

Diking, drainage and sewerage improvement districts. Supervisors—Election—Terms—Duties.

district is situated. Such notice shall contain the names of the two judges and one inspector of the election, who shall be electors of the district appointed by the supervisors. The supervisors may declare the entire district as one precinct and shall designate in the notice of election the number and places of voting. The supervisors shall meet on the day following the election and canvass the votes, declare the results, and issue the certificates of election.

When a district contains not more than five hundred acres, or when a petition is presented to the board of county commissioners signed by the owners of fifty percent of the acreage of the district praying for such action, the district engineer shall act as supervisor of the district; and in such case the allowance of all claims against the district shall be by the county commissioners.

Passed the Senate March 3, 1965.

Passed the House March 10, 1965.

Approved by the Governor March 20, 1965.

CHAPTER 121.

[Senate Bill No. 274.]

COUNTY ARTERIAL HIGHWAYS—FARM TO MARKET ROADS—BONDS.

AN ACT relating to county arterial highways and farm to market roads in Grant, Franklin and Adams counties; providing for the issuance, sale and retirement of motor vehicle bonds; providing for reimbursement of costs by said counties; making an appropriation; and declaring an emergency.

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

SECTION 1. Construction of county arterial highways and farm to market roads in Grant, Franklin and Adams counties to coincide with the opening of additional lands for settlement in the Columbia

Farm to market roads. Public safety requires.

Basin irrigation project, is declared to be a project required in the interest of the public safety and for the orderly development of the state.

SEC. 2. To provide funds for construction of this project, there shall be issued and sold limited obligation bonds of the state of Washington in the sum of one million eight hundred and fifty thousand dollars.

Limited obligation bonds to finance—Committee control.

The issuance, sale and retirement of said bonds shall be under the general supervision and control of the state finance committee. The state finance committee shall, when notified by the director of highways, provide for the issuance of coupon or registered bonds to be dated, issued and sold from time to time in such amounts as may be necessary to the orderly progress of construction of this project.

SEC. 3. Each of such bonds shall be made payable at any time not exceeding twenty-five years from the date of its issuance, with such reserved rights of prior redemption as the state finance committee may prescribe to be specified therein. The bonds shall be signed by the governor and the state treasurer under the seal of the state, one of which signatures shall be made manually and the other signatures may be printed facsimile. The coupons attached to the bonds shall be signed by the same officers whose signatures thereon may be in printed facsimile. Any bonds may be registered in the name of the holder on presentation to the state treasurer or at the fiscal agency of the state of Washington in New York City, as to principal alone, or as to both principal and interest under such regulations as the state treasurer may prescribe. Such bonds shall be payable at such places as the state finance committee may provide. All bonds issued under authority of this act shall be fully negotiable instruments.

Bonds—Maturity—Prior redemption—Signatures—Registration—Payable, where—Negotiable instruments.

SEC. 4. Bonds issued under the provisions of this act shall distinctly state that they are not a general

Bonds—Not state general obligation.

Farm to market roads.
Bonds—Not state general obligation—Excise taxes pledged.

obligation of the state, but are payable in the manner provided in this act from the proceeds of all state excise taxes on motor vehicle fuels imposed by chapter 82.36 RCW and chapter 82.40 RCW. The proceeds of such excise taxes are pledged to the payment of any bonds and the interest thereon issued under the provisions of this act. The legislature agrees to continue to impose the same excise taxes on motor fuels in amounts sufficient to pay the principal and interest on all bonds issued under the provisions of this act when due.

Bonds—Denominations—Sold at public sale—Advertised—As legal investment for state funds.

SEC. 5. The bonds issued hereunder shall be in denominations to be prescribed by the state finance committee. They may be sold in such manner and in such amounts and at such times and on such terms and conditions as the committee may prescribe. The bonds shall be sold at public sale. It shall be the duty of the state finance committee to cause such sale to be advertised in such manner as it shall deem sufficient. Bonds issued under the provisions of this act shall be legal investment for any of the funds of the state, except the permanent school fund.

Bond proceeds—Disposition—Expense of servicing.

SEC. 6. The money arising from the sale of said bonds shall be deposited in the state treasury to the credit of the motor vehicle fund and such money shall be available only for the construction of the project authorized by this act, and payment of the expense incurred in the printing, issuance and sale of any such bonds, in which expense shall be included the sum of one-eighth of one percent of the amount of the issue to cover the cost of servicing said issue, such sum to be deposited in the general fund.

Repayment of bonds, interest—Moneys available for.

SEC. 7. Any funds required to repay such bonds, or the interest thereon when due, subject to the proviso of this section, shall be taken from that portion of the motor vehicle fund which results from the imposition of all excise taxes on motor vehicle fuels

and which is, or may be, appropriated to the highway department for state highway purposes. They shall never constitute a charge against any allocation of such funds to counties, cities and towns unless and until the amount of the motor vehicle fund arising from the excise taxes on motor vehicle fuels and available for state highway purposes proves insufficient to meet the requirements for bond retirement or the interest on any bonds: *Provided*, That money required hereunder to pay interest on or to retire any bonds issued as authorized by this act shall be repaid by the county or counties wherein the highways or roads are constructed in the manner set forth in section 9 of this act.

