

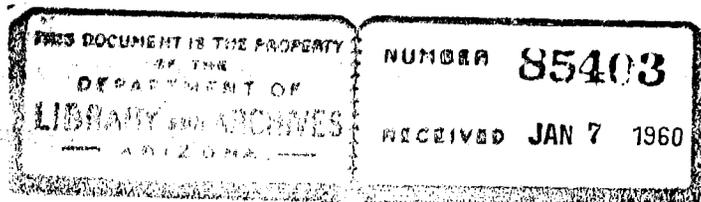
ACTS, RESOLUTIONS AND MEMORIALS

of the

Eleventh Legislature
Third Special Session

of the
State of Arizona

November 26 - December 14
1934



State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

CHAPTER 1.

(HOUSE BILL NO. 3)

AN ACT

Making an appropriation for the current and contingent expenses of carrying on, conducting and defraying the expenses of the third special session of the eleventh legislature of the state of Arizona; and declaring an emergency.

Be it enacted by the legislature of the State of Arizona:

Section 1. That the sum of twenty one thousand, three hundred eighty dollars (\$21,380.00), or so much thereof as may be necessary, is hereby appropriated out of the general fund now in the hands of the State treasurer of the State of Arizona, for the several objects and purposes hereinafter named:

(1) The sum of six thousand, six hundred forty dollars (\$6,640.00), or so much thereof as may be necessary, is hereby appropriated for the payment of the salaries of the members of the eleventh legislature of the State of Arizona.

(2) The sum of four thousand, four hundred forty dollars (\$4,440.00), or so much thereof as may be necessary, is hereby appropriated for the payment of employees of said legislature; one thousand, one hundred seventy dollars (\$1,170.00), or so much thereof as may be necessary, for the payment of the employees of the Senate, and three thousand, two hundred seventy dollars (\$3,270.00), or so much thereof as may be necessary, for the payment of the employees of the House.

(3) The sum of two thousand, three hundred dollars (\$2,300.00), or so much thereof as may be necessary, is hereby appropriated for the payment of mileage of the members of said legislature.

(4) The sum of eight thousand dollars (\$8,000.00), or so much thereof as may be necessary, is hereby appropriated for the payment of the contingent expenses of said legislature; three thousand, two hundred (\$3,200.00) dollars, or so much thereof as may be necessary, for the payment of the contingent expenses of the Senate; four thousand, eight hundred dollars (\$4,800.00), or so much thereof as may be necessary, for the payment of the contingent expenses of the House.

Sec. 2. All claims for salaries of and mileage for members of the respective houses of said legislature shall be honored by the state auditor upon the presentation of a certificate signed by the presiding officers of the respective houses of said legislature, whereupon said state auditor shall issue his warrant upon the state treasurer for the payment of the same, and said treasurer, upon presentation, shall pay the same out of the appropriation herein provided for and from the general fund of the State of Arizona.

Sec. 3. That all salaries for clerks and employees of said respective houses of said legislature shall be paid in like manner as provided in Sec. 2 of this act.

Sec. 4. The salaries of said members of said legislature and the salaries of the said employees thereof, shall be payable on Monday of each and every week during the session of said legislature. The incidental expenses of said legislature shall be payable whenever the proper voucher shall be presented.

Sec. 5. Whereas, an urgent necessity exists for the appropriation of funds to pay the salaries and mileage of the members of the legislature, and to provide funds for the contingent expenses of said legislature, the provisions of this act are necessary for the expenses and maintenance of said legislature, to keep it intact and preserve the public peace, health and safety, an emergency is hereby declared to exist, and this act shall be in full force and effect from and after its passage and approval by the governor, and is hereby exempt from the provisions of referendum provided for in the Constitution of the State of Arizona.

State of Arizona
House of Representatives
Eleventh Legislature
Third Special Session

CHAPTER NO. 2

AN ACT

Making an appropriation for the current and contingent expenses of carrying on, conducting and defraying the expenses of the Third Special Session of the Eleventh Legislature of the State of Arizona; and declaring an emergency.

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

Section 1. That the sum of seven thousand seven hundred and fifty dollars (\$7,750.00) or so much thereof as may be necessary, is hereby appropriated out of the general fund now in the hands of the State Treasurer of the State of Arizona, for the several objects and purposes hereinafter named:

(1) The sum of six thousand six hundred forty dollars (\$6,640.00), or so much thereof as may be necessary, is hereby appropriated for the payment of the salaries of the members of the Third Special Session of the Eleventh Legislature of the State of Arizona.

(2) The sum of one thousand one hundred ten dollars (\$1,110.00), or so much thereof as may be necessary, is hereby appropriated for the payment of employees of said legislature; two hundred ninety two dollars and fifty cents (\$292.50), or so much thereof as may be necessary, for the payment of the employees of the Senate; and eight hundred seventeen dollars and fifty cents (\$817.50), or so much thereof as may be necessary, for the payment of the employees of the House.

Sec. 2. All claims for salaries of members of the respective houses of said legislature shall be honored by the state auditor upon the presentation of a certificate signed by the presiding officers of the respective houses of said legislature, whereupon said state auditor shall issue his warrant upon the state treasurer for the payment of the same, and said treasurer, upon presentation, shall pay the same out of the appropriation herein provided for and from the general fund of the State of Arizona.

Sec. 3. That all salaries for clerks and employees of said respective houses of said legislature shall be paid in like manner as provided in Sec. 2 of this act.

Sec. 4. The salaries of said members of said legislature and the salaries of said employees thereof, shall be payable on Monday of each and every week during the session of said legislature. The incidental expenses of said legislature shall be payable whenever the proper voucher shall be presented.

Sec. 5. Whereas, an urgent necessity exists for the appropriation of funds to pay the salaries of the members of the legislature, and to provide funds for the contingent expenses of said legislature, the provisions of this act are necessary for the expenses and maintenance of said legislature, to keep it intact and preserve the public peace, health and safety, an emergency is hereby declared to exist, and this act shall be in full force and effect from and after its passage and approval by the governor, and is hereby exempt from the provisions of referendum provided for in the Constitution of the State of Arizona.

Approved December 6, 1934

CHAPTER NO. 3

(SENATE BILL NO. 4)

AN ACT

To amend Section 6 of Chapter 98 of the Session Laws of the Regular Session of the Tenth Legislature, relating to refunding bonds; and declaring an emergency.

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

Section 1. That Section 6 of Chapter 98 of the Session Laws of the Regular Session of the Tenth Legislature, approved March 18, 1931, be, and the same is, hereby amended by inserting at the end thereof a new section to be numbered 3354b and to read as follows:

3354b. In addition to the issuance of refunding bonds for the refunding of any bonded indebtedness of irrigation districts, the board of directors of such districts may also issue refunding bonds for the purpose of refunding district warrants, judgments, liens and/or any other existing lawful indebtedness of the district. Bonds issued under the provisions of this section may be made a part of the refunding bond issue under the provisions of the preceding section 3354a and/or may be a separate issue as the district board of directors may determine. All such bonds shall be of equal priority and enforceability. The issuance of bonds under this section shall be governed by the provisions of the preceding section 3354a so far as applicable and not in conflict herewith, or the purposes of this section. The provisions of Section 3349, Chapter 81, R. C. A. 1928, relating to adoption of plans, surveys and maps, and/or submission and/or approval and/or hearing by the State Certification Board concerning the issuance of construction and/or original bonds, shall not apply to any bonds issued under this and/or the preceding Section 3354a. This act shall be liberally construed, and such compliance with its provisions as does not adversely affect substantial rights of the owners of land within such district, shall be deemed sufficient; any error, omission or irregularity not adversely affecting such substantial rights, shall be disregarded; and the district board of directors shall have full power and authority in all matters relating to the issuance of bonds under this and said preceding section, to make all necessary provisions, rules and regulations and to take any and all steps that may be necessary to effectuate the purpose of this and said preceding section, and to do any and all things necessary and proper for the issuance, effectuation, validity, sale, delivery and payment of said bonds and the principal and interest thereof.

Section 2. If any section, sub-section, sentence, clause, or phrase of this act is for any reason held to be unconstitutional or unenforceable, such decision shall not affect the validity of the remaining portions of this act. The legislature hereby declares that it would have passed this act and each section, sub-section, sentence, clause and phrase hereof, irrespective of the fact that any one or more of the sections, sub-sections, sentences, clauses or phrases be declared unconstitutional or unenforceable.

Section 3. Whereas, the preservation of the public peace, health and safety makes it necessary that the provisions of this act shall become operative immediately, an emergency is hereby declared to exist, and this act is therefore hereby exempted from the operation of the referendum provisions of the state constitution and shall take effect and be in full force and effect from and after its passage and its approval by the Governor.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

CHAPTER 4.
(HOUSE BILL NO. 10)

AN ACT

To provide an appropriation for the purchase of copies of the Revised Code of 1928, and declaring an emergency.

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

Section 1. The sum of seven hundred and fifty dollars (\$750.00), or so much thereof as may be necessary, is hereby appropriated for the legislative contingent fund, to purchase copies of the Revised Code of 1928. Claims submitted under the authority of this Act shall be honored by the state auditor upon the presentation of a certificate signed by the speaker of the House of Representatives or the president of the Senate, whereupon said state auditor shall issue his warrant upon the state treasurer for the payment of the same, and said treasurer, upon presentation, shall pay the same out of the appropriation herein provided for and from the general fund of the state of Arizona.

Section 2. To preserve the public peace, health, and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

APPROVED DECEMBER 11, 1934

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

CHAPTER 5.
(HOUSE BILL NO. 11)

AN ACT

RELATING TO THE DUTIES OF THE SECRETARY OF STATE; MAKING AN APPROPRIATION FOR THE SECRETARY OF STATE FOR THE PURPOSE OF PRINTING AND PUBLISHING THE LAWS OF THE STATE OF ARIZONA, ENACTED BY THE ELEVENTH LEGISLATURE OF ITS FIRST, SECOND AND THIRD SPECIAL SESSIONS, AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ARIZONA:

Section 1. The Secretary of State is hereby directed and ordered to cause to be printed and published the laws of the State of Arizona enacted by the Eleventh Legislature in its First, Second and Third Special Sessions. The Secretary of State is further ordered and directed to cause said laws to be incorporated in the same book or volume to be printed and published by the Secretary of State containing the laws of the Regular Session of the Eleventh Legislature in the manner heretofore provided by law.

Sec. 2. For the purpose of enabling the Secretary of State to carry out the provisions of this act, there is hereby appropriated out of any money in the General Fund not otherwise appropriated the sum of five hundred dollars.

Sec. 3. The State Auditor is hereby authorized to draw her warrants for claims duly certified by the Secretary of State in the sum of five hundred dollars, and the State Treasurer is authorized to pay the same.

Sec. 4. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure and shall take effect upon its passage in the manner provided by law.

PASSED THE SENATE DECEMBER 11, 1934

PASSED THE HOUSE DECEMBER 10, 1934

APPROVED BY THE GOVERNOR DECEMBER 11, 1934

State of Arizona
 Eleventh Legislature
 Senate
 Third Special Session

CHAPTER 6

(SENATE BILL NO. 1.)

AN ACT

Authorizing irrigation districts, drainage districts, flood control districts; agricultural improvement districts, electrical districts, power districts and other districts as defined herein, to enter into contracts or agreements with the federal government or any officer, agency, corporation or instrumentality thereof; providing for the validation of such contracts heretofore entered into by any such districts and of all proceedings taken in connection therewith; providing for the approval of such contracts or agreements and the issuance of any bonds thereunder by the vote of real property taxpayers, and the validation thereof by actions in rem; further providing for the approval of the attorney general of such contracts and of bonds issued thereunder; and declaring an emergency.

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

Section 1. Definitions. That the following terms wherever used or referred to in this Act, shall have the following meaning, unless a different meaning clearly appears from the context:

(a) The term "district" shall include any irrigation district, drainage district, flood control district, agricultural improvement district, electrical district, power district, and in addition thereto any district, political subdivision, governmental agency, corporation or instrumentality of the State of Arizona, having territorial boundaries and heretofore or hereafter created or organized for the purpose of benefiting or performing services for lands in the State of Arizona;

(b) The term "governing body" of a district shall include the body, board, commission, officer or officers, or other authority, having charge of the finances of such district;

(c) The term "Federal Government" shall include the United States of America, the President of the United States of America, the Federal Emergency Administrator of Public Works, Reconstruction Finance Corporation, or any agency, instrumentality or corporation of the United States of America, which has heretofore been or may hereafter be designated, created, or authorized by or pursuant to any act or acts of the Congress of the United States of America, or which may be owned or controlled, directly or indirectly, by the United States of America;

(d) The term "contract" or "agreement" between the Federal Government and a district shall include contracts and agreements in the customary form and shall also be deemed to include a resolution, unilateral promise or other commitment by the Federal Government by which it shall undertake to make a loan, grant or purchase of the kind hereinafter described upon performance of specified conditions. In the case of such a resolution, unilateral promise or other commitment by the Federal Government, the terms, conditions and restrictions therein set forth shall, for the purposes of this Act, be deemed to constitute covenants of such a contract that are to be performed by the district, if the district accepts any money from the Federal Government.

(e) The term "bonds" shall include bonds, notes, temporary notes, temporary bonds, interim receipts, interim certificates, certificates of indebtedness, refunding notes, refunding bonds or other evidences of indebtedness or obligations of the district whether heretofore or hereafter issued.

