

CHAPTER 164.

[S. B. 364.]

FLOOD CONTROL; CREATING SINKING FUND.

AN ACT relating to flood control, providing a state policy of participation therein with the United States and with flood control districts, counties, and counties acting jointly in the control of rivers subject to flood conditions, through the agency of the state department of conservation and development, granting certain powers in relation thereto to such flood control districts, counties, and counties so acting jointly, creating a debt, authorizing the issuance and sale of state bonds for payment of the principal and interest of said bonds for such object, creating a sinking fund, to be known as "General Obligation Bonds of 1936 Retirement Fund," making an appropriation therefor, and submitting this act to the people for their approval or rejection at the general election in November, 1936.

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

SECTION 1. The control of floods to the extent practicable and by economically feasible methods is essential to the protection of life and of property, public and private, to the public health, safety and welfare, to the preservation of taxable wealth and is a matter of public concern. The State of Washington, in the exercise of its sovereign and police powers, and for the distinct object of providing a policy for the control of floods, hereby establishes a method and means whereby such policy may be made effective through Federal, state and local participation therein, in the manner provided in this act.

Control of floods essential.

Establishment of a control policy.

SEC. 2. It is assumed that the United States will, pursuant to law, establish and maintain a national flood control policy, in participation with the several states and authorized agencies therein, and, in furtherance thereof, will, pursuant to Federal investigations, surveys, reports, approvals and authorizations, contribute not less than one-half of the cost of construction of works, structures and im-

U. S. maintenance of national flood control policy.

One-half cost of construction of works.

provements economically feasible and necessary for flood control purposes in the several states, on condition that the several states and authorized agencies therein, shall, pursuant to law, assume and agree to pay the remainder of the costs thereof and to operate and maintain the same. This state, in anticipation that the Federal government shall speedily adopt such measures hereby declares its purpose to undertake and carry forward such participating flood control policy or any modification thereof as the United States may require, to the extent and in accordance with the provisions of this act.

Remainder of costs.

Carrying forward of policy by state.

State debt of \$15,000,000 authorized.

"General Obligation Bonds of 1936."

State finance committee.

Requirements of bonds.

Payable when.

SEC. 3. A state debt in the sum of fifteen million dollars (\$15,000,000.00) is hereby authorized to be created in order to carry out the purposes and provisions of this act, and the state finance committee is authorized to issue and sell general obligation bonds of the state, negotiable in form, to be known as "General Obligation Bonds of 1936" to the total amount of said debt. The terms, issuance, sale and retirement of such bonds shall be under the general supervision and control to [of] the state finance committee. The state finance committee may in its discretion provide for the issuance of coupon or registered bonds to be dated, issued and sold from time to time and in such amounts as it may determine to be necessary in order to supply funds required to be used to carry out the purposes and provisions of this act. The bonds shall be signed by the governor and the state auditor under the seal of the state, and any coupons attached to such bonds shall be signed by the same officers, whose signatures thereon may be in facsimile. Each series of such bonds shall be payable beginning with the second year after the date of issue and shall, as nearly as practicable, mature in such amounts as will, together with the interest on the

entire series outstanding, be met by an equal annual tax levy for the payment of said bonds and interest. Each of such bonds shall be made payable at any time not exceeding twenty 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, shall be sold so as to bear a rate of interest of not more than five per centum (5%) per annum, as computed by standard bond tables commonly in use by insurance companies, banks and other financial institutions. Any bond may be registered by the state treasurer in accordance with the provisions of chapter 91 of the Session Laws of 1915, as now or hereafter amended, or the state finance committee may designate the fiscal agency of the State of Washington in New York for the performance of such duties, upon arrangements as in said act provided. Said bonds shall be in a form embodying an absolute promise of the State of Washington to pay both principal and interest, in United States money, at such place or places as the state finance committee may provide, and shall be in such denominations as may be prescribed by said committee. All bonds issued under the provisions of this act may be sold in such manner and in such amounts and at such times and on such terms and conditions as the state finance committee may prescribe. Bonds issued under the provisions of this act shall be a legal investment for any of the funds of the state, and for trust funds, savings banks, mutual savings banks, and savings and loan associations, and shall be valid as collateral security for all public depositories of the state, or of any of the subdivisions or municipal corporations thereof. Such bonds shall be exempt from all taxes levied by the state and of any of its subdivisions, or by any municipal corporation thereof.

