

CHAPTER 154.

[S. B. 164.]

AUTHORIZING ISSUANCE OF SERIAL BONDS BY IRRIGATION DISTRICTS.

AN ACT relating to the issuance and sale of irrigation district serial bonds, amending sections 1 and 5 of chapter 99 of the Laws of 1915, and further amending said chapter by adding thereto a new section to be known as section 2a.

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

SECTION 1. That section 1 of chapter 99 of the Laws of 1915 be amended to read as follows:

Bond issues
authorized.

Section 1. That any irrigation district now organized or hereafter to be organized under the laws of this state shall have the power to issue its bonds to run for a period of forty years, at a rate of interest and to be paid in the manner hereinafter provided; and shall also have the power to issue its serial bonds to run for a period of forty years and to be issued in such blocks and issues and at such rates of interest and to be paid in the manner hereinafter provided; and for the purposes or for any purpose prescribed by the irrigation district laws of the state in force at the time of the issuance of said bonds.

SEC. 2. That chapter 99 of the Laws of 1915 be further amended by adding thereto a new section to be known as section 2a as follows:

Elections
for authori-
zation of
serial bonds.

Section 2a. In case the board of directors shall determine that it is for the best interest of the district to issue serial bonds under the power hereinabove conferred, the board shall estimate and determine the amount necessary to be raised, including in such amount a sum sufficient to pay the first four years' interest to accrue upon said bonds and shall immediately thereafter call a special election.

At such election there shall be submitted to the electors of said district the proposition whether or not the serial bonds of the district in the estimated amount shall be issued. The ballot shall contain the words: "Serial Bonds under Forty-year Plan—Yes," and "Serial Bonds under Forty-Year Plan—No," or words equivalent thereto. If a majority of the votes cast at the election are in favor of the proposition the board of directors shall immediately, and from time to time thereafter as the financial needs of the district may require, cause to be issued such portions of the total authorized issue of bonds as in its judgment the financial needs of the district may require: if a majority of the votes cast are against the proposition, the result shall be so declared and entered of record in the minutes of the district. Each issue of said bonds shall be payable in gold coin of the United States in 25 series, as follows, to-wit: At the expiration of 16, 17, 18, 19 and 20 years respectively, 2 per cent of the issue of bonds; at the expiration of 21, 22, 23, 24, and 25 years respectively, 3 per cent of the issue of bonds; at the expiration of 26, 27, 28, 29, and 30 years respectively, 4 per cent of the issue of bonds; at the expiration of 31, 32, 33, 34, and 35 years respectively, 5 per cent of the issue of bonds; and at the expiration of 36, 37, 38, 39, and 40 years respectively, 6 per cent of the issue of bonds; and such bonds shall bear interest at a rate not exceeding 6 per cent per annum as the board of directors may determine, payable semi-annually on the first day of January and July of each year.

Method of
amortiza-
tion.

SEC. 3. That section 5 of chapter 99 of the Laws of 1915 be amended to read as follows:

Section 5. Nothing herein contained shall be construed as in any manner repealing the original irrigation district act, or any acts amendatory

Act cum-
ulative.

thereof, or as in any manner impairing the validity of bonds heretofore issued, or as repealing the method of bond issue provided in said act and amendatory acts, but this act is intended and shall be considered as providing alternative plans for the issuance of irrigation district bonds.

Passed the Senate February 21, 1919.

Passed the House March 12, 1919.

Approved by the Governor March 18, 1919.

CHAPTER 155.

[S. S. B. 148.]

LEASING PETROLEUM AND GAS LANDS OF STATE.

AN ACT relating to the leasing and re-leasing of state lands for the mining and extraction of petroleum and natural gas, amending sections 6794 and 6797 of Remington and Balingier's Annotated Codes and Statutes of Washington, adding a new section to be known as section 6798a, and making the provisions of this act applicable to all such leases heretofore executed and not in default.

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

SECTION 1. That section 6794 of Rem. & Bal. Code be amended to read as follows:

Section 6794. No lease shall be made by the state for any sum less than twenty-five dollars (\$25.00) per quarter section of land for each year during the term of said lease, and in addition thereto the said lease shall provide that the state shall be entitled to receive a sum not less than ten per cent of the gross value of all petroleum and natural gas extracted therefrom during the term of the said lease, payable semi-annually during said term. The term "gross value" shall be interpreted to mean the value of the oil or gas at the well when pro-

Rental and
royalty.

"Gross
value"
defined.