Sec. 2. Powers to contract with Federal Government. That if any such districts shall desire to secure loans, grants or advances of money from the Federal Government for the purpose of acquiring or constructing works or properties or of making or procuring extensions, improvements, reconstruction or repairs of or to any of their works or properties or for refunding, refinancing, paying or reducing all or any part of their existing indebtedness, or for any one or more of such purposes, such districts may enter into contracts or agreements whereby the Federal Government will agree to make such loans, grants or advances to or for the benefit of the district and/or to purchase bonds to be issued by the district pursuant to the provisions of such contract or agreement and/or to purchase bonds theretofore issued by such district either from the holders thereof or from bondholders' committees or other agents or representatives of such holders, and such contracts or agreements may contain such terms, conditions, covenants and restrictions for the security of the Federal Government or any subsequent holder of such bonds or for any other purpose as may be agreed upon between the respective districts and the Federal Government.

Sec. 3. Contracts with Federal Government; Powers of district in connection therewith. That any district which is a party to such a contract or agreement shall have full power and authority to enter into and to comply with the terms and provisions thereof and the duty to do and perform all things on its part to be done or performed thereunder, including, but without limitation, the power to limit the amount of additional indebtedness which the district may incur and the power and the duty to levy and collect such taxes, assessments or other charges as may be necessary both to pay interest and principal on all indebtedness to be incurred by the district pursuant to such contract and to maintain such reserves either for the future needs of the district or for further assurance of the payment of principal and interest on such indebtedness as may be required by the terms of said contract or agreement; provided, however, that in case the proceeds of all or any part of any bonds that are to be issued pursuant to such contract are to be used for the purpose of refunding, refinancing or paying any bonds previously issued by such district, and, if any owner or owners of lands within its boundaries can show that his or their lands were only subject to payment of a special limited part of the principal and interest falling due on such pre-existing bonds, then and in that case the maximum amount of taxes or assessments leviable against such lands on account of the principal of the portion of such new bonds that are to be issued for such refunding, refinancing or payment of such pre-existing bonds shall not be larger in aggregate amount than the principal amount of the pre-existing bonds chargeable against such lands, but this provision shall not be deemed to limit the obligation of such lands or the owners thereof to pay additional taxes and assessments for the payment of interest on a like principal amount of the new bonds. In the event that prior to the issuance of any bonds, or the advance of any moneys by the Federal Government, pursuant to the provisions of such a contract, the governing body of the district shall adopt a resolution stating that it is in the best interests of the district that the amount of the taxes and assessments that may be assessed, levied or collected by it shall be limited in such manner and for such term or period as may be specified in said resolution, then and in that case, after the issuance of any bonds, or the advance of any moneys by the Federal Government, pursuant to the provisions of such a contract, whichever may first occur, the power of the district to assess, levy or collect taxes and assessments shall be so limited during the term therein specified, and, immediately upon the issuance of any such bonds or the advance of any such moneys, the power of any such district to assess, levy or collect taxes and assessments is and shall be reduced to the extent specified in such resolution and for the period therein described.

Sec. 4. Contracts with Federal Government; Maintenance and operation of works. That notwithstanding any general, special or local law, any such contract or agreement may provide for the maintenance and operation of the works, properties or undertakings of the district and for the distribution of irrigation water, electrical power or other services or facilities thereof, during the term provided by such contract or agreement, by the Federal Government or by the holders of a percentage in amount of the then outstanding bonds of the district as may be provided in any such contract or agreement or by any public or private agency designated in such contract or agreement. Any such private agency may be a corporation directly or indirectly owned or controlled by such district.

Sec. 5. Contracts with Federal Government; Additional powers of district. That by any such contract or agreement, the district may agree that the Federal Government, or any such public or private agency, or corporation, may assume or may liquidate, compromise, pay or discharge, all or any part of the indebtedness of the district; may agree that the stock or other evidence of the ownership or interest of the district in any such private corporation or agency, as well as any other properties of the district, may be placed or held in trust irrevocably during the term of such contract or agreement or for such other period as may be prescribed in such contract; and may contain any other term or condition, and any such district is authorized to do any and all acts and things, considered necessary or advisable by the Federal Government and the district in connection with or additionally to secure any such loans or grants of money or issuance or sale of bonds provided for in any such contract or agreement.

Sec. 6. Issuance, Sale and Terms of bonds. That notwithstanding the provisions of any general, special or local law, the district is authorized to issue, sell, and/or exchange bonds of such kind, in such amount and with such security or agreements as may be provided for by such contract or agreement and to issue and sell the same either at one time or from time to time to such persons or in such manner as may be provided in such contract or agreement. Such bonds may be in such form, bear such date or dates, be in such denomination or denominations, may mature in such amount or amounts, and at such time or times not exceeding fifty (50) years from their date, may be executed in such manner, may be payable in such medium of payment and at such place or places, and may bear such privileges as to registration, conversion, reconversion, redemption, or exchange, as may be provided in any such contract or agreement. In the absence of specific provisions in such contract or agreement as to any of the above matters, they shall be done or performed in such manner as may be acceptable to the Federal Government and specified in a resolution or resolutions of, or approved by, the governing body of such district. Notwithstanding that any of the officers of the district who sign any such bonds shall cease to be officers of the district before the delivery thereof, such bonds shall nevertheless be valid and binding obligations of the district for all purposes when duly delivered and paid for the same as if such persons who signed the same had continued to be officers of the district until after such delivery and payment. Such bonds may bear interest at a rate or rates of not to exceed six per centum (6%) per annum and may be sold either at public or private sale for an amount equal to not less than one hundred per centum (100%) of the principal amount thereof, upon such terms and conditions as the governing body of such district shall determine, or may be exchanged for a like or greater principal amount of outstanding bonds of such district. If the purchaser shall pay interest accrued on the bonds at the date of purchase, interest shall be payable on the bonds from the date when such accruals commenced. Notwithstanding their form or tenor, such bonds and any other bonds that may be purchased by the Federal Government pursuant to the terms of any such contract or agreement shall at all times be negotiable instruments, unless they shall contain on their face an express statement that they are non-negotiable.

Sec. 7. Approval by State Certification Board. That notwithstanding the provisions of any general, special or local law, before any such contract or agreement shall become effective and binding upon the district the same shall be approved by resolution of the State Certification Board.

Sec. 8. Approval of contract by real property taxpayers. That notwithstanding the provisions of any general, special or local law, before any such contract or agreement shall become effective and binding upon the district, such contract or agreement shall be submitted to and approved by the vote of a majority of the real property taxpayers voting on the question of approving or disapproving such contract or agreement. Such taxpayers shall also in all respects be qualified electors of this state, and of the district affected by such question. Such question may be submitted at a general, special, or primary election. Notice of the time and place of a general or primary election shall be given in the manner provided by law therefor. In the event of a special election, notice of the time and place thereof shall be given by posting notices in three public places in the district for at least ten days prior to the election, and if a newspaper is published in the county where the office of the governing body of the district is kept, by one publication of such notice at least ten days prior to such election. At any general,

primary or special election at which such proposition is to be submitted, the election notice shall recite that the district proposes to enter into a contract or agreement with the Federal Government for a loan or grant of money to or for the benefit of the district or for the purchase or exchange by the Federal Government of bonds issued or to be issued by the district. Such notice shall also recite the maximum amount of money that may be advanced by the Federal Government pursuant to such contract or agreement and the maximum amount, interest rate and maturities of any new bonds that may be issued by the district pursuant thereto. Such notice shall also state that a copy of the proposed contract or agreement is available for inspection by any elector of the district at the office of its governing body. At any such election the ballot shall contain the words - "Shall the proposed contract between the district and _____ and the issuance of any bonds thereunder be approved?" "Yes", "No", or other words equivalent thereto. If no bonds are to be issued pursuant to said contract, the words "and the issuance of any bonds thereunder" may be omitted from said question. Any such special election shall be conducted and canvassed in all respects as nearly as practicable in conformity with the provisions of law covering the election of the governing body of the district. It is expressly provided that no informalities in conducting such election shall invalidate the same, if the election shall have been otherwise fairly conducted. Any such contract or agreement on which there has been an adverse vote may be resubmitted to the electors in the same or any modified form at a subsequent election called as herein provided. In the event of the approval of the proposition voted upon as herein required, no further or additional approval by the voters at an election or otherwise shall be required for the acquisition, construction, reconstruction, extension, improvement, betterment, or repair of works, properties or undertakings of or for the district in so far as the same shall be financed pursuant to such contract or agreement or for any refunding, refinancing, retiring or reducing all or any part of the indebtedness of the district or for the issuance of bonds by the district as provided for in such contract or agreement or for the levy of any taxes, assessments or other charges for the payment of any sums payable by such district pursuant to the provisions of such contract or agreement or of principal and interest on any such bonds when and as the same fall due.

Sec. 9. Use of proceeds of loan and grant; money limited to purpose authorized by contract. That notwithstanding the provisions of any general, special or local law, the proceeds of any such loan, grant or purchase of bonds shall be used only for such purposes as may be authorized by such contract or agreement or approved by the Federal Government. If so authorized or approved the following items of cost shall be payable from any funds made available to any district through any loan or grant, or from any sale or exchange of bonds authorized by any contract or agreement made pursuant to this Act:

(a) Engineering, inspection, accounting and legal costs and expenses, in connection with the preparation or performance of any contract or agreement authorized by this Act;

(b) The cost of issuance of any bonds authorized by this Act, including printing, engraving, advertising, accounting, legal and other similar expenses in connection therewith; and

(c) Insurance premiums, compensation insurance, contractors' bonds, and all other proper items of expense incurred during the period while any works provided for by such contract or agreement may be under construction, and interest on money borrowed during the aforesaid period and an additional period of not exceeding six months after such completion.

Sec. 10. Proceedings to test validity of contract and bonds issued thereunder. That after the execution of any contract or agreement contemplated by this Act, the governing body of any district may file a petition in the Superior Court of the County wherein is located the principal office of the district, to determine the validity of any bonds authorized by said contract or agreement; of all proceedings taken or had thereunder in connection with the issuance thereof of the levy of any taxes or assessments either for payment of principal and interest on such bonds or for any other purpose provided for or necessitated by such contract or agreement; of any provisions of such contract limiting or reducing indebtedness, taxes or other charges; and of any and all other covenants of the district whatsoever contained in such contract or agreement.

Such action shall be in the nature of a proceeding in rem and jurisdiction of all parties interested shall be had by notice given as hereinafter provided. The petition in such action shall set forth:

(1) The fact showing that the district is such a one as specified in this Act;

(2) The contract or agreement with the Federal Government;

(3) That such contract has been approved by resolution of the State Certification Board and by a vote of the majority of the qualified voters of the district in the manner provided in this Act;

(4) All resolutions adopted by the governing body and copies of any bonds proposed to be issued by the district pursuant to such contract together with a full statement of all proceedings taken by the district in connection with the authentication and issuance thereof;

(5) All proceedings of the district with reference to the levy of taxes and assessments pursuant to such contract;

(6) All other resolutions adopted by the governing body of the district in connection with such contract or agreement; and

Said petition shall pray that such contract or agreement and that all such proceedings shall be examined by the Court and that if the same are found to be in substantial compliance with the provisions of this Act the same shall be ratified, confirmed and validated.

Upon the filing of said petition in the Superior Court, the Court or Judge thereof shall fix a time for the hearing on said petition (which shall be not less than fifteen (15) days from the date of filing the petition in said Court) and shall order the Clerk of the Court to issue summons in said matter directed to all persons who may have or claim any interest in any land situated in the district or in any matters referred to in said petition and to give notice of the filing of said petition and the date of the hearing thereon by publishing such summons at least once a week, for two calendar weeks, in a newspaper published, or of general circulation, in the county where the office of the district is situated and also by posting a written or printed copy of such notice in at least three public places in the district, the first of such publications and such postings to be not less than ten (10) days prior to the date fixed for such hearing.

Said summons shall state the maximum amount that may be advanced by the Federal Government pursuant to such contract and shall describe in general terms the maximum amount, interest rate and maturities of any new bonds to be issued by such district pursuant thereto, and any other information that the court may deem advisable to have inserted therein. It shall also state the time and place fixed for the hearing on said petition and that any person interested in or whose rights may be affected by the execution of such contract or by issuance or sale of any such bonds or by the levy of taxes or assessments or by the limitation of said taxes or assessments or by the proceedings had or to be had by the governing body with respect to said matters, or by the entering into or the performance of said contract or agreement, may, on or before the date fixed for the hearing of said petition, demur to or answer said petition and may appear in said hearing and contest the granting of said petition and the entry of any order of confirmation pursuant thereto.

Any owner of land in the district or any other person interested in or whose rights may be affected by the entering into or the performance of said contract or agreement, or by the issuance or sale or exchange of any such bonds, or by the levy of any taxes or assessments or by the limitation of indebtedness, taxes or assessments, or by the entry of any order of confirmation pursuant hereto, may enter his appearance in said proceeding and demur to or answer said petition and contest the granting of the prayer of said petition.

The provisions of the Revised Code of Arizona, of 1928, as amended, from time to time, respecting the demurrer or answer to a complaint, shall be applicable to a demurrer or answer to said petition. The governing body of the district shall be deemed the plaintiff in the proceedings and the person or persons so demurring to or answering said petition shall be deemed the active defendants in the proceeding. Every material statement of the petition not specifically controverted by the answer shall be taken as true and every holder of title or evidence of title to lands included in the district and every other party in interest failing to answer or demur to the petition, shall be deemed to admit as true all the material statements thereof. The procedure in such action shall so far as practicable follow the provisions of said Revised Code of 1928 of the State of Arizona as the same may be amended from time to time.