Interest.

Fiscal
agency of
the state in
New York.Form of
bond.Manner of
selling.Valid as
collateral
security.Exempt
from taxes.

SEC. 4. The moneys arising from the sale of each issue of bonds under this act shall be deposited in the state treasury to the credit of a special fund to be known as the "State Flood Control Fund" and shall be used to carry out the purposes and provisions of this act and all payments therefrom shall be made on vouchers, approved by the state director of conservation and development, and submitted to the state auditor and warrants therefor drawn upon the state treasurer. For the purpose of paying expenses incurred under and carrying out the purposes and provisions of this act, there is hereby appropriated from the state flood control fund for flood control projects the sum of five million dollars (\$5,000,000.00) or so much thereof as shall be necessary.

"State Flood Control Fund."

Appropriation from state flood control fund.

SEC. 5. There is hereby created in the state treasury a sinking fund for the payment of the principal of, and interest upon, said bonds as the same shall fall due, to be designated the "General Obligation Bonds of 1936 Retirement Fund," and from and after the time when this act shall have been submitted to the people at a general election and have received a majority of all votes cast for and against it at such election it shall be the duty of the state board of equalization and/or the proper state officers authorized by law to fix tax levies for state purposes, to levy an annual property tax for said "General Obligation Bonds of 1936 Retirement Fund" sufficient to meet the annual or semi-annual payments on principal and interest on said "General Obligation Bonds of 1936." The "General Obligation Bonds of 1936 Retirement Fund" shall be used only for the purpose of paying principal and interest upon the bonds issued under the provisions of this act and no part or portion thereof shall be diverted to any other purpose.

Sinking fund.

"General Obligation Bonds of 1936 Retirement Fund."

Purpose of fund.

SEC. 6. State participation under this act shall be limited to flood control projects of duly established flood control districts, and of counties, and of counties acting jointly pursuant to chapter 54 of the Session Laws of 1913, as now or hereafter amended.

Limitation.

SEC. 7. The state director of conservation and development, for the purposes of this act, shall have authority on behalf of the state to contract with the United States, or any agency thereof, and with any such flood control district, or any county, or any counties so acting jointly, for the construction, operation and maintenance of any flood control project for such flood control district, county, or counties so acting jointly, subject to and in accordance with the following conditions: 1. the project shall conform to a comprehensive plan of flood control, adopted by majority resolution of the directors of such district, or the commissioners of such county, or the joint board of commissioners of such counties so acting jointly, and be approved in writing by said state director; 2. completed plans, specifications and cost estimates for the project shall have been approved by the secretary of war, through the corps of engineers of the United States army, or other designated Federal agency on behalf of the United States, by said state director on behalf of the state, and by majority resolution of the directors of such district, or of the commissioners of such county, or of the joint board of county commissioners of such counties so acting jointly; 3. the district, county, or counties so acting jointly, shall be charged with the maintenance and control of the project, when constructed, and shall make an annual levy of taxes for such purpose; 4. the cost of constructing the project, including engineering, shall be assumed and paid, a. by the United States to the extent of the Federal participation therein, b. by the state to the extent of one half of the cost thereof not

Director of conservation and development.

Authority of.

Conditions.

Conform to plan of flood control.

Approval of plans.

Levying of taxes by counties.

