corporation shall have made the dividend and principal and interest payment hereinbefore required. Street railroad corporations shall not be considered railroad corporations within the meaning of this section.

Adds § 48g  
to Chap. 30,  
Laws 1917.

SEC. 8. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48g, to read as follows:

Mortgage  
bonds of  
class one  
railroad.

Section 48g. A corporation doing a trust business may invest funds held in trust in the mortgage bonds of any class one railroad, as defined by the interstate commerce commission, meeting the following requirements:

50 net  
revenue  
ton miles  
per year.

(1) Such railroad shall have carried fifty net revenue ton miles per year each year for the five years next preceding the proposed investment for each dollar of mortgage bonds of the funded debt of the railroad prior or equal in lien to such bonds, and

Traffic  
density.

(2) Such railroad shall have had a traffic density of at least one million net revenue ton miles per mile of line mortgaged to secure such bonds each and every year for a period of at least five years prior to the investment by any such corporation in such bonds, and

Prohibit  
issuance of  
additional  
equal or  
prior bonds.

(3) The trust indentures of such bonds and of any bonds prior in lien to such bonds secured by mortgages on said railroad and portions thereof shall prohibit the issuance of any additional bonds equal or prior in lien to such bonds except for the purpose of retiring existing prior lien bonds.

SEC. 9. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48h, to read as follows:

Adds § 48h to Chap. 80, Laws 1917.

Section 48h. A corporation doing a trust business may invest funds held in trust in railroad equipment obligations or equipment trust certificates which comply with the following requirements:

Railroad equipment obligations, equipment trust certificates.

(a) They must be the whole or part of an issue originally made payable within not more than fifteen years in annual or semi-annual installments substantially equal in amount beginning not later than one year after the date of the issue.

Maturity not more than 15 years.

(b) They must be secured by or be evidence of a prior or preferred lien upon or interest in, or of reservation of title to, the equipment in respect of which they have been issued or sold, or by an assignment of or prior interest in the rent or purchase notes given for the hiring or purchase of such equipment.

Secured by prior or preferred lien.

(c) The total amount of principal of such issue of equipment obligations or trust certificates shall not exceed eighty-five per centum of the cost or purchase price of the equipment in respect of which they were issued.

Issue not to exceed 85% of cash or purchase price.

(d) The remaining fifteen per centum of said cost or purchase price shall have been paid by or for the account of the corporation so constructing, acquiring, purchasing or leasing said equipment, or by funds loaned or advanced for the purpose by the government of the United States or one of its agencies or instrumentalities but subordinated as to security, in the event of default, to the prior or preferred equipment obligations or equipment trust certificates.

Remaining 15% to have been paid.

SEC. 10. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48i, to read as follows:

Adds § 48i to Chap. 80, Laws 1917.

"Gross operating revenues," defined.

Section 48i. The words "gross operating revenues" whenever used in this section and in the next two succeeding sections of this act, shall mean and include the total amount earned from the operation of all property owned or operated and/or leased and operated by the corporation as shown by the official reports issued by the corporation.

"Operating expense," defined.

The words "operating expenses" whenever used in this section and in the next two succeeding sections of this act, shall mean and include all expenses of operation; current maintenance; all taxes, other than federal and state income taxes; and proper provision for the retirement of the physical property of the corporation.

"Proper provision for the retirement of the physical property of the corporation," defined.

The words "proper provision for the retirement of the physical property of the corporation" when used in this section and in sections 11 and 12 of this act, shall mean that for five years next preceding the proposed investment, the amount which the corporation shall have appropriated for retirement reserve, together with any part of the earnings not appropriated for dividends or other purposes but retained as a corporate surplus, shall have averaged per year not less than four per cent of the book value of all physical assets other than land or interest in lands, where such segregation of such assets is available, or shall have averaged per year not less than two and one-half per cent of the book value of all physical assets: *Provided, however,* That in the case of assets utilized in supplying water, the words "proper provision for the retirement of physical property of the corporation" shall mean, that for the five years next preceding the amount which the corporation shall have appropriated for retirement reserve together with any part of the earnings not appropriated for other purposes but retained as a corporate surplus shall have averaged per year not less than one per cent of the book value

of all physical assets, other than land, used in water supply.

“Book value of all physical assets” wherever used in this section and in sections 11 and 12 of this act shall mean the book cost of the fixed capital of the corporation, less the balance retained in the retirement reserve and less the earned surplus of the corporation not appropriated for dividends or other purposes, but retained as corporate surplus.