At the hearing on such petition, the Superior Court shall examine the contract or agreement referred to therein and the proceedings of the district or other body in connection with its entering into the same, together with any proceedings taken by it in connection with the issuance of any bonds and the levy of any taxes or assessments and other matters pursuant thereto, and shall hear all testimony that may be offered by the petitioner or any active defendants with reference to said instruments and proceedings and any argument that may be offered with reference to the validity thereof. After such examination and the hearing of all relevant testimony and argument that may be offered thereat, such court shall find and determine whether such contract or agreement has been validly entered into by such district or other body in compliance with all applicable laws of the State of Arizona, whether the district or other body has lawful right and authority to enter into and to do and perform all the covenants and agreements on its part to be performed under such contract or agreement, whether the proceedings of such district or other body in connection with the execution of said contract and in connection with the authentication and issuance of any bonds or other evidences of indebtedness and the levy of any taxes or assessments and any other action taken by it toward performance of such contract or agreement have been duly and properly taken in conformity with the provisions of such contract and of this Act and any other laws of the State of Arizona, if any, applicable thereto, and whether the proceedings in connection with the filing of the petition in such cause and the giving of notice of the hearing thereon comply with the provisions of this Act, and the court shall cause such findings and determinations to be duly entered in the record of such hearing. This Act shall be liberally construed and such compliance with its provisions as does not adversely affect substantial rights of the owners of lands within such district shall be deemed sufficient. In the hearing of such cause and in preparing its findings and determinations thereon, the court shall disregard any error, omission or other irregularity which in the opinion of the presiding judge does not thus adversely affect such substantial rights of such landowners. The Court may ratify, approve and confirm said proceedings, in whole, or in part, and may ratify, approve and confirm said contract or agreement, said bonds and said taxes and enter into its judgment or decree accordingly.

From any such judgment or decree, an appeal may be taken to the Supreme Court at any time within ten (10) days from the entry of such judgment or decree. Such appeal shall be taken, perfected and heard, in the manner prescribed by the Revised Code of the State of Arizona of 1928, as the same may be amended from time to time, covering appeals from the Superior Court to the Supreme Court. If no such appeal be taken or if taken and the judgment or decree of the Superior Court be affirmed by the Supreme Court, such judgment or decree shall be forever conclusive upon all the world as to the validity of said contract or agreement and as to the validity of any such bonds and of said taxes and of the provisions for any such reserves and as to the validity of all of the terms and provisions of said contract or agreement, and the same shall never be called into question in any court and all questions that were or might have been raised at the hearing on such petition shall forever thereafter be treated as res judicata in all cases whatsoever involving the validity of any of said provisions included in such judgment or decree. The costs of said proceedings shall be allowed or apportioned between the parties in the discretion of the court.

Sec. 11. Attorney General to pass upon validity. That notwithstanding the provisions of any general, special or local law, any district may submit to the Attorney General of the State of Arizona, any such contract or agreement or any bonds to be issued under any such contract or agreement entered into pursuant to the provisions of this Act after such bonds shall have been prepared, signed and sealed. Upon any such submission to the Attorney General, it shall be the mandatory duty of the Attorney General to examine into and pass upon the validity of such contract or agreement or of any such bonds and the regularity of all proceedings in connection with the execution and issuance thereof. If such contract, agreement and bonds have been executed and issued in conformity with the Constitution and Laws of the State of Arizona and are binding, legal and valid obligations of such district and enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each of such bonds and on the back of any such contract or agreement or of a certified copy thereof so submitted to him, that it is issued or executed pursuant to the Constitution and the Laws of the State of Arizona. Such certificate shall be conclusive evidence of the authority of the district to enter into such contract or agreement and/or to issue such bonds and of the validity thereof.

Sec. 12. Proceeding under Act cumulative. That notwithstanding the provisions of any general, special or local law, any proceedings heretofore taken by any district relating to the subject matters of this Act, whether or not commenced under any other law, may be continued under this Act, or, at the option of the governing body, may be discontinued and new proceedings instituted under this Act. If any such district shall evidence its desire to continue any such prior proceedings under this Act by the adoption of a resolution to that effect by its governing body, then all acts of the district and of any other agency of the state in connection therewith, including, but without limitation, the submission to and approval by the State Certification Board of any such contract or agreement, the submission of any such contract or agreement to a vote of the electors of such district, taken or had in such proceedings prior to the date on which this Act shall become effective, shall, if such proceedings so taken were when taken substantially in conformity with the provisions of this Act, be validated and of the same force and effect as if this Act had been in effect at the time such proceedings were had. If any such district shall, prior to the date on which this Act shall become effective, have entered into any contract or agreement with the Federal Government such as is contemplated under the provisions of this Act, performance of which has not been completed by the Federal Government, or with any public or private agency pursuant to any such contract or agreement with the Federal Government, then such contract or agreement so entered into shall be deemed authorized, validated and confirmed by the provisions of this Act and shall be entitled to all the privileges and subject to all the terms and provisions of this Act.

Sec. 13. Declaration of purposes of Act. That it is the purpose of this Act to enable districts to secure the benefits of any Act or Acts of the Congress of the United States of America to encourage national recovery or to provide for the construction of useful public works, to encourage public works, to reduce unemployment or to improve the conditions of agriculture and thereby to assist in the national recovery and promote public welfare, and to those ends districts shall have power to perform all acts required by the Federal Government as a condition of any loan or grant of money or sale or purchase of any bonds and to do all things necessary or convenient to carry out said purpose in addition to the express powers conferred in this Act; that this Act is remedial in nature and the powers hereby granted shall be liberally construed.

Sec. 14. Supplemental nature of Act; Construction. That this Act is cumulative and the powers conferred hereby shall be in addition and supplemental to the powers conferred by any other general, special or local law, and is not intended to repeal any other Act, but in so far as the provisions of this Act are inconsistent or in conflict with the provisions of any other law, the provisions of this Act shall be controlling.

Sec. 15. Excision of unconstitutional or ineffective parts of Act. That it is hereby declared that the sections, clauses, sentences and parts of this Act are severable, are not matters of mutual essential inducement, and any of them may be excised by any court exercising final jurisdiction in a cause, if this Act would otherwise be unconstitutional or ineffective; it is the intention to confer upon every district the whole or any part of the powers in this Act provided for, and if any one or more sections, clauses, sentences and parts of this Act shall for any reason be questioned in any court, and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this Act in any one or more instances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.

Sec. 16. Short title of Act. That this Act may be cited as "The District Enabling Act of 1934".

Sec. 17. Declaration of Emergency and time of taking effect. That in order to promote the public welfare and relieve the hardships and suffering caused by unemployment and the burdens of agriculture, it is necessary to preserve the public peace, health and safety, and therefore an emergency is declared hereby, and this Act shall be exempted from the referendum provisions of the Constitution, and shall be in full force and effect immediately from and after its passage in the manner provided by law.

APPROVED DECEMBER 12, 1934.

CHAPTER 7

(SENATE BILL NO. 3)

AN ACT

TO CONSTITUTE AND CONFIRM CERTAIN EDUCATIONAL INSTITUTIONS OF THE STATE AS SEPARATE LEGAL ENTITIES; TO CONFER POWERS UPON SUCH EDUCATIONAL INSTITUTIONS, INCLUDING THE POWERS TO PURCHASE, CONSTRUCT, BETTER, AND EQUIP BUILDINGS AND TO MAKE OTHER IMPROVEMENTS TO THEIR PLANTS, AND FOR SUCH PURPOSES TO BORROW MONEY AND ACCEPT GRANTS FROM ANY FEDERAL AGENCY; TO ISSUE BONDS AND LIMIT THE AMOUNTS THEREOF AND TO PROVIDE FOR THE PAYMENT OF SUCH BONDS AND INTEREST THEREON AND TO SECURE SUCH PAYMENT; TO CONFER FURTHER POWERS FOR THE MAKING OF AGREEMENTS WITH THE HOLDERS OF SUCH BONDS; TO LIMIT THE TIME WITHIN WHICH BONDS MAY BE ISSUED; TO SUPERSEDE INCONSISTENT PROVISIONS OF ALL OTHER LAWS; AND TO DECLARE AN EMERGENCY.

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

Section 1. Definitions. The following terms, wherever used or referred to in this Act, shall have the following meaning unless a different meaning clearly appears from the context:

(a) The term "institution" shall mean any institution named in Section 2 of this act;

(b) The term "board" shall mean the board of education, board of regents or other governing body, by whatever name known, of an institution;

(c) The term "bonds" shall mean any bonds of an institution issued pursuant to this Act;

(d) The term "project" shall mean and include buildings, structures, improvements, and equipment of every kind, nature and description, which may be required by or convenient for the purpose of an institution, including, without limiting the generality of the foregoing, administration, dining, exhibition, lecture, recreational and teaching halls, or parts thereof, or additions thereto; heat, light, sewer and water works plants or systems, or parts thereof, or extensions thereto; commons, dining halls, dormitories, auditoriums, libraries, infirmaries, laundries, laboratories, metallurgical plants, museums, swimming pools, water-towers, fire prevention and fire fighting systems, gymnasias, stadia, dwellings, green houses, farm buildings, and stables, or parts thereof, or additions thereto; or any one, or more than one, or all of the foregoing, or any combination thereof;

(e) The term "To acquire" shall include to purchase, to erect, to build, to construct, to reconstruct, to repair, to replace, to extend, to better, to equip, to develop, to improve, and to embellish a project;

(f) The term "Recovery Act" shall mean the act of the Congress of the United States of America, approved June 16, 1933, entitled: "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works and for other purposes", and Acts amendatory thereof and Acts supplemental thereto, and revisions thereof, and any further Acts of the Congress of the United States to encourage public works or to reduce unemployment and providing for the making of loans or grants or both;

(g) The term "federal agency" shall mean the United States of America, the President of the United States of America, the Federal Emergency Administrator of Public Works, or such other agency or agencies as may be designated or created to make loans or grants or both pursuant to the Recovery Act.

Section 2. Creating certain Institutions, separate and independent legal entities. Each of the following institutions is hereby constituted and confirmed a body politic and corporate and a separate and independent legal entity and is hereby further constituted and confirmed as a governmental instrumentality for the dissemination of knowledge and learning: "Board of Regents of the University of Arizona", "Arizona State Teachers College at Flagstaff", "Arizona State Teachers College at Tempe", and "Arizona State School for the Deaf and Blind". A corporate purpose of every institution, in addition to any other purposes thereof, shall be to acquire any project. The powers of every institution delegated to it by this Act shall be vested in and exercised by a majority of all the members of its board, and a majority of all the members of such board shall be a quorum for the transaction of any business authorized by this Act, but a lesser number may adjourn and compel the attendance of absent members.

Section 3. Powers. Every institution shall have power in its proper name as aforesaid:

- (a) To have a corporate seal and alter the same at pleasure;
- (b) To sue and be sued;
- (c) To acquire by purchase, gift or the exercise of the right of eminent domain and hold and dispose of real or personal property or rights or interests therein and water rights;
- (d) To make contracts and to execute all instruments necessary or convenient;
- (e) To acquire any project or projects, and to own, operate and maintain such project;
- (f) To accept grants of money or materials or property of any kind from a federal agency, upon such terms and conditions as such federal agency may impose;
- (g) To borrow money and issue bonds and to provide for the payment of the same and for the rights of the holders thereof;
- (h) To perform all acts and do all things necessary or convenient to carry out the powers herein granted, to obtain loans or grants or both from any federal agency, and to accomplish the purposes of this Act and secure the benefits of the Recovery Act.

Section 4. Resolution for issuance of Bonds. Such institutions shall have power and are hereby authorized from time to time to issue negotiable bonds in the aggregate principal amount, respectively: board of regents of the University of Arizona, not exceeding \$1,020,000; Arizona State Teachers College at Tempe, not exceeding \$670,000; Arizona State Teachers College at Flagstaff, not exceeding \$450,000; Arizona State School for the Deaf and Blind, not exceeding \$120,000; The bonds shall be authorized by resolution of the board. The bonds may be issued in one or more series, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times, not exceeding thirty years from the respective dates thereof, may mature in such amount or amounts, may bear interest at such rate or rates, not exceeding five per centum per annum, payable semi-annually, may be in such form, either coupon or registered, may carry such registration privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, as such resolution or other resolutions may provide. The bonds may be sold only to a federal agency and at not less than par. The bonds shall be fully negotiable within the meaning and for all the purposes of Chapter 53 of the Revised Code of Arizona, 1928.