Costs assumed by.

assumed by the United States and, c. by the flood control district, county, or counties so acting jointly to the extent of one half of the cost thereof not assumed by the United States: *Provided*, That whenever any counties so acting jointly shall have contracted together and shall have expended funds thereunder in pursuance of a plan for the control of waters therein such counties so acting jointly shall be entitled to credit in the participating contract for the amount thereof in such sum as may be determined in the participating contract and the amount of such determined credit shall be deducted from the contribution of such counties in the participating contract and shall be assumed and undertaken by the United States and/or the state upon such basis as may be determined in the participating contract; 5. such participating contract shall provide as to which of the parties thereto shall be charged with such construction and/or engineering. Either the United States or said state director shall be charged with supervision, inspection, approval and acceptance of such construction; 6. such contract may provide that the state and/or district, county, or the counties so acting jointly, or the particular county thereof which under the contract shall issue such bonds, may without public bidding, issue, sell and deliver such bonds to the United States in discharge of its or their obligations thereunder at par, with such adjustments of accrued interest as the contract may provide, with the approval by resolution of the state finance committee as to such state bonds; 7. the contract may contain any other provisions not inconsistent herewith.

Credit in participating contract.

Distribution of responsibility.

May deliver bonds to U. S.

Contract may contain consistent provisions.

Proceeds of funds.

SEC. 8. The proceeds of moneys derived from the sale of said "General Obligation Bonds of 1936" or so much thereof as may be necessary as and when appropriated therefor by the legislature, shall be available for state participation in flood control

projects and for purchase by the state, as investment for the "General Obligation Bonds of 1936 Retirement Fund," of duly authorized general obligation flood control bonds of the flood control district, county, or the county or counties so acting jointly: *Provided*, That the term of said district and county bonds shall not exceed twenty years after their date and the rate of interest thereon shall equal or exceed the rate of interest on said "General Obligation Bonds of 1936." The incurring of indebtedness and the issuance and sale of bonds by any county, or any county acting jointly with any other county pursuant to chapter 54 of the Laws of 1913 shall be for a strictly county purpose.

Rate of interest.

County purpose.

SEC. 9. When said participating contract shall be in final form, it may be executed on behalf of the state and such district, county, or counties so acting jointly, whenever a proposition therefor shall have been submitted to the voters of such district, county, or such counties so acting jointly, or to the voters of the particular county thereof which under such contract shall issue such bonds, and said proposition shall be adopted and assented to by majority vote of the voters therein voting thereon at a general or special election: *Provided*, That whenever the proposed indebtedness together with any existing indebtedness shall cause any such district or county to become indebted in any manner to an amount exceeding one and one half per centum of the taxable property therein, the proposition shall be adopted and assented to by three-fifths of the voters therein voting thereon, at a general or special election.

Final form of contract may be executed on behalf of state.

Majority vote.

Amount of indebtedness.

SEC. 10. Any flood control district, county, or counties so acting jointly, in such contract, and within limits authorized by law may make provision for their respective participation therein, in whole or in part, by the levy, or levies, of annual taxes.

Provision for participation by levy of taxes.

Liberal
construction.

SEC. 11. The provisions of this act and all proceedings thereunder shall be liberally construed with a view to effect their objects.

Partial
invalidity.

SEC. 12. If any section or provision of this act shall be adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of the act as a whole, or any section, provision or part thereof not adjudged to be invalid or unconstitutional.

Submitted
to people at
general
election.

SEC. 13. This act shall be referred and submitted to the people for their approval and ratification or rejection at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1936, by the officers and in the manner provided by section 5416 of Remington's Revised Statutes. Upon the ratification and approval of this act by the people as in this act provided, the right, power and authority of the state to issue and sell said "General Obligation Bonds of 1936," and to levy and collect taxes on the taxable property of the state for payment of principal and interest thereof shall not be deemed or construed to be limited or abridged by any existing law.

Date of
election.

Passed the Senate March 9, 1935.

Passed the House March 13, 1935.

Approved by the Governor March 22, 1935.