

RCW 87.03.200 Bonds—Election for—Form and contents—Exchange—Cancellation—Sale and issue—Reissue—Election concerning contract with United States—Penalty.

(1) At the election provided for in RCW 87.03.190, there shall be submitted to the electors of the district possessing the qualifications prescribed by law the question of whether or not the bonds of the district in the amount and of the maturities determined by the board of directors shall be issued. Bonds issued under the provisions of *this act shall be serial bonds payable in legal currency of the United States in such series and amounts as shall be determined and declared by the board of directors in the resolution calling the election: PROVIDED, That the first series shall mature not later than ten years and the last series not later than forty years from the date thereof: PROVIDED FURTHER, That bonds, authorized by a special election held in the district under the provisions of a former statute, which has subsequent to the authorization been amended, but not issued prior to the amendment of the former statute, may be issued in the form provided in the former statute, and any such bonds heretofore or hereafter so issued and sold are hereby confirmed and validated.

Notice of such bond election must be given by publication of such notice in some newspaper published in the county where the office of the board of directors of such district is required to be kept, once a week for at least two weeks (three times). Such notices must specify the time of holding the election, and the amount and maturities of bonds proposed to be issued; and the election must be held and the results thereof determined and declared in all respects as nearly as practicable in conformity with the provisions of law governing the election of the district officers: PROVIDED, That no informality in conducting such election shall invalidate the same, if the election shall have been otherwise fairly conducted. At such election the ballots shall contain the words "Bonds Yes" and "Bonds No," or words equivalent thereto. If a majority of the votes cast are cast "Bonds Yes," the board of directors shall thereupon have authority to cause bonds in such amount and maturities to be issued. If the majority of the votes cast at any bond election are "Bonds No," the result of such election shall be so declared and entered of record; but if contract is made or is to be made with the United States as in RCW 87.03.140 provided, and bonds are not to be deposited with the United States in connection with such contract, the question submitted at such special election shall be whether contract shall be entered into with the United States. The notice of election shall state under the terms of what act or acts of congress contract is proposed to be made, and the maximum amount of money payable to the United States for construction purposes exclusive of penalties and interest. The ballots for such election shall contain the words "Contract with the United States Yes" and "Contract with the United States No," or words equivalent thereto. And whenever thereafter the board, in its judgment, deems it for the best interest of the district that the question of issuance of bonds for such amount, or any amount, or the question of entering into a contract with the United States, shall be submitted to the electors, it shall so declare, by resolution recorded in its minutes, and may thereupon submit such question to the electors in the same manner and with like effect as at such previous election.

(2) All bonds issued under *this act shall bear interest at such rate or rates as the board of directors may determine, payable semiannually on the first day of January and of July of each year. The

principal and interest shall be payable at the office of the county treasurer of the county in which the office of the board of directors is situated, or if the board of directors shall so determine at the fiscal agency of the state of Washington in New York City, the place of payment to be designated in the bond. The bonds may be in such denominations as the board of directors may in its discretion determine, except that bonds other than bond number one of any issue shall be in a denomination that is a multiple of one hundred dollars. Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030. The bonds shall be negotiable in form, signed by the president and secretary, and the seal of the district shall be affixed thereto. The printed, engraved, or lithographed facsimile signatures of the president and secretary of the district's board of directors shall be sufficient signatures on the bonds or any coupons: PROVIDED, That such facsimile signatures on the bonds may be used only after the filing, by the officer whose facsimile signature is to be used, with the secretary of state of his or her manual signature certified by him or her under oath, whereupon that officer's facsimile signature has the same legal effect as his or her manual signature: PROVIDED, FURTHER, That either the president of the board of directors' or the secretary's signature on the bonds shall be manually subscribed: AND PROVIDED FURTHER, That whenever such facsimile reproduction of the signature of any officer is used in place of the manual signature of such officer, the district's board of directors shall specify in a written order or requisition to the printer, engraver, or lithographer the number of bonds or any coupons upon which such facsimile signature is to be printed, engraved, or lithographed and the manner of numbering the bonds or any coupons upon which such signature shall be placed. Within ninety days after the completion of the printing, engraving, or lithographing of such bonds or any coupons, the plate or plates used for the purpose of affixing the facsimile signature shall be destroyed, and it shall be the duty of the district's board of directors, within ninety days after receipt of the completed bonds or any coupons, to ascertain that such plate or plates have been destroyed. Every printer, engraver, or lithographer who, with the intent to defraud, prints, engraves, or lithographs a facsimile signature upon any bond or any coupon without written order of the district's board of directors, or fails to destroy such plate or plates containing the facsimile signature upon direction of such issuing authority, is guilty of a class B felony punishable according to chapter 9A.20 RCW.