Section 5. Powers to Secure Bonds. Any institution in connection with the issuance of the bonds, or in order to secure the payment of such bonds and interest thereon, shall have power by resolution of its board:

- (a) To fix and maintain (1) fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to be served by any project, (2) matriculation, hospital, laboratory, athletic, admission and other fees from students,

faculty members and others matriculated, attending or employed at such institutions, and from the public in general, for the facilities afforded by such institutions (which shall be uniform to all those similarly situated), (3) fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, existing buildings, stadia, and other structures at any institution which issues bonds hereunder to acquire a project, which fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by such buildings, stadia and other structures shall be the same as those applicable to any project similar in nature and purpose to such existing buildings, stadia, and other structures; provided, however, that as between such project and the existing buildings at the institution there may be allowed reasonable differentials based on the condition, type, location and relative convenience of such project and such existing buildings, but such differentials shall be uniform as to all such students or faculty members and others similarly accommodated;

(b) To provide that bonds issued hereunder shall be secured by a first, exclusive and closed lien on the income and revenue derived from, and shall be payable from, (1) fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project, and any existing buildings, stadia, and other structures, and (2) matriculation, hospital, laboratory, athletic, admission and other fees from students, faculty members and others matriculated, attending or employed at such institution, and from the public in general, for the facilities afforded by such institution;

(c) To pledge and assign to, or in trust for the benefit of, the holder or holders of the bonds issued hereunder an amount of the income and revenue derived from (1) fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project, and any existing buildings, stadia, and other structures, and (2) matriculation, hospital, laboratory, athletic, admission and other fees from students, faculty members and others matriculated, attending or employed at such institution, and from the public in general, for the facilities afforded by such institution, which shall be sufficient to pay when due the bonds issued hereunder to acquire such project, and interest thereon, and to create and maintain reasonable reserves therefor;

(d) To covenant with or for the benefit of the holder or holders of bonds issued hereunder to acquire any project that so long as any such bonds shall remain outstanding and unpaid, such institution will fix, maintain and collect in such installments as may be agreed upon (1) an amount of the fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project, and any existing buildings, stadia, and other structures which, together with (2) an amount of the matriculation, hospital, laboratory, athletic, admission and other fees from students, faculty members and others matriculated, attending or employed at such institution, and from the public in general, for the facilities afforded by such institution, together with any appropriation for any such purposes, shall be sufficient to pay when due the bonds issued hereunder to acquire such project, and interest thereon, and to create and maintain reasonable reserves therefor, and to pay the costs of operation and maintenance of such project, including, but not limited to, reserves for extraordinary repairs, insurance and maintenance, which costs of operation and maintenance shall be determined by the board in its absolute discretion;

(e) To make and enforce and agree to make and enforce parietal rules that shall insure the use of any project by all students in attendance at such institutions to the maximum extent to which such project is capable of serving such students, or if such project is designed for occupancy as living quarters for the faculty members, by as many faculty members as may be served thereby;

(f) To covenant that so long as any of the bonds issued hereunder shall remain outstanding and unpaid, it will not, except upon such terms and conditions as may be determined, (1) voluntarily

create or cause to be created any debt, lien, plodge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the bonds issued hereunder upon any of the income and revenues derived from fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project and any existing buildings, stadia, and other structures, and from matriculation, hospital, laboratory, athlotic, admission and other fees from students, faculty members and others matriculated, attending or employed at such institution, and from the public in general, for the facilities afforded by such institution, or (2) convey or otherwise alienate the project to acquire which such bonds shall have been issued, or the real estate upon which such project shall be located, except at a price sufficient to pay all the bonds then outstanding issued hereunder to acquire such project and interest accrued thereon, and then only in accordance with any agreements with the holder or holders of such bonds, or (3) mortgage or otherwise voluntarily create or cause to be created any encumbrance on the project to acquire which such bonds shall have been issued or the real estate upon which it shall be located.

(g) To covenant as to the procedure by which the terms of any contract with a holder or holders of such bonds may be amended or abrogated, the amount or percentage of bonds the holder or holders of which must consent thereto, and the manner in which such consent may be given.

(h) To vest in a trustee or trustees the right to receive all or any part of the income and revenue pledged and assigned to, or for the benefit of, the holder or holders of bonds issued hereunder, and to hold, apply and dispose of the same and the right to enforce any covenant made to secure or pay or in relation to the bonds; to execute and deliver a trust agreement or trust agreements which may set forth the powers and duties and the remedies available to such trustee or trustees and limiting the liabilities thereof and describing what occurrences shall constitute events of default and prescribing the terms and conditions upon which such trustee or trustees or the holder or holders of bonds of any specified amount or percentage of such bonds may exercise such rights and enforce any and all such covenants and resort to such remedies as may be appropriate.

(i) To vest in a trustee or trustees or the holder or holders of any specified amount or percentage of bonds the right to apply to any court of competent jurisdiction for and have granted the appointment of a receiver or receivers of the income and revenue pledged and assigned to or for the benefit of the holder or holders of such bonds, which receiver or receivers may have and be granted such powers and duties as such court may order or decree for the protection of the bondholders.

(j) To make covenants with any federal agency to perform any and all acts and to do any and all such things as may be necessary or convenient or desirable in order to secure its bonds, or as may in the judgment of the board tend to make the bonds more marketable, notwithstanding that such acts or things may not be enumerated herein, it being the intention hereof to give any institution issuing bonds pursuant to this Act power to make all covenants, to perform all acts and to do all things, not inconsistent with the Constitution of the State of Arizona, in the issuance of the bonds and for their security, including any and all powers granted to a private corporation under the laws of the State of Arizona.

Section 6. Moneys of Institutions. No moneys derived from the sale of bonds of any institution or otherwise borrowed by such institution under the provisions of this Act, shall be required to be paid into the State Treasury but shall be deposited by the treasurer or other fiscal officer of the institution in a separate bank account or accounts in such bank or banks or trust company or trust companies as may be designated by the board and all deposits of such moneys shall, if required by the board, be secured by obligations of the United States of America, of a market value equal at all times to the amount of the deposit; and all banks and trust companies are hereby authorized to give such security. Such money shall be disbursed as may be directed by the board and in accordance with the terms of any agreements with the holder or holders

of any bonds. This section shall not be construed as limiting the power of the institution to agree in connection with the issuance of any of its bonds as to the custody and disposition of the moneys received from the sale of such bonds or the income and revenue of the institution pledged and assigned to or in trust for the benefit of the holder or holders thereof.

Section 7. Validity of Bonds. The bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all the persons whose signatures appear thereon shall have ceased to be officers of the institution issuing the same. The validity of the bonds shall not be dependent on nor affected by the validity or regularity of any proceedings to acquire the project financed by the bonds or taken in connection therewith.

Section 8. Prohibitions against obligating State of Arizona. Nothing in this Act contained shall be construed to authorize any institution to contract a debt on behalf of, or in any way to obligate, the State of Arizona, or to pledge, assign or encumber in any way, or to permit the pledging, assigning or encumbering in any way of, appropriations made by the Legislature, or revenue derived from the investment of the proceeds of the sale, and from the rental of such lands as have been set aside by the Enabling Act approved June 20, 1910, or other legislative enactments of the United States, for the use and benefit of the respective state educational institutions.

Section 9. Bonds obligations of Institutions. All bonds issued pursuant to this Act shall be obligations of the institution issuing such bonds payable only in accordance with the terms thereof and shall not be obligations general, special or otherwise of the State of Arizona. Such bonds shall not constitute a debt, legal or moral, of the State of Arizona, and shall not be enforceable against the State, nor shall payment thereof be enforceable out of any funds of the institution issuing said bonds other than the income and revenues pledged and assigned to, or in trust for the benefit of, the holder or holders of such bonds.

Section 10. Certification of bonds by Attorney General. Any institution may submit to the Attorney General of the State of Arizona any bonds to be issued hereunder after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the Attorney General, it shall be the duty of the Attorney General to examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this Act, and such bonds when delivered and paid for will constitute binding and legal obligations of such institution enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each of said bonds that it is issued in accordance with the Constitution and Laws of the State of Arizona.

Section 11. Excision of Unconstitutional or Ineffective parts of Act. It is hereby declared that the sections, clauses, sentences and parts of this Act are severable, are not matters of mutual essential inducement, and any of them may be excinded by any court of competent jurisdiction if this Act would otherwise be unconstitutional or ineffective; it is the intention hereof to confer upon every institution the whole or any part of the powers in this Act provided for, and if any one or more sections, clauses, sentences and parts of this Act shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this Act in any one or more instances shall not be taken to affect or prejudice its applicability or validity in any other instance,

Section 12. Supplemental nature of Act, Construction and purpose. The powers conferred by this Act shall be in addition to and supplemental to the powers conferred by any other law, general or special, and bonds may be issued hereunder notwithstanding the provisions of any other such law and without regard to the pro-

cedure required by any other such law. Insofar as the provisions of the Act are inconsistent with the provisions of any other law, general or special, the provisions of this Act shall be controlling. Except in pursuance of any contract or agreement theretofore entered into by and between any institution and any Federal agency, no institution shall borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1937.

Section 13. Short title of Act. This Act may be cited as "The Educational Institutions Act of 1934".

Section 14. Declaration of emergency and time of taking effect. To preserve the public peace, health and safety, it is necessary that this Act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

APPROVED DECEMBER 12th, 1934.

CHAPTER 8

(SENATE BILL NO. 10)

AN ACT

Concerning the construction of public works projects, the acceptance of grants, and the borrowing of money by counties, cities, towns, villages, school districts, high school districts, union high school districts from the United States of America, or any federal agency, and the issuance of bonds to finance such public works projects; limiting the time within which such bonds may be issued, fixing minimum wages; and declaring an emergency.

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

Section 1. Definitions. The following terms wherever used or referred to in this Act shall have the following meaning unless a different meaning appears from the context:

- (a) The term "municipality" shall mean any county, city, town, village, school district, high school district, union high school district.
- (b) The term "governing body" shall mean the board of supervisors, common council, board of trustees, board of commissioners, or other body, board, commission, or other authority having charge of the finances of any municipality.
- (c) The term "law" shall mean any act or statute, general, special, or local, of this State, including, without being limited to, the charter of any municipality.
- (d) The term "bonds" shall mean bonds, interim certificates or other obligations of a municipality issued by its governing body pursuant to this Act, or pursuant to any other law, as supplemented by, or in conjunction with this Act.
- (e) The term "Recovery Act" shall mean the National Industrial Recovery Act being the Act of the Congress of the United States of America, approved June sixteenth, nineteen hundred and thirty three, entitled, "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," and any acts amendatory thereof, and any acts supplemental thereto, and revisions thereof, and any further Acts of the Congress of the United States of America to reduce and relieve unemployment.
- (f) The term "Federal agency" shall mean the United States of America, the President of the United States, the Federal Emergency Administrator of Public Works, or any such agencies or instrumentalities as may be designated or created to make grants or loans, or both, pursuant to the Recovery Act.
- (g) The term "public works project" shall mean any building, improvement or other public undertaking which any municipality, or any two or more municipalities, are authorized or required by law to undertake or any lawful purpose for which they are authorized or required by law to make an appropriation, and for the financing of which the municipality is to receive a loan or grant, or both, from any Federal agency.
- (h) The term "contract" or "agreement" between any Federal agency and a municipality shall include contracts and agreements in the customary form and shall also be deemed to include a resolution, unilateral promise or other commitment by the Federal agency by which it shall undertake to make a loan or grant, or both, upon performance of specified conditions. In the case of

such a resolution, unilateral promise or other commitment by any Federal agency, the terms, conditions and restrictions therein set forth shall, for the purposes of this Act, be deemed to constitute covenants of such contract that are to be performed by the municipality if the municipality accepts any money from such Federal agency.

Section 2. Powers of Municipality. Every municipality shall have power and is hereby authorized:

(a) To accept from any Federal agency grants for or in aid of the construction of any public works project.

(b) To contract debts for any public works project, to borrow money for any public works project and to issue its bonds to finance any public works project; provided that questions upon bond issues shall be submitted to the vote of real property taxpayers, who shall also in all respects be qualified electors of the State, and of the municipality thereof affected by such questions, in accordance with the laws in such cases made and provided.

(c) To make contracts and execute instruments containing such terms, provisions and conditions as in the discretion of the governing body of the municipality may be necessary, proper or advisable for the purpose of obtaining grants, or loans, or both, from any Federal agency pursuant to or by virtue of the Recovery Act; to make all other contracts and execute all other instruments necessary, proper or advisable in or for the furtherance of any public works project and to carry out and perform the terms and conditions of all such contracts or instruments.

(d) To exercise any power conferred by this Act independently or in conjunction with any other power or powers conferred by this Act or heretofore or hereafter conferred by any other law.

(e) To do all acts and things necessary or convenient to carry out the powers expressly given in this Act.

Section 3. Awarding of Contracts. Any contract for the construction of any public works project or part thereof may be awarded upon any day at least ten days (excluding Sundays) after one publication of a notice requesting bids upon such contract in a newspaper circulating in the municipality, or in the county in which the municipality is located.

Section 4. Compliance with Federal laws, rules and regulations. It shall be lawful for any municipality to subscribe to and comply with the Recovery Act and any rules and regulations made by any Federal agency with respect to any grants or loans, or both, from any Federal agency. The provisions of Chapter 12, Laws of the Regular Session of the Eleventh Legislature, 1933, in so far as said provisions conflict with or are inconsistent with the Recovery Act or any such rules or regulations made by any Federal agency shall not apply to the construction of any public works project, the letting of any contract in connection with such construction, the employment and payment of men for or in connection with the construction of such public works project, and any and all other matters appertaining to such public works project.

Section 5. Establishment of minimum rates of wages. All contracts involving the expenditures of such grants shall contain provisions establishing minimum rates of wages to be predetermined by the Industrial Commission of Arizona, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals for bids for the work, provided however, that on any project financed in whole or in part by any Federal Agency under the Recovery Act, the minimum rates of wages prescribed by such Federal Agency, if higher than those prescribed by the State Industrial Commission shall prevail.

Section 6. Undertaking of public works projects by municipalities. Any public works project may in the discretion of the governing body of the municipality be undertaken wholly or partly at the expense of the municipality at large. Bonds may be issued

in the first instance to pay the entire estimated cost of any public works project which is to be paid for ultimately in whole or in part by assessments to be levied on property specially benefited, prior to the completion of the project or prior to the levying or confirmation of any such assessments. Bonds issued to meet that part of the cost which is to be paid by assessments to be levied on property specially benefited, as well as bonds issued to meet that part of the cost which is to be paid by the municipality at large, may be made payable from taxes which may be levied without limit as to rate or amount upon all taxable property within the territorial limits of the municipality. Such assessments, when collected and deposited in accordance with Section 8 hereof, may be applied to reduce the amount necessary to be raised by taxation to pay when due such bonds, and interest thereon. When the whole or any part of the cost of any public works project is ultimately to be paid by assessments to be levied upon property especially benefited, opportunity shall be given the owners of the property affected to protest the proposed public works project in the manner provided in Article 16, Chapter 12, Revised Code of Arizona, 1928, for protesting public improvements.