“Book value of all physical assets,” defined.

The words “fixed charges” whenever used in this section and in the next two succeeding sections of this act, shall mean and include all rentals for property operated under lease, interest on all indebtedness, guaranteed and assumed interest and dividends, and an amount sufficient to amortize any discount on outstanding securities within a reasonable time.

“Fixed charges” defined.

The words “net earnings of the corporation” whenever used in this section and in the next two succeeding sections of this act, shall mean the balance obtained by deducting from the gross operating revenue the operating expenses of the corporation as herein defined, and by adding to this balance the income of the corporation from securities and miscellaneous sources, but not to exceed, however, fifteen per cent of such balance.

“Net earnings of the corporation,” defined.

Corporations supplying water chiefly for the purpose of irrigation shall not be deemed to be engaged in the business of supplying water within the meaning of this section and the next two succeeding sections of this act.

Corporations supplying water for irrigation.

° SEC. 11. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48j, to read as follows:

Adds § 48j to Chap. 80, Laws 1917.

Section 48j. A corporation doing a trust business may invest funds held in trust in the mortgage bonds of corporations incorporated under the laws of the United States or of any state thereof, and



Bonds of telephone, electrical energy, artificial gas, or water corporations.

engaged in the business of supplying telephone service, electric energy, artificial gas, and/or water, meeting the following requirements:

75% of revenues to be derived from business.

(1) At least seventy-five per cent of the gross operating revenues of such corporation shall be derived from such business and shall have been derived from such business each year for the five years next preceding the proposed investment, unless the corporation shall be engaged in the business of furnishing telephone service or electrical energy and shall meet the requirements of section 48k of this act.

Regulation by public service commission.

(2) The corporation shall be subject to regulation by a public service commission or other similar regulatory body duly established by the laws of the United States or of the states in which such corporation transacts such business.

Official reports for five years to show.

(3) For a period of at least five fiscal years next preceding the investment in the bonds of any such corporation the official reports issued by the corporation shall show:

One million dollars gross revenues.

(a) Gross operating revenues of at least one million dollars for each of said years;

Regular payment of indebtedness.

(b) That such corporation has paid regularly and promptly the matured interest and matured principal of all its indebtedness, direct, guaranteed or assumed; and

Net earnings.

(c) That the net earnings of such corporation shall have averaged per year not less than twice the average annual fixed charges and for the last fiscal year preceding such investment such net earnings shall have been not less than twice the fixed charges for the full year: *Provided, however,* That where any such corporation shall have acquired its property or any substantial part thereof within the period of the five fiscal years next preceding, either by purchase from or merger or consolidation with

any other corporation or corporations, the gross operating revenues, net earnings and fixed charges of the several predecessor or constituent corporations shall be consolidated and adjusted for the purpose of determining the qualifications of the bonds under the requirements of this section.

(4) The bonds of such corporation shall comply with the following requirements: Bonds part of original issue.

(a) The bonds shall be part of an original issue of not less than one million dollars, and

(b) The bonds shall be either

(1) Mortgage bonds secured by a first or refunding mortgage secured by property owned and operated by the corporation issuing or assuming them, or 1st or refunding mortgage bonds.

(2) Senior mortgage bonds secured by property owned and operated by the corporation issuing or assuming them, and which such senior mortgage bonds have been authorized to be refunded and retired by a junior mortgage authorizing refunding bonds which comply with the requirements of this section. Such senior mortgage shall be either a closed mortgage or shall remain open solely for the issue of additional bonds which are to be pledged under such junior mortgage. Senior mortgage.

(c) The aggregate principal amount of bonds described in this paragraph, secured by first or refunding mortgages, plus the principal amount of all outstanding bonds issued under senior mortgages shall not exceed sixty per cent of the value of the physical property owned as shown by the books of the corporation and subject to the lien of such mortgage or mortgages securing the total mortgage debt. Bonds not to exceed 60% value of physical property.

(d) If the bonds are secured by a refunding mortgage such mortgage shall provide for the retirement on or before the date of their maturity of all bonds secured by prior liens on the property. Retirement provisions.

Adds § 48k  
to Chap. 80,  
Laws 1917.

SEC. 12. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48k, to read as follows:

Telephone  
or electrical  
energy cor-  
poration  
with less  
than 75% of  
gross  
revenue  
derived  
from  
operation.

Section 48k. A corporation doing a trust business may invest funds held in trust in the bonds of any corporation engaged in the business of furnishing telephone service or electrical energy, meeting the following requirements; even though less than seventy-five per cent of the gross revenues is derived from the operation of such property:

Regulation  
by I. C. C.