(3) Whenever the electors shall vote to authorize the issuance of bonds of the district such authorization shall nullify and cancel all unsold bonds previously authorized, and if the question is submitted to and carried by the electors at the bond election, any bond issue may be exchanged in whole or in part, at par, for any or all of a valid outstanding bond issue of the district when mutually agreeable to the owner or owners thereof and the district, and the amount of the last bond issue in excess, if any, of that required for exchange purposes, may be sold as in the case of an original issue. The bonds of any issue authorized to be exchanged in whole or in part for outstanding bonds shall state on their face the amount of such issue so exchanged, and shall contain a certificate of the treasurer of the district as to the amount of the bonds exchanged, and that the outstanding bonds have been surrendered and canceled: PROVIDED FURTHER, That where bonds have been authorized and unsold, the board of directors may submit to the qualified voters of the district the

question of canceling the previous authorization, which question shall be submitted upon the same notice and under the same regulations as govern the submission of the original question of authorizing a bond issue. At such election the ballots shall contain the words "Cancellation Yes," and "Cancellation No," or words equivalent thereto. If at such election a majority of the votes are "Cancellation Yes," the issue shall be thereby canceled and no bonds may be issued thereunder. If the majority of ballots are "Cancellation No," the original authorization shall continue in force with like effect as though the cancellation election had not been held: PROVIDED, That bonds deposited with the United States in payment or in pledge may call for the payment of such interest at such rate or rates, may be of such denominations, and call for the repayment of the principal at such times as may be agreed upon between the board and the secretary of the interior.

(4) Each issue shall be numbered consecutively as issued, and the bonds of each issue shall be numbered consecutively and bear date at the time of their issue. The bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030. The bonds shall express upon their face that they were issued by authority of **this act, stating its title and date of approval, and shall also state the number of issue of which such bonds are a part. In case the money received by the sale of all bonds issued be insufficient for the completion of plans of the canals and works adopted, and additional bonds be not voted, or a contract calling for additional payment to the United States be not authorized and made, as the case may be, it shall be the duty of the board of directors to provide for the completion of the plans by levy of assessments therefor. It shall be lawful for any irrigation districts which have heretofore issued and sold bonds under the law then in force, to issue in place thereof an amount of bonds not in excess of such previous issue, and to sell the same, or any part thereof, as hereinafter provided, or exchange the same, or any part thereof, with the owners of such previously issued bonds which may be outstanding, upon such terms as may be agreed upon between the board of directors of the district and the holders of such outstanding bonds: PROVIDED, That the question of such reissue of bonds shall have been previously voted upon favorably by the legally qualified electors of such district, in the same manner as required for the issue of original bonds, and the board shall not exchange any such bonds for a less amount in par value of the bonds received; all of such old issue in place of which new bonds are issued shall be destroyed whenever lawfully in possession of the board. Bonds issued under the provisions of this section may, when so authorized by the electors, include a sum sufficient to pay the interest thereon for a period not exceeding the first four years. Whenever an issue of bonds shall have been authorized pursuant to law, and any of the earlier series shall have been sold, and the later series, or a portion thereof, remain unsold, the directors may sell such later series pursuant to law, or such portion thereof as shall be necessary to pay the earlier series, or the directors may exchange the later series for the earlier series at not less than the par value thereof, the sale or exchange to be made not more than six months before the maturity of the earlier series and upon the exchange being made the maturing bonds shall be disposed of as hereinbefore provided in the case of bonds authorized to be exchanged in whole or in part for outstanding bonds.

(5) Notwithstanding subsections (1) through (4) of this section, such bonds may be issued and sold in accordance with chapter 39.46

RCW. [2003 c 53 § 411; 1983 c 167 § 213; 1977 ex.s. c 119 § 1; 1970 ex.s. c 56 § 95; 1969 ex.s. c 232 § 46; 1963 c 68 § 2; 1923 c 138 § 9; 1921 c 129 § 8; 1917 c 162 § 3A; 1915 c 179 § 7; 1895 c 165 § 5; 1889-90 p 679 § 15; RRS § 7432. Formerly RCW 87.16.020 through 87.16.070.]

Reviser's note: *(1) "This act" appears to refer to 1921 c 129.
**(2) "This act" appears to refer to 1889-90 p. 679.

Intent—Effective date—2003 c 53: See notes following RCW 2.48.180.

Liberal construction—Severability—1983 c 167: See RCW 39.46.010 and note following.

Purpose—1970 ex.s. c 56: See note following RCW 39.52.020.

Validation—Saving—Severability—1969 ex.s. c 232: See notes following RCW 39.52.020.