Section 7. Terms of bonds. The bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding thirty years from their respective dates, may bear interest at such rate or rates, not exceeding five per centum per annum, payable semi-annually, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, as may be provided by the governing body of the municipality, and may be sold from time to time or at one time at private sale to any Federal agency at not less than par. The bonds may be purchased by the municipality at a price not more than the principal amount thereof plus the accrued interest and all bonds so purchased shall be cancelled. The validity of the authorization and issuance of the bonds shall not be dependent on or affected in any way by proceedings taken, contracts made, acts performed or things done, in connection with, in the construction of, or in furtherance of any public works project.

Section 8. Disposition of proceeds. All proceeds received from the sale of the bonds, all fees, rents, tolls, or other charges received by the municipality from any public works project, all assessments collected by the municipality, and all moneys received from any Federal agency shall be paid to the financial officer or officers of the municipality whom the governing body thereof shall designate for such purposes. Such financial officer or officers shall not commingle any money received from any Federal agency with any other moneys, but the moneys received from any Federal agency shall be deposited in a separate bank account or accounts in the name of the municipality. The governing body of the municipality may by resolution provide that all deposits of such proceeds, fees, rents, tolls, or other charges, all assessments collected by the municipality and such moneys received from any Federal agency shall be secured by obligations of the United States or of the State of Arizona of a market value equal at all times to the amount of such deposits, and all banks or trust companies are authorized to give such security for such deposits.

Section 9. Validity and negotiability of bonds. Bonds issued under this Act bearing the signature of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof any or all the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. All bonds, interim certificates, or other obligations issued pursuant to this Act shall be fully negotiable within the meaning of and for all the purposes of Chapter 53 of the Revised Code of Arizona, 1928.

Section 10. Allowable costs. In determining the cost of any public works project, the following items in such sums as are now allowed by law may be included as a part of the cost of such public works project and financed by the issuance of the bonds:

(a) engineering, inspection, accounting, fiscal and legal expenses; (b) the cost of issuance of the bonds, including engraving, printing advertising, accounting and other similar expenses; (c) any interest cost on money borrowed or estimated to be borrowed during the period of construction of such public works project and for six months thereafter.

Section 11. Interim certificates. Pending the authorization, preparation, execution or delivery of the definitive bonds for the purpose of financing the construction of a public works project, interim certificates or other temporary obligations may be issued by the municipality to the purchaser of such bonds. Such interim certificates or other temporary obligations shall be in such form and contain such terms, conditions and provisions as the governing body of the municipality issuing the same may determine.

Section 12. Cumulative remedy. Any proceedings heretofore taken under any other law by any municipality relating to the subject matter of this Act may be continued under such other law or under this Act, or at the option of the governing body may be discontinued and new proceedings instituted under this Act.

Section 13. Purpose and construction. This Act is intended to aid in relieving the public emergency arising from unemployment by simplifying the procedure for the construction and financing of public works projects. This Act is remedial in nature and the powers hereby granted shall be liberally construed.

Section 14. Supplemental nature of Act. The powers conferred by this Act shall be in addition and supplemental to the powers conferred by any other law. In so far as the provisions of any other law are inconsistent with this Act, the provisions of this Act shall be controlling.

Section 15. Excision of Unconstitutional and Ineffective parts of Act. It is hereby declared that the sections, clauses, sentences and parts of this Act are severable, are not matters of mutual essential inducement, and any of them may be excised by any court if this Act would otherwise be unconstitutional or ineffective; it is the intention to confer upon every municipality the whole or any part of the powers in this Act provided for, and if any one or more sections, clauses, sentences and parts of this Act shall for any reason be questioned in any court, and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this Act in any one or more instances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.

Section 16. Short title of Act. This Act may be cited as "The municipalities Public Works Act of 1934".

Section 17. Termination of powers. Except in pursuance of any contract or agreement theretofore entered into by and between any municipality and any Federal Agency, no municipality shall borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1937.

Section 18. Declaring emergency and time of taking effect. To preserve the public peace, health and safety, it is necessary that this Act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

APPROVED DECEMBER 13, 1934.

CHAPTER 9
(Senate Bill No. 11)

AN ACT

Enabling cities and towns to secure the benefits of the National Industrial Recovery Act, and any acts amendatory thereof and any acts supplemental thereto and revisions thereof, and any further acts of the Congress of the United States of America to reduce and relieve unemployment; authorizing cities and towns to construct, acquire, improve, extend, operate and maintain public works projects; prescribing the mode of procedure for and regulating the issuance of bonds to finance such projects, and providing for the payment thereof; authorizing agreements with the holders of such bonds; superseding inconsistent provisions of all other laws; limiting the time within which such bonds may be issued; and declaring an emergency.

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

Section 1. Definitions. The following terms wherever used or referred to in this act shall have the following meaning unless a different meaning appears from the context:

(a) The term "municipality" shall mean any city or town of this state.

(b) The term "governing body" shall mean the common council, board of trustees, board of commissioners, or other body, board, commission, or other authority having charge of the finances of any municipality.

(c) The term "law" shall mean any act or statute, general, special or local, of this state, including, without being limited to, the charter of any municipality.

(d) The term "bonds" shall mean bonds, interim certificates or other obligations of a municipality issued by its governing body pursuant to this act, or pursuant to any other law, as supplemented by, or in conjunction with this act.

(e) The term "public works project" shall mean any work or undertaking not prohibited by the Constitution of the State of Arizona, including, but not limited to, all property, real and personal, appurtenant thereto or connected therewith, and the existing work or undertaking, if any, to which such work or undertaking is an extension, addition, betterment, or improvement.

(f) The term "to construct" shall mean to build, to construct, to reconstruct, to erect, to replace, to extend, to repair, to better, to equip, to develop, to embellish, to improve, to acquire by gift, purchase, or the exercise of the right of eminent domain or any one or more or all of the foregoing.

(g) The term "construction" shall mean building, construction; reconstruction, erection, replacement, extension, repairing, betterment, equipment; development, embellishment, improvement, acquisition by gift, purchase, or the exercise of the right of eminent domain, or any one or more or all of the foregoing.

(h) The term "Recovery Act" shall mean the National Industrial Recovery Act being the act of the Congress of the United States of America, approved June sixteenth, nineteen hundred and thirty-three, entitled, "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," and any acts amendatory thereof, and any acts supplemental thereto, and revisions thereof, and any further

acts of the Congress of the United States of America to reduce and relieve unemployment.

(1) The term "Federal agency" shall mean the United States of America, the President of the United States, the Federal Emergency Administrator of Public Works, or any such agencies or instrumentalities as may be designated or created to make grants or loans, or both, pursuant to the Recovery Act.

Sec. 2. Powers of Cities and Towns. Every municipality shall have power and is hereby authorized:

(a) To construct, operate and maintain any public works project, within or without the municipality.

(b) To accept from any Federal agency grants for or in aid of the construction of any public works project.

(c) To contract debts for the construction of any public works project, to borrow money, and to issue its bonds to finance such construction, and to provide for the rights of the holders of the bonds and to secure the bonds as hereinafter provided.

(d) To assess, levy and collect unlimited ad valorem taxes on all property subject to taxation to pay the bonds, and the interest thereon, issued to finance any public works project.

(e) To fix, levy, and collect fees, rents, tolls, or other charges for the use of or in connection with any public works project, and, in the event any agreements with holders of bonds shall be made as hereinafter provided, to fix, levy, and collect such fees, rents, tolls, and other charges in accordance with such agreements and subject thereto.

(f) To acquire by purchase, gift or the exercise of the power of eminent domain and to hold and dispose of any property, real or personal, tangible or intangible, or any right or interest in any such property, in connection with any public works project, whether subject to mortgages, liens, charges or other encumbrances, or otherwise.

(g) To make contracts and execute instruments containing such terms, provisions and conditions as in the discretion of the governing body of the municipality may be necessary, proper or advisable for the purpose of obtaining grants, loans or other financial assistance from any Federal agency pursuant to or by virtue of the Recovery Act; to make all other contracts and execute all other instruments necessary, proper or advisable in or for the furtherance of any public works project; and to carry out and perform the terms and conditions of all such contracts or instruments.

(h) To enter on any lands, waters and premises for the purpose of making surveys, soundings and examinations in or for the furtherance of any public works project.

(i) To exercise any power conferred by this act independently or in conjunction with any other power or powers conferred by this act or heretofore or hereafter conferred by any other law.

(j) To do all acts and things necessary or convenient to carry out the powers expressly given in this act.

Sec. 3. Moneys of Cities and Towns. All proceeds received from the sale of the bonds, and all fees, rents, tolls, or other charges, received by the municipality from any public works project, and all moneys received from any Federal agency shall be paid to the financial officer or officers of the municipality whom the governing body thereof shall designate for such purposes. Such financial officer or officers shall not commingle any money received from any Federal agency with any other moneys, but the moneys received from any Federal agency shall be deposited in a separate bank account or accounts in the name of the municipality. The governing body of the municipality may by resolution provide that all deposits of such proceeds, fees, rents, tolls, or other charges, and such moneys received from any Federal agency

shall be secured by obligations of the United States or of the State of Arizona of a market value equal at all times to the amount of such deposits, and all banks and trust companies are authorized to give such security for such deposits.

Sec. 4. Requirement of Election to Authorize Bonds. Questions upon bond issues under this act shall be submitted to the vote of real property tax-payers, who shall in all respects be qualified electors of the State, and of the municipality thereof affected by such question. No bonds shall be issued under this act without the assent of a majority of such property tax-payers therein voting at an election held for that purpose in the manner provided by section 5 of this act.

Sec. 5. Procedure for Election to authorize Bonds. The governing body of the municipality shall adopt a resolution calling an election upon the question of the issuance of bonds under this act. Such resolution shall state in substance (a) the amount or maximum amount of bonds to be issued; (b) the purpose or purposes for which such bonds are to be issued; (c) the rate or maximum rate of interest which such bonds are to bear; (d) a brief concise statement (which need not go into any detail other than the mere statement of the fact) showing whether such bonds will be payable (1) solely from revenues, or (2) solely from taxes, or (3) from taxes only in the event of a deficiency in revenues, or (4) from taxes and additionally secured by a pledge of revenues; (e) the date on which such election will be held; (f) the place or places where votes may be cast; and (g) the hours between which such voting places will be open. Such resolution shall be published in full at least once, not less than fifteen days nor more than thirty days prior to the date fixed for such election, in a newspaper published in the county and circulating in the municipality, or, if there be no such newspaper, such resolution shall be printed in full and posted in five conspicuous places in such municipality not less than fifteen days nor more than thirty days prior to the date fixed for such election. The governing body of the municipality may require in such resolution a registration of all persons who desire to vote at such election, in which case, the resolution shall further state the date or dates, time or times, and place or places when and where such persons may register. Such registration shall begin not less than fifteen days prior to the date fixed for such election and shall close at least five days prior to the date fixed for such election. At such election the ballot shall contain the words "For the Bonds" and "Against the Bonds". At the right of and opposite each of said phrases shall be placed a square of the approximate size of squares placed opposite the names of candidates on ballots. The voter shall indicate his vote "For the Bonds" or "Against the Bonds" by inserting the mark "X" in the square opposite such phrase. It shall not be necessary to print any question or any other words or figures on any ballot, nor need the ballot be of any particular size, nor need sample ballots be printed, posted, or distributed. There shall be printed for and furnished to each polling place, a number of ballots exceeding by at least ten per cent the number of registered voters whose names appear on the precinct register of the precinct, town, or city for which they are printed. Voting machines shall not be used at any election held hereunder. The governing body of the municipality shall canvass the returns and determine and declare the results of the election. If a majority of the qualified property taxpayers voting at such election assent to the issuance of the bonds, the governing body shall proceed to provide for the issuance of such bonds. The determination of the governing body of the municipality that a majority of the qualified property taxpayers voting at such election have assented to the issuance of the bonds shall be conclusive in any suit, action, or proceeding involving the validity of such election or the determination or declaration of the result thereof instituted after the date of the delivery of and payment for such bonds. Except as herein otherwise provided, the manner of conducting such registration and such election, keeping the poll lists, counting and canvassing the votes, certifying the returns, declaring the results, and doing all acts relating to such election shall conform to the mode or method of procedure provided by Chapter 12 of the Revised Code of Arizona, 1928, and amendments thereto, for the registration and qualification of voters and the holding of special elections wherein the question of the issuance of the bonds of municipal corporations is submitted to an election.

Sec. 6. Resolution for issuance of bonds. The bonds may be issued in one or more series, may bear such data or dates, may mature at such time or times, not exceeding thirty years from their respective dates, may bear interest at such rate or rates, not exceeding five per centum per annum, payable semi-annually, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, and may be declared or become due before the maturity date thereof, as may be provided by resolution or resolutions of the governing body of the municipality. The bonds may be sold at private sale only to a federal agency and at not less than par, in such blocks as the governing body may by resolution provide. The bonds may be purchased by the municipality at a price not more than the principal amount thereof plus the accrued interest, and all bonds so purchased shall be cancelled. The bonds shall be fully negotiable within the meaning of and for all the purposes of Chapter 53 of the Revised Code of Arizona, 1928.

Sec. 7. Additional powers to secure bonds and to make agreements. In order to secure the payment of any specific issue of bonds, and interest thereon, or in connection with any specific issue of bonds, any municipality shall have power as to such bonds:

(a) To pledge the full faith and credit and unlimited taxing power of the municipality to the punctual payment of the principal of and interest on such bonds.

(b) To pledge to the punctual payment of any bonds issued for a public works project all or any part of the fees, rents, tolls, or other charges received or receivable by the municipality from such public works project including improvements, betterments, or extensions thereto thereafter constructed or acquired, and to make such covenants against thereafter pledging any such fees, rents, tolls or charges as the municipality shall agree with the purchaser of the bonds.

(c) To provide for the terms, form, registration, exchange, execution and authentication of such bonds.