SEC. 8. At least one year prior to the date any interest is due and payable on such bonds or before the maturity date of any bonds, the state finance committee shall estimate the percentage of receipts in money of the motor vehicle fuels, resulting from collection of excise taxes on motor vehicle fuels, for each month of the year which will be required to meet interest or bond payments hereunder when due, and shall notify the state treasurer of such estimated requirement. The state treasurer shall thereafter from time to time each month as such funds are paid into the motor vehicle fund, transfer such percentage of the monthly receipts from excise taxes on motor vehicle fuels of the motor vehicle fund to the highway bond retirement fund, which is hereby established, and which fund shall be available solely for payment of such interest or bonds when due. If in any month it shall appear that the estimated percentage of money so made is insufficient to meet the requirements for interest or bond retirement, the treasurer shall notify the state finance committee forthwith and such committee shall adjust its estimates so that all requirements for interest and principal of all bonds issued shall be fully met at all times.

Repayment of
bonds, interest
—Committee
duties—Treas-
urer to trans-
fer moneys.

Farm to market roads. County repayment of highway cost to state—Procedure.

SEC. 9. The director of highways shall report to the state finance committee all sums expended from funds resulting from the sale of bonds authorized by this act. Grant, Franklin and Adams counties shall repay to the state all the cost of highway or road facilities actually constructed under the provisions of this act within each of said counties as follows: The state finance committee, at least one year prior to the date any such interest is due and payable on such bonds or before the maturity date of any such bonds, shall ascertain the percentage of the motor vehicle funds arising from the excise taxes on motor vehicle fuels, which is to be transferred to such counties under the provisions of law which will be necessary to pay all of the interest upon or retire when due all of the portion of said bonds sold under the provisions of this act in each of said counties. The state finance committee shall notify the state treasurer of this estimate and the treasurer shall thereafter, when distributions are made from the motor vehicle fund to counties, retain such percentage of the total sums credited to such counties as aforesaid in the motor vehicle fund arising from such excise taxes on motor vehicle fuels until such fund is fully reimbursed for all expenditures under this act in Grant, Adams and Franklin counties. Any money so retained shall be available for state highway purposes.

Limitation to tax funds retained during usual distribution period.

SEC. 10. The sums retained from motor vehicle funds, arising from the excise taxes on motor vehicle fuel, of any such counties as provided in section 9 of this act, together with the sums similarly retained under the provisions of chapter 121, Laws of 1951 and chapter 311, Laws of 1955 shall not exceed in any distribution period fifty percent of the total amount to be credited to such county. If there shall be a deficit in the amount available for reimbursement of the motor vehicle fund, due to this provision, then such

deficit shall continue to be a charge against any sums due any such county from the motor vehicle fund from such excise taxes until the full cost of such highway facilities is paid.

SEC. 11. Whenever the percentages of the motor vehicle fund arising from excise taxes on motor fuels, payable into the highway bond retirement fund, shall prove more than is required for the payment of interest on bonds when due, or current retirement of bonds, any excess may, in the discretion of the state finance committee, be available for prior redemption of any bonds or remain available in the fund to reduce the requirements upon the fuel excise tax portion of the motor vehicle fund at the next interest or bond payment period.

Prior redemption of bonds.

SEC. 12. The bonds authorized herein are allocated to the counties as follows:

Bond allocation to counties—Limitation.

(1) For Adams county—one hundred thousand dollars.

(2) For Franklin county—four hundred fifty thousand dollars.

(3) For Grant county—one million three hundred thousand dollars:

Provided, That no bonds shall be issued for Columbia Basin county arterial highway and road purposes unless expenditures are actually required for the settlement of lands ready for irrigation in the Columbia Basin project and all construction of arterial highways and roads in such counties shall be accomplished by the engineering forces of the various counties under the supervision of the director of highways.

SEC. 13. There is appropriated from the motor vehicle fund for the biennium ending June 30, 1967 the sum of one million eight hundred fifty thousand dollars, or so much thereof as may be necessary, to carry out the provisions of this act.

Appropriation.

Farm to
market roads.
Emergency.

SEC. 14. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 7, 1965.

Passed the House March 10, 1965.

Approved by the Governor March 20, 1965.

CHAPTER 122.

[Senate Bill No. 279.]

PUBLIC LIBRARIES.

AN ACT relating to free public libraries; eliminating school district free public libraries; amending section 2, chapter 119, Laws of 1935 as last amended by section 10, chapter 75, Laws of 1947 and RCW 27.12.010; amending section 4, chapter 119, Laws of 1935 as amended by section 3, chapter 65, Laws of 1941 and RCW 27.12.030; amending section 8, chapter 119, Laws of 1935 as last amended by section 2, chapter 133, Laws of 1959 and RCW 27.12.190; amending section 10, chapter 119, Laws of 1935 as last amended by section 9, chapter 65, Laws of 1941 and RCW 27.12.240; amending section 20, chapter 119, Laws of 1935 as amended by section 13, chapter 75, Laws of 1947 and RCW 27.12.320; and repealing section 2, chapter 108, Laws of 1939 and RCW 27.12.230.

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

RCW 27.12.010
amended.

SECTION 1. Section 2, chapter 119, Laws of 1935 as last amended by section 10, chapter 75, Laws of 1947 and RCW 27.12.010 are each amended to read as follows:

Public
libraries.
Definitions.

As used in this act, unless the context requires a different meaning:

(1) "Governmental unit" means any county, city, town, rural county library district or intercounty rural library district;

(2) "Legislative body" means the body author-