(1) Such corporation shall be subject to regulation by the interstate commerce commission or by the public service commission or similar regulatory body of the states in which it operates;

Annual  
gross  
revenue  
\$50,000,000.

(2) The official reports issued by the corporation for a period of ten fiscal years next preceding the investment in any such bonds shall show annual gross revenues of not less than \$50,000,000 during any year;

Regular  
payment of  
indebted-  
ness.

(3) Such corporation shall have paid regularly and promptly each and every year for ten years next preceding the investment the matured interest and matured principal of all its indebtedness, direct, guaranteed or assumed;

Net  
earnings.

(4) The net earnings of the corporation available for fixed charges for the ten year period next preceding such investment shall have been not less than three times such fixed charges during any year;

Part of  
original  
issue of at  
least  
\$5,000,000.

(5) Such bonds shall be part of an original issue of at least \$5,000,000.

Adds § 48l  
to Chap. 80,  
Laws 1917.

SEC. 13. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48l, to read as follows:

Section 48l. A corporation doing a trust business may invest funds held in trust in:

Real estate  
first  
mortgages.

(a) The legally issued first mortgages on improved real estate in this state, provided that such

encumbrance does not exceed fifty per cent of the reasonable value of such property at the time of said investment. Such mortgages shall be accompanied by an appraisal approved in writing by an officer of the corporation and by either a complete abstract of title with an approving legal opinion thereon or a policy of title insurance. Where buildings constitute a material part of the value of the mortgaged property they shall be kept insured against loss or damage by fire for the benefit of the mortgagee in a reasonable amount. The real estate subject to such first mortgage must be improved to such extent that the net annual income thereof or reasonable annual rental thereof in the condition existing at the time of making the loan is sufficient to pay the annual interest accruing on such loan in addition to taxes and insurance and all accruing charges and expenses.

Buildings.

(b) In participating certificates in legally issued first mortgages on improved real estate in this state where the entire mortgage is held by the corporation making such investment and complies with all other provisions in paragraph (a) hereof.

Participating  
certificates  
on 1st real  
estate  
mortgages.

(c) In the legally issued first mortgage bonds on improved real estate in this state, provided that such bonds be issued under deed of trust or mortgage in favor of a corporation, authorized to do a trust business in this state, as trustee, and provided that such encumbrance does not exceed fifty per cent of the reasonable value of such property, based on the appraisal made, as of the date of the deed of trust or mortgage securing said bonds. Where buildings or other improvements constitute a material part of the value of the mortgaged property they shall be kept insured against loss or damage by fire in a reasonable amount in favor of the trustee. Title to such mortgaged property shall be evidenced by either a complete abstract of title with

First  
mortgage  
bonds.

approving legal opinion thereon or a policy of title insurance on file with said trustee.

Adds § 48m  
to Chap. 80,  
Laws 1917.

SEC. 14. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48m, to read as follows:

Real or  
personal  
property  
held in  
trust.

Section 48m. A corporation doing a trust business may hold during the life of the trust, all property real and/or personal, received by it into the trust from any source, though such property be not legal for the investment of trust funds, in the same manner and upon the same conditions as if such property were legal for the investment of trust funds, unless the terms of the instrument creating or declaring the trust specifically provide to the contrary.

Adds § 48n  
to Chap. 80,  
Laws 1917.

SEC. 15. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48n, to read as follows:

Savings  
accounts of  
mutual  
savings  
banks.

Approval of  
bank super-  
visor.

Section 48n. A corporation doing a trust business may invest funds held in trust in any securities, including savings accounts in mutual savings banks, other than those hereinabove in this act specified, except corporate stocks, with the approval in writing of the supervisor of banking.

Adds § 48o  
to Chap. 80,  
Laws 1917.

SEC. 16. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48o, to read as follows:

Investments  
in accord-  
ance with  
trust agree-  
ment.

Section 48o. A corporation doing a trust business may invest funds held in trust under an instrument creating such trust, in any manner and/or in any investment and/or in any class of investments authorized by such instrument, whether or not the same be otherwise eligible for the investment of trust funds.

Adds § 48p  
to Chap. 80,  
Laws 1917.