(d) To provide for the replacement of lost, destroyed or mutilated bonds.

(e) To covenant as to the use and disposition of the proceeds from the sale of such bonds.

(f) To covenant as to the fees, rents or tolls to be charged in connection with the public works project for which such bonds are to be issued and as to the use and disposition to be made thereof.

(g) To covenant to set aside or pay over reserves and sinking funds for such bonds and as to the disposition thereof.

(h) To redeem such bonds, and to covenant for their redemption, and to provide the terms and conditions thereof.

(i) To covenant as to its books of account and as to the inspection and audit thereof and as to the accounting methods.

(j) To covenant and prescribe as to what events shall constitute "happenings of default" and the terms and conditions upon which any or all of such bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived.

(k) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation.

(l) To vest in a trustee or trustees the right to enforce any covenant made to secure or to pay such bonds, to provide for the powers and duties of such trustee or trustees, to limit liabilities thereof and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any portion of them may enforce any such covenant.

(m) To make covenants other than, and, in addition to, the covenants herein expressly authorized, of like or different character.

(n) To execute all instruments necessary or convenient in the exercise of the powers herein granted or in the performance of its covenants or duties.

(o) To make such covenants and do any and all such acts and things as may be necessary or convenient or desirable in order to secure such bonds, or in the absolute discretion of the governing body of the municipality tend to make such bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein; it being the purpose hereof to give the municipality power to do all things in the issuance of the bonds and for their security that may be consistent with the Constitution of the State of Arizona.

Sec. 8. Remedies of any holder or holders of bonds. Any holder or holders of the bonds, including a trustee or trustees for holders of such bonds, shall have the right, in addition to all other rights:

(a) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce his or their rights against the municipality, and the governing body of the municipality and any officer, agent or employee of the municipality, including, but not limited to, the right to require the municipality and the governing body and any proper officer, agent or employee of the municipality to assess, levy and collect taxes, and to fix and collect fees, rents, tolls, or other charges adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the municipality and the governing body of the municipality and any officer, agent or employee of the municipality to carry out any other covenants and agreements and to perform its and their duties under this act;

(b) By action or suit in equity to enjoin any acts or things which may be unlawful or a violation of the rights of such holder of bonds.

Sec. 9. Additional remedies conferred by resolution. Any municipality shall have power by resolution of its governing body adopted prior to the issuance of bonds to confer upon any holder, or holders, a specified amount or percentage of such bonds, including a trustee or trustees for such holders, the right in the event of a "happening of default" as defined in such resolution or as may be defined in any agreement with the holder or holders of such bonds or the trustee or trustees therefor;

(a) By suit, action or proceeding in any court of competent jurisdiction to obtain the appointment of a receiver of any public works project of the municipality or any part or parts thereof. If such receiver be appointed he may enter and take possession of such public works project or any part or parts thereof and operate and maintain same, and collect and receive all fees, rents, tolls, or other charges thereafter arising therefrom in the same manner as the municipality itself might do and shall dispose of such moneys in a separate account or accounts and apply the same in accordance with the obligations of the municipality as the court shall direct.

(b) By suit, action or proceeding in any court of competent jurisdiction to require the governing body of the municipality to account as if it were the trustee of an express trust.

Any such resolution shall constitute a contract with holders of bonds of such issue specifically enforceable in any court of competent jurisdiction.

Section 10. Termination of Powers. Except in pursuance of any contract or agreement theretofore entered into by and between any municipality and any federal agency, no municipality shall borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1937.

Section 11. Supplemental nature of act, construction, and purpose. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law. Bonds

may be issued hereunder for any public works project notwithstanding that any other law may provide for the issuance of bonds for like purposes and without regard to the requirements, restrictions or procedural provisions contained in any other law. Bonds may be issued under this act notwithstanding any debt or other limitation prescribed by any other law. Any proceedings heretofore taken under any other law by any municipality relating to the subject matter of this act may be continued under such other law or under this act, or at the option of the governing body may be discontinued and new proceedings instituted under this act. It is the purpose of this act to enable municipalities to secure the benefits of the Recovery Act, to encourage public works, to reduce unemployment and thereby to assist in the national recovery and promote the public welfare, and to these ends every municipality shall have power to do all things necessary or convenient to carry out said purpose in addition to the powers conferred in this act. This act is remedial in nature and the powers hereby granted shall be liberally construed.

Section 12. Excision of unconstitutional or ineffective parts of act. It is hereby declared that the sections, clauses, sentences and parts of this act are severable, are not matters of mutual essential inducement, and any of them may be excised by any court if this act would otherwise be unconstitutional or ineffective; it is the intention to confer upon every municipality the whole or any part of the powers in this act provided for, and if any one or more sections, clauses, sentences and parts of this act shall for any reason be questioned in any court, and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this act in any one or more instances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.

Section 13. Short title of Act. This act may be cited as "The Cities and Towns Emergency Act of 1934."

Section 14. Declaration of emergency and time of taking effect. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

APPROVED DECEMBER 13, 1934.

JAMES H. KERBY

SECRETARY OF STATE

for use until Session Laws are printed

State of Arizona
 Eleventh Legislature
 Senate
 Third Special Session

CHAPTER 10

(SENATE BILL NO. 5)

AN ACT

Extending the time for beginning construction under unexpired permits of state water commissioner where permittee is applicant for government funds; and declaring an emergency.

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

Section 1. Definitions. Whenever used in this Act, unless a different meaning clearly appears from the context:

(a) The term "district" shall include any irrigation district, drainage district, flood control district, agricultural improvement district, electrical district, water conservation district, or power district, organized under the laws of the State of Arizona.

(b) The term "Federal agency" shall mean the United States of America, the President of the United States, the Federal Emergency Administrator of Public Works, or any such agencies or instrumentalities as may be designated or created to make grants or loans, or both, pursuant to any Act or Acts of the Congress of the United States of America.

Sec. 2. Extension of unexpired permits. Notwithstanding the provisions of any existing law, whenever the State Water Commissioner of Arizona shall have issued to any district a permit to make an appropriation of water, or a reservoir permit, and actual construction work under such permit has not been begun, and the time prescribed in said permit for beginning such construction work has not expired, and such district has, or before the expiration of such prescribed time shall have, made application to any Federal agency for a loan or grant, or both, of moneys to be used for the construction of its works, or some part thereof, then the time for beginning actual construction under such permit is hereby extended until six months after the moneys so applied for shall become available to such district, but in no event to exceed two years after the time prescribed in such permit as that within which actual construction must be begun.

Sec. 3. Declaration of emergency and time of taking effect. To relieve unemployment and preserve the public peace, health and safety, it is necessary that this act become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

THIS BILL, HAVING REMAINED WITH THE GOVERNOR FIVE DAYS WHILE THE LEGISLATURE WAS STILL IN SESSION, BECAME A LAW THIS FOURTEENTH DAY OF DECEMBER, 1934, WITHOUT THE GOVERNOR'S SIGNATURE, AS SHOWN BY LETTER TRANSMITTING SAME TO THIS OFFICE.

JAMES H. KERBY
 Secretary of State

EXECUTIVE OFFICE
State House
Phoenix, Arizona

December 14, 1934

Benjamin B. Moeur
Governor

H. H. Hotchkiss
Secretary

Dear Mr. Kerby:

I am handing you herewith Senate Bill No. 5, which I am allowing to become a law without my signature.

It is very questionable in my mind whether this bill is within the scope of the call convening the present special session of the legislature.

Yours very truly,

B. B. MOEUR
Governor

Hon. James H. Kerby
Secretary of State
State House
Phoenix, Arizona

State of Arizona
Eleventh Legislature
Senate
Third Special Session

for use until Session Laws are printed

CHAPTER 11.

(SENATE BILL NO.9)

AN ACT

Providing for the construction, acquisition, reconstruction, improvement, betterment, extension, operation and maintenance of revenue-producing undertakings; authorizing and regulating the issuance of bonds by any city or town for financing such revenue-producing undertakings and providing for the payment of such bonds; limiting the time within which such bonds may be issued; and declaring an emergency.

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

Section 1. Short Title of Act. This act may be cited as The Revenue Bond Act of 1934.

Sec. 2. Definitions. Whenever used in this act, unless a different meaning clearly appears from the context:

(a) The term "undertaking" shall mean any one or combination of two or more of the following: electric light and power, water, sewer, gas, garbage or rubbish plants and systems, together with all parts thereof and appurtenances thereto including, but not limited to, incinerators, disposal, treatment and reduction plants, dams and reservoirs.

(b) The term "municipality" shall include cities and towns.

(c) The term "governing body" shall include bodies and boards, by whatsoever names they may be known, having charge of the finances of a municipality.

(d) The term "Federal Government" shall include the United States of America, the President of the United States of America, the Federal Emergency Administrator of Public Works, Reconstruction Finance Corporation, or any agency, instrumentality or corporation of the United States of America, which has heretofore been or may hereafter be designated, created or authorized by or pursuant to any act or acts of the Congress of the United States of America, or which may be owned or controlled, directly or indirectly, by the United States of America.

Sec. 3. Additional Powers of Municipalities. In addition to the powers which it may now have, any municipality shall have power under this act (a) within or without the municipality to construct, acquire by gift, purchase, or the exercise of the right of eminent domain, improve, reconstruct, better, extend, operate and maintain, any undertaking and acquire by gift, purchase, or the exercise of the right of eminent domain, land or rights in land or water rights in connection therewith, (b) to issue its bonds to finance the cost of the construction, acquisition, reconstruction, improvement, betterment or extension of any undertaking, and (c) to pledge to the punctual payment of said bonds and interest thereon an amount of the revenue of such undertaking (including improvements, betterments, or extensions thereto thereafter constructed or acquired) sufficient to pay said bonds and interest as the same shall become due and to create and maintain reasonable reserves therefor. Such amount may consist of all or any part of such revenue. The governing body of the municipality in determining the cost of the undertaking for which said bonds are to be issued, may properly include all costs and estimated costs of the issuance of said bonds, all engineering, inspection, fiscal and legal expenses, as allowed by law, and interest which it is estimated will accrue on money borrowed or which it is estimated will be borrowed during the construction period and for six months thereafter.

Sec. 4. Bond Issues to be submitted to vote of people. Questions on bond issues under this act shall be submitted to the real property taxpayers who are in all other respects qualified electors of the municipality. No bonds shall be issued without the assent of a majority of such qualified electors voting at an election held for that purpose, in the manner hereinafter provided.

Sec. 5. Procedure for election to authorize bonds. The governing body of the municipality shall adopt a resolution calling an election upon the question of the issuance of bonds under this act. Such resolution shall state in substance (a) the amount or maximum amount of bonds to be issued; (b) the purpose or purposes for which such bonds are to be issued; (c) the rate or maximum rate of interest which such bonds are to bear; (d) a brief concise statement (which need not go into any detail other than the mere statement of the fact) showing such bonds will be payable solely from revenues; (e) the date on which such election will be held; (f) the place or places where votes may be cast; and (g) the hours between which such voting places will be open. Such resolution shall be published in full at least once, not less than fifteen days nor more than thirty days prior to the date fixed for such election, in a newspaper published in the county and circulating in the municipality, or, if there be no such newspaper, such resolution shall be printed in full and posted in five conspicuous places in such municipalities not less than fifteen days nor more than thirty days prior to the date fixed for such election. The governing body of the municipality may require in such resolution a registration of all persons who desire to vote at such election, in which case, the resolution shall further state the date or dates, time or times, and place or places when and where such persons may register. Such registration shall begin at least ten days prior to the date fixed for such election and shall close at least five days prior to the date fixed for such election. At such election the ballot shall contain the words "For the Bonds" and "Against the Bonds". At the right of and opposite each of said phrases shall be placed a square of the approximate size of squares placed opposite the names of candidates on ballots. The voter shall indicate his vote "For the Bonds" or "Against the Bonds" by inserting the mark "X" in the square opposite such phrase. It shall not be necessary to print any question or any other words or figures on any ballot, nor need the ballot be of any particular size, nor need sample ballots be printed, posted, or distributed. There shall be printed for and furnished to each polling place, a number of ballots exceeding by at least ten per cent the number of registered voters whose names appear on the precinct register of the precinct, town, or city for which they are printed. Voting machines shall not be used at any election held hereunder. The governing body of the municipality shall canvass the returns and determine and declare the results of the election. If it shall appear to the governing body that a majority of the qualified real property taxpayers voting at such election assent to the issuance of the bonds, the governing body shall proceed to provide for the issuance of such bonds. The determination of the governing body of the municipality that a majority of the qualified real property taxpayers voting at such election have assented to the issuance of the bonds shall be conclusive in any suit, action, or proceeding involving the validity of such election or the determination or declaration of the result thereof instituted after the date of the delivery of and payment for such bonds. Except as herein otherwise provided, the manner of conducting such registration and such election, keeping the poll lists, counting and canvassing the votes, certifying the returns, declaring the results, and doing all acts relating to such election shall conform to the mode or method of procedure provided by Chapter 12 of the Revised Code of Arizona, 1928, and amendments thereto for the registration and qualification of voters and the holding of special elections wherein the question of the issuance of the bonds of municipal corporations is submitted to an election.

Sec. 6. Form or Contents of Bonds. Bonds issued hereunder shall be fully negotiable within the meaning of and for all purposes of Chapter 53 of the Revised Code of Arizona, 1928. Said bonds shall bear interest at such rate or rates not exceeding five per centum per annum, payable semi-annually, may be in one or more series, may bear such date or dates, may mature at such time or times not exceeding thirty years from their respective dates, may be payable in such medium of payment, at

such place or places, may carry such registration privileges, may be subject to such terms of redemption, may be executed in such manner, may contain such terms, covenants and conditions, and may be in such form, either coupon or registered, as such resolution or subsequent resolutions may provide. Said bonds shall be sold only to the Federal Government at not less than par. Pending the preparation of the definitive bonds, interim receipts or certificates may be issued to the purchaser or purchasers of said bonds in such form and with such provisions as the governing body may determine.

