

CHAPTER 62.

[H. B. 135.]

PORT DISTRICTS.

AN ACT relating to port districts and to the issuance of revenue bonds to pay the cost thereof; authorizing port districts to enter into additional covenants and trust indentures; providing for the safeguarding and custody of funds; providing for the further security of the holder of such bonds; validating proceedings heretofore taken for the issuance of said bonds and protecting the enforcement of bonds in the event of refunding; and providing for the payment of said bonds by loans from the general funds of the port districts, amending section 5, chapter 218, Laws of 1941, as amended by section 1, chapter 33, Laws of 1943 (sec. 9718-5, Ren. Rev. Stat.; sec. 746p-9, PPC).

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

SECTION 1. Section 5, chapter 218, Laws of 1941, as amended by section 1, chapter 33, Laws of 1943 (sec. 9718-5, Rem. Rev. Stat.; sec. 746p-9, PPC) is hereby amended to read as follows:

Section 5. Bonds issued under the provisions of this act shall be payable solely out of revenues received from the use of the improvements acquired and/or constructed from the proceeds of the sale of such bonds, from the proceeds of the sale or other disposition of said improvements, or from loans of general fund moneys of the port districts not otherwise appropriated. Such loans shall be only made after a resolution by the port district providing for the repayment of said loans from said revenues or said proceeds. Moneys received by any port district from the sale or condemnation of property constructed or acquired by the issuance of revenue bonds under the authority of this act shall be used solely for the payment of the principal of and interest on the revenue bonds issued to pay the cost of construction or acquiring such property to the extent necessary to pay such principal and interest in full. Said bonds may be authorized by resolution adopted by

Payable
solely from
revenues.

Resolution
for bonds
and special
fund.

Proportion
to fund.

Bonds
negotiable.

Statement
on bonds.

Holder may
compel
compliance.

Temporary
bonds.

May secure
by trust
indenture.

the Port Commission of such port district. Such resolution or the trust indenture authorized by such resolution to secure such bonds as hereinafter provided, or both such resolution and trust indenture, shall provide for the creation of a special fund or funds into which fund or funds the Port Commission may obligate and bind such port district to set aside and pay a fixed proportion of the gross revenues received from the use of said improvements, or any fixed amount out of and not exceeding a fixed proportion of such revenue, or a fixed amount without regard to any fixed proportion, which fund or funds shall be drawn upon solely for the purpose of paying the principal and interest upon the bonds issued pursuant to this act. Such bonds shall be negotiable instruments under the law merchant even though they shall be payable solely from such special fund or funds and shall never be deemed a charge upon the tax revenues of such port district. Such bonds shall state upon their face that they are payable from such special fund or funds. Should the corporate authorities of any port district fail to set aside and pay into such fund or funds the payments provided for in such resolution or the trust indenture authorized by such resolution to secure such bonds as hereinafter provided, or in both such resolution and trust indenture, the holder of any such bonds may bring suit to compel compliance with the terms of such resolution or trust indenture, or both. Pending the preparation and execution of such bonds, temporary bonds may be issued in such form as the Port Commission of the port district may elect.

In the discretion of the Port Commission of any such port district, such bonds may be secured by a trust indenture, including indentures supplemental thereto, by and between such port district and a trustee, which shall be any trust company or bank having the powers of a trust company within or outside of the state.

Such trust indenture may appoint a depository and trustee to receive and disburse in the place and stead of the County Treasurer, ex-officio treasurer of such port district, notwithstanding any other provision of the law to the contrary, all moneys received and to be received by said port district as the proceeds of sale of such bonds, and from the ownership, operation, sale, lease or other use or disposition of the improvements acquired from the proceeds of the sale of such bonds; and may pledge or assign to such depository and trustee revenues to be received from the use of the improvements acquired and/or constructed from the proceeds of the sale of such bonds, and may pledge or assign moneys received as the proceeds of the sale, leasing or other disposition of said improvements, but shall not convey or mortgage such improvements or any part thereof. Either the resolution providing for the issuance of such bonds or such trust indenture or both, may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper, not in violation of law, including covenants setting forth the duties of the port district in relation to the construction, acquisition, betterment, maintenance, operation, repair and insurance of the improvements, and the custody, safeguarding and application of all moneys, and may also provide that such improvements shall be constructed and/or acquired and paid for under the supervision and approval of engineers employed or designated by the Port Commission of any such port district and satisfactory to the original purchasers of the bonds issued therefor, and may also require that security given by contractors and by any depository and trustee of the proceeds of the bonds or revenues from the use of such improvements or other disposition thereof or any moneys pertaining thereto, be satisfactory to such purchasers. It shall be lawful for any bank or trust company incorporated under the laws of this

Depository
and trustee.

Revenues
may be
assigned.

Bondholders
to be
protected.

Duties to be
set forth.

Bank may be
depository.

state to act as such depository and trustee and to furnish such indemnifying bonds or to pledge such securities as may be required by such Port Commission.

Bondholders not required to see application of moneys.

The Reconstruction Finance Corporation or any other agency of the United States Government making any such loan, or any other holder or owner of any bonds authorized by and issued pursuant to the provisions of this act shall not be required to see to the application of the moneys derived from such bonds to the purposes for which said bonds are issued as specified in any resolution or indenture, or both, authorizing the issuance thereof.

Passed the House February 17, 1947.

Passed the Senate February 26, 1947.

Approved by the Governor March 1, 1947.

CHAPTER 63.

[H. B. 102.]

RELATING TO HORTICULTURE.

AN Act relating to horticulture; and amending section 13, chapter 141, Laws of 1921, as amended (sec. 2872, Rem. Rev. Stat.; sec. 635-83, PPC).

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

SECTION 1. Section 13, chapter 141, Laws of 1921, as amended by section 8, chapter 37, Laws of 1923, section 1, chapter 67, Laws Ex. Ses. 1925, section 5, chapter 27, Laws of 1931, and section 10, chapter 150, Laws of 1943 (sec. 2872, Rem. Rev. Stat.; sec. 635-83, PPC), is amended to read as follows:

Director of Agriculture to provide inspectors.

Section 13. The Director of Agriculture, Assistant Director, and Inspector-at-Large are authorized and empowered to appoint horticultural inspectors upon application of a financially interested party for certificate inspection service or other inspection