SEC. 17. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48p, to read as follows:

Section 48p. If the instrument creating the trust authorizes the corporation doing a trust business as trustee to invest funds held in trust under such instrument in the discretion of said trustee, or to that effect, it may, in the exercise of such discretion in good faith, invest the funds held in trust under such instrument, in any manner hereinabove in this act authorized and/or in any other manner, or in any other securities and/or property, that it shall deem advantageous to, or for the benefit of, the beneficiary, or beneficiaries, of such trust.

Trust agreement allows discretion as to investments.

SEC. 18. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48q, to read as follows:

Adds § 48q to Chap. 80, Laws 1917.

Section 48q. A corporation doing a trust business may exchange investments in any corporation held by it in trust, which investments are authorized to be held or made under the other provisions of this act, for investments in any reorganized, consolidated, successor or merged corporation, or holding company, and may exercise any option granted in respect of any such investments for the conversion of same into other investments in such reorganized, consolidated, successor or merged corporation or holding company, and may exercise any rights to subscribe to additional investments in respect of investments so held by it in trust, whether or not such new investments received in exchange or by reason of the exercise of any options or rights as above described, are eligible for the investment of trust funds, and such new investments may be held in the same manner and upon the same conditions as if they were eligible for the investment of trust funds, unless the terms of the instrument creating or declaring the trust specifically provide to the contrary.

Exchange of investments in consolidated and merged corporations.

SEC. 19. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48r, to read as follows:

Adds § 48r to Chap. 80, Laws 1917.

Defaulted  
bonds,  
mortgages,  
notes, etc.

Section 48r. Nothing in this act contained shall be construed as authorizing any corporation doing a trust business, to invest any funds held in trust, in any bonds, mortgages, notes, or other securities, during any default in payment of either principal or interest thereof.

Adds § 48s  
to Chap. 80,  
Laws 1917.

SEC. 20. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section, to be known as section 48s, to read as follows:

Buy or sell  
to self or  
affiliated  
company.

Section 48s. Unless the instrument creating the trust expressly provides to the contrary, a corporation doing a trust business may not buy or sell investments from or to itself or any affiliated or subsidiary company or association.

Adds § 48t  
to Chap. 80,  
Laws 1917.

SEC. 21. That chapter 80 of the Laws of 1917 be amended by adding thereto a new section to be known as section 48t to read as follows:

Circulars,  
letters and  
data with  
respect to  
securities.

Section 48t. It shall be the duty of any corporation which shall invest trust funds under sections 48f, 48g, 48h, 48i, 48j and 48k of this act to retain in its possession such circulars, letters or other data that it may have acquired for the purpose of establishing that the securities it has purchased comply with the requirements of the above sections until the next regular or special examination by the supervisor of banking, deputy supervisor of banking or any bank examiner, at which time it shall give the person conducting the examination a list of all securities purchased by it under the above sections since the last examination, and at the same time shall furnish him with the data above referred to to facilitate the examination. Thereupon such examiner shall ascertain from such data whether or not such securities comply with the above provisions of this act. If the examiner is satisfied that the securities do comply with the above provisions he shall forward a statement to that effect to the supervisor of banking. If the supervisor shall be of the

Examina-  
tion by bank  
supervisor  
or deputy.

same opinion he shall forthwith give the corporation a statement to that effect, which shall be signed by the supervisor of banking or the deputy supervisor of banking, and thenceforward such statement shall be conclusive proof that the securities therein described comply in all respects with the above provisions. If, in the opinion of the person conducting the examination, the data furnished him by the corporation is insufficient to enable him to form an opinion as to whether or not any security complies with the above requirements he shall so notify the corporation and further notify it that it shall obtain the requisite data within a reasonable time from such notification and forward it to the supervisor of banking.

Statement of  
supervisor.

Data  
insufficient.

Passed the House March 13, 1929.

Passed the Senate March 11, 1929.

Approved by the Governor March 22, 1929.

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## CHAPTER 207.

[H. B. 355.]

### FOREST WASTE MATERIAL.

AN ACT relating to waste forest material, disposal and burning thereof and the issuance of permits and certificates in connection therewith, and amending Sections 5788-1 and 5792-1 of Remington's Compiled Statutes, Supplement of 1927, and Section 5789 of Remington's Compiled Statutes.

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

SECTION 1. That section 5788-1 of Remington's Compiled Statutes, Supplement of 1927, as added by chapter 223 of the Laws of 1927, be amended to read as follows:

Amends  
§ 5788-1,  
Rem. Comp.  
Stat., 1927  
Sup.

Section 5788-1. Anyone desiring to dispose of the refuse or waste forest material resulting from logging, clearing, or other operation on forest lands,