Sec. 7. Governing Body to prescribe charges necessary. The governing body of the municipality issuing the bonds shall prescribe charges and shall revise such charges from time to time whenever necessary so that any undertaking for which said bonds were issued shall constitute and always remain self-supporting with revenue sufficient to pay when due all bonds and interest thereon, for the payment of which such revenue is or shall have been pledged, encumbered or charged, to provide for all expenses of operation and maintenance, and to provide reasonable reserves for all of said purposes.

Sec. 8. Resolution pertaining to issuance of bonds may contain covenants. Any resolution or resolutions pertaining to the issuance of bonds under this act may contain covenants as to (a) the purpose to which the proceeds of sale of said bonds may be applied and the use and disposition thereof, (b) the use and disposition of the revenue of the undertaking for which said bonds are to be issued, (c) the issuance of other or additional bonds payable from the revenue of said undertaking, (d) the operation and maintenance of such undertaking, (e) the insurance to be carried thereon and the use and disposition of insurance moneys, (f) books of account and the inspection and audit thereof, and (g) the terms and conditions upon which the holders of said bonds or any proportion of them or any trustee therefor shall be entitled to the appointment of a receiver, who may enter and take possession of said undertaking, operate and maintain the same, prescribe charges, and collect, receive and apply all revenue thereafter arising therefrom in the same manner as the municipality itself might do. The provisions of this act and any such resolution or resolutions shall be deemed a contract with the holder or holders of said bonds, and the duties of the municipality and of its governing body and officers under this act and any such resolution or resolutions shall be enforceable by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Sec. 9. Disposition of proceeds received from sale of Bonds. All proceeds received from the sale of the bonds, all fees, rents, tolls, or other charges received by the municipality from any undertaking, and all moneys received from any Federal agency shall be paid to the financial officer or officers of the municipality whom the governing body thereof shall designate for such purposes. Such financial officer or officers shall not commingle any money received from any Federal agency with any other moneys, but the moneys received from any Federal agency shall be deposited in a separate bank account or accounts in the name of the municipality. The governing body of the municipality may by resolution provide that all deposits of such proceeds, fees, rents, tolls, or other charges, and such moneys received from any Federal agency shall be secured by obligations of the United States or of the State of Arizona of a market value equal at all times to the amount of such deposits, and all banks or trust companies are authorized to give such security for such deposits.

Sec. 10. Validity of Bonds. Said bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. The validity of said bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the construction, acquisition, improvement, reconstruction, betterment or extension of the undertaking financed by said bonds or taken in connection therewith.

Sec. 11. Attorney General to pass upon the Validity of Bonds. Any municipality may submit to the Attorney General of the State of Arizona any bonds to be issued hereunder after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the Attorney General, it shall be the duty of the Attorney General to examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this act, and such bonds when delivered and paid for will constitute binding and legal obligations of such municipality enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each of said bonds that it is issued in accordance with the Constitution and Laws of the State of Arizona.

Sec. 12. Bonds to be prior lien on revenue and to be equally secured. All bonds of the same issue under this act shall have a prior and paramount lien on the revenue of the undertaking for which said bonds have been issued over and ahead of all bonds of any issue payable from said revenue which may be subsequently authorized and over and ahead of any claims or other obligations of any nature against said revenue subsequently arising or subsequently incurred. All bonds of the same issue under this act shall be equally and ratably secured without priority by reason of number, date of bonds, sale, execution or delivery, by a lien on said revenue in accordance with the terms of the resolution or resolutions authorizing said bonds.

Sec. 13. Bonds to be payable solely from revenue pledged. No holder or holders of any bonds issued under this act shall ever have the right to compel any exercise of taxing power of the municipality to pay said bonds or the interest thereon. Each bond issued under this act shall recite in substance that the payment of said bond and the interest thereon is enforceable exclusively from the revenue pledged to the payment thereof.

Sec. 14. Excision of Unconstitutional or Ineffective parts of Act. It is hereby declared that the sections, clauses, sentences, and parts of this act are severable, and not matters of mutual essential inducement, and any of them may be excised by any court of competent jurisdiction if this act would otherwise be unconstitutional or ineffective; it is the intention hereof to confer upon every municipality the whole or any part of the powers in this act provided for, and if any one or more sections, clauses, sentences and parts of this act shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this act in any one or more instances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.

Sec. 15. Construction and Supplemental Nature of Act. In so far as the provisions of this act are inconsistent with the provisions of any other general, special or local law, the provisions of this act shall be controlling. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other general, special or local law. The undertaking may be constructed, improved, reconstructed, bettered, extended, and acquired, notwithstanding that any general, special or local law may provide for the construction, improvement, reconstruction, betterment, extension, and acquisition of a like undertaking and without regard to the requirements, restrictions, or other provisions contained in any law, including, but not limited to, Section 409 of the Revised Code of Arizona, 1928, as amended and as supplemented by Chapter 77 of the Laws of 1933 passed at the regular session of the Eleventh Legislature. Bonds may be issued hereunder for any undertaking, notwithstanding that any other general, special or local law may provide for the issuance of bonds for like purpose and without regard to the requirements, restrictions or other provisions contained in any other general, special or local law, including, but not limited to, any requirement for the approval by vote of the property tax payers of any municipality for the issuance of bonds.

Sec. 16. Bonds not to be debt of municipality, Time of Termination. Bonds issued under this act by any municipality shall not be a debt of the municipality nor shall payment thereof be enforceable out of any funds other than the revenue pledged to the payment thereof. Except in pursuance of any contract or agreement theretofore entered into by and between any municipality and any Federal Agency, no municipality shall borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1937.

Sec. 17. Declaration of emergency and time of taking effect. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

APPROVED DECEMBER 14, 1934.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE CONCURRENT RESOLUTION NO. 3.

Whereas, the many and complex problems involved in the regulation and control of highway carriers for hire are engaging the earnest attention of legislators and administrative officials generally; and

Whereas, the Western Bus and Truck Conference, originally called at the request of the Utah legislature, and embracing in its scope the states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, is actively undertaking a solution of these problems, particularly as they relate to the Western states; and

Whereas, the executive committee of the Western Bus and Truck Conference will hold a meeting in Phoenix on December 17, 1934, at which the problems pertaining to highway carriers for hire will be considered and the policies of the Conference discussed; and

Whereas, it is important that the Legislature of Arizona be acquainted with the work of the Conference, and have all possible information concerning the policies evolved by its experts and students; now, therefore, be it

Resolved, by the House of Representatives, the Senate concurring, that the President of the Senate is hereby authorized and directed to appoint two members from among the Senators-elect, and the Speaker of the House of Representatives to appoint three members from among the Representatives-elect of the Twelfth legislature, to act as representatives of the legislature of Arizona at the meeting of said executive committee, and to report to the Twelfth legislature the results of said meeting and an account of the legislative policies championed by the said Western Bus and Truck Conference.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE RESOLUTION NO. 7.

Whereas, those provisions of the national recovery act and of the executive order of the President of the United States under date of August 10, 1933, requiring that contracts for supplies and materials for the use of the federal government be awarded only to dealers complying with the terms of said act and with the codes of fair competition applicable to the several industries, were wisely designed for the protection of both labor and industry, and as an aid to economic recovery; and

Whereas, it is no less essential to recovery that the administrative officials of the several states and lesser political subdivisions observe the same policy; and

Whereas, simple justice to employers of labor who are patriotically complying with said codes, observing the hours of labor and wage regulations, and to employees who are the beneficiaries of such observance, requires that in all purchases and letting of contracts for materials or supplies for the state of Arizona, and for the counties, municipalities, and other political subdivisions thereof, only bidders who are in good faith observing the provisions of the national recovery act should be considered; now, therefore

Be it resolved by the Legislature of the State of Arizona:

That all administrative officers of the State of Arizona and of the several counties, municipalities and other political subdivisions thereof are hereby requested and urged, unless specifically inhibited by law, to make purchases and award contracts for materials and supplies for public use only to dealers and bidders who are complying with the provisions of the national recovery act and with the spirit of the executive order of August 10, 1933.

ADOPTED BY HOUSE, DECEMBER 13, 1934
FILED IN OFFICE OF SECRETARY OF STATE, DECEMBER 17, 1934.

STATE OF ARIZONA
ELEVENTH LEGISLATURE
HOUSE OF REPRESENTATIVES
THIRD SPECIAL SESSION

HOUSE JOINT MEMORIAL NO. 5.

To the President and the Congress of the United States of America.

Your memorialist, the Legislature of the State of Arizona, respectfully represents:

The Congress of the United States, through enactment of the so-called "soldiers' bonus" bill, acknowledged the financial debt owed by this nation to the men who sacrificed themselves, their material interests and their health, to win the "war to abolish wars."

This debt was not discharged at once, but by means of adjusted service certificates, falling due in 1945, on which interest-bearing loans were made to needy veterans.

Now there are more needy veterans -- many thousands of them -- and a growing consciousness throughout the nation that morally at least the debt which is owing these men is due to-day--was due in fact when the debt was acknowledged --and not at some time in the future, and that in simple justice the interest which has been charged against the loans heretofore made on the security of service certificates should be cancelled.

Wherefore your memorialist prays that legislation be enacted providing for the immediate payment of service certificates and the cancellation of interest charges against veterans' loans, or at the least, that immediate payment be made to those veterans who are in need.

And your memorialist will ever pray.

Adopted by the House December 7, 1934

Approved by the Governor December 11, 1934

State of Arizona
House of Representatives
Eleventh Legislature
Third Special Session

HOUSE MEMORIAL NO. 1.

To the President and the Congress of the United States of America:

Your memorialist, the House of Representatives of the Eleventh Legislature, of the State of Arizona, in third special session, respectfully represents:

Our nation as a whole and our people as individual units of the nation are suffering from and because of a general paralysis of business, industry and trade. The normal flow of all branches of commerce is obstructed and many marts of trade partially or wholly suspended thus preventing them from rendering their usual services to the public at large and to the people of the United States as individuals.

This stagnation in business, from whatever cause or causes originated, has and still is causing enormous loss, everywhere, equally to concentrated capital engaged in the basic industries of our country and also to the individual citizenry of our nation, carrying with it on the crest of its foremost waves misery, suffering, and want, to those of limited means, who, because of this depression in industry and trade are deprived of the privilege of earning their daily wage, in order that they might relieve the gnawing pangs of hunger or clothe the weakening body against the rigors of winter's chilling blasts.

These deplorable conditions are so wide spread and universal in the extent to which they affect the citizenry of the nation, that it is breeding a dangerous discontent, fostering socialism, instilling the idea of Communism and is wholly destructive of the morale of a large and growing number of people to such an extent as to give the gravest warning and apprehension for the safety of the general government.

It is clearly apparent that so long as the general populace of the nation has no buying power, nor the opportunity to create a buying power, that any effort to stimulate either trade or industry, must of necessity be sporadic in its nature and in the end a failure as has been repeatedly proven.

All efforts, so far in the giving of relief have been either local in character or applied for the relief of certain classes of citizens or to stabilize or stimulate certain trades or industries, and that all like proposals made by financial and industrial leaders and by many members of the Congress of the United States, are of like character, and as your memorialists fully believe must in the end also fail to meet the nations needs.

Without decrying the potential local or class benefits to be derived from such measures so sponsored, we would call your attention to a measure of proposed legislation which we believe would meet the nations needs and give immediate relief to all who need. The proposed legislation to which reference is made is known as the Townsend Old Age Revolving Pension Plan, which is simple, self-executing, self-liquidating and nationwide in its application. It does not contemplate any changes in the set up of our government or the establishment of any new departments. We represent the plan to be substantially as follows:

The payment to each citizen of the United States, both men and women, who have led clean law-abiding lives, and shall have attained the age of sixty years, the sum of two hundred dollars (\$200.00) per month, under the express condition that the money so received shall be spent within the calendar month that it is received, and for commodities only. No part of it may be expended for investments of any kind. That the recipient shall retire from a remunerative position.

In support of this constructive plan, we submit the following:

First:- It is a primary duty of all civilized governments to provide its subjects and citizens, with a flexible, liquid, rapid-moving medium of exchange, whose value must be kept fairly constant and whose flow through channels of trade and commerce must be constant and uninterrupted.

Second:- That whenever basic industries unite or individuals combine to disturb the steady flow of this exchange medium or to unreasonably depress its value, it is the duty and a proper function of the national government to place a restraining hand upon their activities so as to restore and preserve its exchange value.

Third:- Available records indicate the following burdens now borne by citizens of the United States, to-wit:-

In 28 states cost and upkeep of poor houses with 775,000 inmates - - - - - \$2,500,000,000.00

All forms of relief work \$36,000,000,000.00

Cost of all forms of crime - -

\$18,000,000,000.00

Cost to labor by reason of lower wages and loss of time (1932) - - - - - \$25,000,000,000.00

Loss by strikes (1927) - 37,800,000 days

Loss to trade and industry unknown, but appalling.

1930 census gives 10,300,000 citizens, who by reason of age would be entitled to this pension, with a probable 2,300,000 whose income is in excess of the \$200.00 per month pension.

That, with the retirement of 5,000,000 of the remaining 8,000,000 from gainful occupations there would at once be created openings for approximately 5,000,000 men. That the regular expenditure of \$200.00 per month throughout the year creates a new job - with 8,000,000 men expending regularly \$200.00 per month there would be 8,000,000 more new jobs created, which would absorb 13,000,000 of the 15,000,000 and thus practically reestablish normal employment. That this condition could be brought about in 90 days time. That this re-employment of labor would greatly reduce the amount now being expended for relief. It would also reduce crime, and would wipe out the entire loss to labor by reason of unemployment.

