

CHAPTER 259.

[H. B. 303.]

REFUNDING OF IRRIGATION DISTRICT BONDS.

AN ACT relating to the refunding of irrigation district bonds and amending sections 2 and 5 of chapter 161 of the Laws of 1923 (the same being respectively sections 7434-2 and 7434-5 of Remington's Compiled Statutes, and sections 3274-16 and 3274-19 of Pierce's Code).

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

SECTION 1. That section 2 of chapter 161 of the Laws of 1923 (the same being section 7434-2 of Remington's Compiled Statutes and section 3274-16 of Pierce's Code) be amended to read as follows:

Section 2. Whenever the board of directors of any irrigation district shall deem it for the best interest of said district that any or all outstanding bonds of said district be refunded, they shall so declare by resolution duly adopted and recorded in the minutes of said board and shall, with the written approval of the state director of the department of conservation and development, submit the question to the legally qualified electors of said district at a general election or at a special election called for that purpose and if a majority of said electors voting at said election vote in favor thereof the directors of said district shall issue and exchange said bonds for those outstanding, or sell said bonds and retire said outstanding bonds. The director of conservation and development shall have power to exchange for such refunding bonds any bonds of the irrigation district held by the state, whether matured or not, and the power to purchase such refunding bonds with moneys appropriated for the purchase of bonds of irrigation districts, but he shall not purchase or take in exchange the refunding bonds of any district not heretofore aided by the

} Vetoed.

Vetoed.

state under chapter 158 of the laws of 1919, known as the "State Reclamation Act". The director of conservation and development shall have no authority however to repurchase any bonds heretofore or hereafter sold by the department for the purposes of refunding or otherwise, but in order to accomplish any such refunding process bonds of irrigation districts owned by persons, firms and corporations shall be surrendered by such owners and refunding bonds accepted in lieu thereof of equal par value at such time as the exchange of irrigation district bonds for refunding bonds shall be made by the department of conservation and development.

Statute amended.

SEC. 2. That section 5 of chapter 161 of the laws of 1923 (the same being section 7434-5 of Remington's Compiled Statutes and section 3274-19 of Pierce's Code) be amended to read as follows:

Bonds refunded in series.

Section 5. Where the bonds to be refunded are serial bonds and not subject to call, the refunding bonds shall be issued in series only as necessary to take up the series next falling due, and shall be dated the same as the maturity of said series falling due, but the election aforesaid shall be sufficient authority for the directors to issue sufficient bonds to retire the entire outstanding issue of bonds to be refunded as they mature, but none of said refunding bonds shall be signed before the date of their issue, and until signed shall be deposited and kept in the office of the county treasurer: *Provided*, That with the consent of the holders of all outstanding bonds of an issue the directors may retire them before their maturity and issue refunding bonds for that purpose.

All outstanding bonds of an issue retired before maturity.

Passed the House March 10, 1927.

Passed the Senate March 10, 1927.

Approved by the Governor, with the exception of section 1, which is vetoed, March 21, 1927.