Fourth:- That the aged persons of the country are quite evenly distributed and that a regular payment to them of \$200.00 under the proposed restrictions of the Townsend Old Age Revolving Pension Plan, places buying power in every community - that it distributes and redistributes an exchange medium throughout the length and breadth of the land whose steady and regular flow cannot be interrupted, by an economic condition, save a general public disaster and whose exchange value can be maintained by governmental regulation thus preventing its becoming "frozen".

WHEREFORE, your memorialist prays that you examine carefully into all merits of the aforesaid Townsend Old Age Pension Plan and that you devote to it your most searching analysis of its merits, and if you find, as we believe you will, that this plan has to its credit all the merit that we claim for it, that your Honorable body will at once enact it into law, to the end that industry, and trade may be placed at normal; that labor may have a chance to earn its wage, that the general morale of the country may be restored and want and suffering be driven from our land.

WHEREFORE, your memorialist further prays that The Congress make a direct appropriation for the initial sum necessary to meet the expense of the first payment, and that a sales tax upon commodities and commercial transactions be levied in such an amount and at a rate that will provide a fund to meet all future monthly payments. All funds derived from such a tax levy to be "ear-marked" for that specific purpose.

And your memorialist will ever pray.

Adopted by House, December 3, 1934.

Approved December 4, 1934.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE MEMORIAL NO. 3.

To the President and Congress of the United States of America:

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

The operation of the Home Owners' Loan Corporation has been of inestimable value to the state of Arizona, by helping worthy citizens to avoid the loss of their homes, relieving creditors of their frozen assets, making possible the payment of delinquent taxes, creating employment and trade through the making of necessary repairs to home buildings, and stimulating many lines of industry. This activity of the Federal government has proven to be a most constructive phase of the recovery program.

There are still many worthy Arizona homeowners who require assistance of the sort which it is the function of the Home Owners' Loan Corporation to extend, if their homes are to be saved. Some eleven hundred legitimate applications for loans have been filed with the local office of this Corporation, but have received no consideration on account of the exhaustion of the funds provided for use by the Home Owners' Loan Corporation. Reports indicate that a similar condition exists in other states.

The situation is a critical one in this state, for private lending agencies have not yet seen fit to extend their operations to this field, or to make loans on terms with which the distressed home owner can comply.

WHEREFORE your memorialist prays that legislation be enacted at the approaching session of the Congress extending the operation of the Home Owners' Loan Corporation, and providing funds for the making of legitimate loans to worthy citizens whose homes are imperiled.

And your memorialist will ever pray.

Adopted by House, December 4, 1934.

Approved by the Governor, December 5, 1934.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE MEMORIAL NO. 4

To the President and Congress of the United States of America:

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

We commend the earnest and sincere efforts of the administration to overcome the economic depression which for five years has held this nation in its grip; which has paralyzed industry, destroyed commerce, deprived citizens of their homes, left workers without employment, and reduced millions of producers from reasonable comfort and independence to penury and want.

But while we commend these efforts, and the vision that conceived them, we must respectfully direct attention to the distressing fact that a deserving section of the nation's citizenry which needs help most of all--the small farmer, the small dairyman, and the small stock raiser--has not been effectively aided.

Elaborate steps have been taken, through the medium of the agricultural adjustment act and the Bankhead cotton control bill, to relieve the distress occasioned by mortgaged farms, and to finance farming operations, to systematize production, effect orderly marketing, and raise the prices of farm products. These legislative devices have no doubt been effective, but either the laws themselves, or the rules and regulations under which they are administered, have proven impotent to bring within the scope of their beneficent influence the class to which reference is here made.

The terms under which the government extends help to the farmer appear to be well adapted to the needs of the man who farms on a large scale. He can furnish a financial statement, show low cost operation with modern equipment, often purchased out of the proceeds of his government loan, and otherwise comply with the requirements of the lending agency. But the small farmer cannot meet the conditions imposed. He is unable to make

the financial and technical showing required of him. He cannot furnish what might be termed a bank set-up. He cannot show the low-cost production of the large operator. If he wishes to grow cotton, or to participate in the benefit or rental provisions of the Bankhead act, he is often unable to furnish the accurate records of production for previous years that are required of him. For these and other reasons beyond his control he is found to be ineligible for the assistance which goes to those who need it less.

What is here said of the small farmer is true of the small dairyman and the small hog raiser. They, too, find it difficult if not impossible to secure assistance, and continue to market their products at less than cost, while the prices of everything they buy has practically doubled.

As a consequence of this situation hundred of thousands of acres of fertile small farms are not being tilled. Many of their former owners, or tenants, unable to secure financial aid to continue their farming and maintain their homes, have perforce moved with their families to the cities, where they are living at the cost of the public welfare agencies. In numerous instances they have been dispossessed of their land, which has been added to the holdings of the large operators who are able to get government aid.

It cannot be believed that such results were contemplated when the agricultural relief acts were written. It is believed that when the situation described is brought to the attention of the national administration and the nation's law-makers, corrective steps will be promptly taken.

Wherefore, your memorialist prays that steps may be speedily taken to afford urgently needed relief to the small farmer, dairyman and stock raiser--steps which will enable him to enjoy a measure of the assistance accorded to the large operators; which will make it possible for him to refinance himself under a practical amortization plan such as is embodied in the Frazier-Lempke bill, and in addition, will enable the producer to

realize at least cost on his product, while limiting the middle-man, who to date is the chief beneficiary of the price-raising devices, to a reasonable profit, and afford protection to the consumer.

And your memorialist will ever pray.

Adopted by House, December 6, 1934.

Approved by the Governor, December 6, 1934.

State of Arizona
House of Representatives
Eleventh Legislature
Third Special Session

HOUSE MEMORIAL NO. 5

To the President and the Congress of the United States of America:

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

Development of the vast resources of this nation's waterways, to the country's enrichment, is an outstanding feature of the national administration's policy which commands our unstinted praise, as a permanent policy no less than as an effective means of giving work in the existing emergency to many thousands of unemployed men.

The development of the lower Colorado river through the dredging of a deep-water channel from the head of the Gulf of California to the city of Yuma is a project which, since the earliest days of Arizona's existence as a Territory has commanded the interest and excited the imagination of engineers.

This mammoth project, which would give to Arizona a deep-sea port, would be of inestimable importance to the southwest and to the nation, giving life, as it would, to the industries and multiplying the commerce of one of the richest parts of the country, and during the period of its construction affording employment to an army of engineers, artisans, and laborers.

It would appear that there could be no more auspicious time than the present, when progressive policies distinguish the attitude of a liberal Mexican government, to approach the subject of an understanding by which that nation would consent to or cooperate in the construction of this waterway--an understanding which would be in full sympathy with the spirit of the Gadsden treaty, signed December 30, 1853, which declares that "the vessels and citizens of the United States shall, in all time, have free and uninterrupted passage through the Gulf of California, to and from their possession situated north of the boundary line of the two countries, it being understood that this passage is to be by navigation in the Gulf of California and the river Colorado."

Wherefore your memorialist prays that the subject of this mammoth development be given your earnest consideration, and that the Department of State be instructed to initiate negotiations with the government of the Republic of Mexico looking to the consent of the said government for the construction of the said project over Mexican territory, or to its actual cooperation in such construction.

And your memorialist will ever pray.

Adopted by the House December 7, 1934

Approved by the Governor December 11, 1934.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE MEMORIAL NO. 6.

To the Federal Power Commission:

Your memorialist, the Legislature of the State of Arizona, respectfully represents:

The rates charged consumers for electricity, gas and water for domestic purposes in most Arizona cities and town are generally considered to be excessive, and all efforts to bring about a material reduction in such rates have thus far been unavailing.

Most of these utilities are in the hands of corporations operating on an interstate basis, or which are owned and controlled by holding companies having plants in many states.

It is exceedingly difficult, because of the great cost, the handicaps connected with the securing of the highest-class engineering, accounting, and other technical services, and for other reasons, to secure, through municipal or state agencies, an adequate investigation of the business of these corporations.

It is extremely important, both from the local and the national point of view, that authentic facts with respect to public utility charges in Arizona be ascertained.

The Federal Power Commission, with resources, both of funds and personnel, at its disposal, is the best equipped public agency for such purpose.

WHEREFORE, your memorialist prays that your honorable body make a thorough investigation of interstate or holding company owned public utility corporations and plants in Arizona, with a view to determine the legitimate cost of the services rendered by them to the consuming public of this state.

And your memorialist will ever pray.

Adopted by House December 8, 1934

Approved by the Governor December 11, 1934.

State of Arizona
Eleventh Legislature
House of Representatives
Third Special Session

HOUSE MEMORIAL NO. 7.

To the Federal Bureau of Public Roads:

Your memorialist, the Eleventh Legislature of the State of Arizona, in Third Special Session, respectfully represents:

That certain highway, locally known as the Sunset route, which extends across Cochise county, Arizona, from Stein's Pass, near the New Mexican boundary, through the towns of San Simon, Bowie, Willcox, Cochise, and Dragoon, to Benson, is one of the principally traveled thoroughfares in the state of Arizona.

Although this highway, over most of its length, is only a county highway, and has not been permanently improved, the desirability of its location and its other natural advantages are such that a large part of its heavy traffic is represented by interstate tourists, who prefer it to better improved but less desirably located highways.

Wherefore, your memorialist suggests the advisability of a thorough investigation by engineers of the Bureau of Public Roads, of the advantages possessed by this route, with a view to determining its feasibility as a military highway, and otherwise as a permanent federal route across the eastern part of Arizona, and earnestly requests that such investigation be made at the earliest practicable time.

And your memorialist will ever pray.

ADOPTED BY HOUSE DECEMBER 11, 1934

APPROVED BY THE GOVERNOR DECEMBER 12, 1934

State of Arizona
Eleventh Legislature
Senate
Third Special Session

SENATE RESOLUTION NO. 1

(On the death of Arthur J. McQuatters.)

By Senator Greer

Introduced December 10, 1934

Whereas, Arthur J. McQuatters, of McNary, Arizona, suddenly and unexpectedly passed away at Albuquerque, New Mexico, on December 8, 1934; and

Whereas, the deceased was one of the foremost industrial figures in this State, having been the executive head of the Cady Lumber Corporation, Standard Lumber Mills, Inc., Southwest Lumber Sales Corporation, and the Apache Railway Company, a group of business agencies comprising the largest industrial organization of northern Arizona, and constituting by far the greatest field of employment; and

Whereas, in addition to his unusual capacity as a business executive, the deceased was a man of strict integrity, strong courage, and never-failing faith in the future greatness of this state, and

Whereas, his passing is a severe loss to Arizona, and particularly to northern Arizona, the scene of his chief activities; now, therefore be it

Resolved, by the Senate of the Eleventh Legislature of the State of Arizona, that its sincere regret be and the same is hereby expressed, and that the deep sympathy of this body be extended to the bereaved wife and family.

SENATE CONCURRENT RESOLUTION NO. 1

By all members.

Introduced December 1, 1934, and passed under
suspension of the rules.

On the departure from this life of Doctor John Kelly Moeur.

Whereas, during the early night hours of November 30, 1934, the Inevitable Summons, which one day reaches all earthly sojourners, called the spirit of Dr. John Kelly Moeur, of Tempe, eldest son of Governor and Mrs. Benjamin B. Moeur of Arizona, and "the white sail of his soul rounded the promotory--death," and

Whereas, "Dr. John," as he was familiarly known, was a native son, the memory of whose brave life and noble character all Arizona may cherish; and

Whereas, the passing of such a life, exemplifying the virtues of courage, patience, honesty, and unselfish devotion to the service of his fellow men is truly an occasion for sorrow on the part of every citizen; now, therefore, be it

Resolved, by the Senate and the House of Representatives of the State of Arizona, that news of the passing of Dr. John Kelly Moeur is received by this body with feelings of the most profound regret; and, be it further

Resolved, that the sympathy, deep and sincere, of every member, is extended to the bereaved father and mother, Governor and Mrs. Moeur, the widow, Mrs. Mary Carter Moeur, the son, John Carter Moeur, and to all other members of the bereaved family; and be it further

Resolved, that the sorrow of the members of this body be expressed by the adoption of this resolution while silently standing for one minute, with heads bowed, breathing a prayer for the support of the stricken family; and be it further

Resolved, that we extend to the mourning family and the legion of likewise mourning friends the consolation that

"We all must die!

All leave ourselves, it matters not where, when,

Nor how, so we die well; and can that man that does so

Need lamentation for him?"

STATE OF ARIZONA
ELEVENTH LEGISLATURE
SENATE
THIRD SPECIAL SESSION

SENATE JOINT RESOLUTION NO. 1

Whereas, at five o'clock of this morning, December 11, 1934, fire in the Kern hotel, at Lansing, Michigan, visited sudden and tragic death upon a large number of guests; and

Whereas, among the guests of the hotel were included a number of members of the Michigan legislature, now in special session; and

Whereas, at least four of said members of the legislature are known to have lost their lives in the flames, while a number of others are missing; and

Whereas, the members of this body, similarly engaged in an emergency session, are stunned by the terrible fate which has come so suddenly upon their fellow-workers of the Michigan legislature.

Now, therefore, be it resolved by the legislature of the State of Arizona in special session assembled, that in the name and behalf of all citizens over the State, the deepest sympathy for the State of Michigan and for the families of those servants of that State whose lives have been snuffed out, be, and the same is hereby expressed.

Adopted by the House December 11, 1934
Adopted by the Senate December 11, 1934
Approved by the Governor December 12, 1934

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