

## CHAPTER 188.

[H. B. 274.]

PURCHASE BY ONE RAILROAD CORPORATION OF  
STOCKS AND BONDS OF ANOTHER RAILROAD:  
CONSOLIDATION OF CORPORATIONS.

AN ACT relating to the powers of railroad companies and amending Section 1 of Chapter 196 of the Laws of 1909, pages 698-701, being Section 10463 of Remington's Compiled Statutes of Washington, 1922, and validating sales and leases of branch line railroads heretofore made.

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

SECTION 1. That Section 1 of Chapter 196 of the laws of 1909, (as amended by Chapter 136 of the laws of 1915), being Section 10463 of Remington's Compiled Statutes of Washington, 1922, be amended to read as follows:

Section 1. Any railroad company now or hereafter incorporated pursuant to the laws of this state or of the United States, or of any state or territory of the United States, may at any time by means of subscription to the capital stock of any other railroad company, or by the purchase of its stock or bonds, or by guaranteeing its bonds, or otherwise, aid such company in the construction of its railroad within or without this state; and any such company owning or operating a railroad within or without this state, may extend the same into this or any other state or territory, and may build, buy, or lease the whole or any part of any other railroad, together with the franchises, powers and immunities and all other property and appurtenances appertaining thereto, whether located within or without this state; or may consolidate with any railroad or railroads in such other state or territory, or with any other railroad in this state, and may operate the same, and may own such real estate and other property in such other state or territory as may be necessary or con-

Amends  
§ 5663,  
Pierce's  
Code.

Aid  
other  
railroad  
companies.

May purchase and  
lease other  
railroads.

Consolidation.

venient in the operation of such road; and any such railroad company may sell or lease the whole or any part of its railroad and branches, within or without this state, constructed or to be constructed, together with all property, rights, privileges, and franchises appertaining thereto, to any railroad company organized or existing pursuant to the laws of the United States or of this state, or of any other state or territory of the United States; and any railroad company incorporated or existing under the laws of the United States, or of any state or territory of the United States, may extend, construct, maintain and operate its railroad, or any portion or branch thereof, into and through this state, and may build branches from any point on such extension to any place or places within this state, and the railroad company of any other state or territory of the United States which shall so purchase or lease a railroad, or any part thereof in this state, or consolidate with any such railroad in this state, or shall extend or construct its road, or any portion or branch thereof in this state, shall possess and may exercise and enjoy as to the location, control, management and operation of the said road, and as to the location, construction and operation of any extension or branch thereof, all the rights, powers, privileges and franchises possessed by railroad corporations organized under the laws of this state, including the exercise of the power of eminent domain. Such purchase, sale, consolidation or lease may be made, or such aid furnished upon such terms or conditions as may be agreed upon by the directors and trustees of the respective companies; but, except in the case of sale or lease of branch line railroads, the same shall be approved or ratified by persons holding or representing seventy-five per cent. of the capital stock of the company so selling or disposing of its stock or bonds, or selling, leasing, or other-

May sell  
or lease  
to other  
railroad  
companies.

Eminent  
domain.

Ratification  
by 75% of  
stock-  
holders.

Articles of  
consolida-  
tion.

Filed with  
department  
of public  
works.

Further  
consol-  
idation.

Competing  
lines not  
granted  
privilege.

wise disposing of its railroad property and appurtenances pertaining thereto, at any annual stockholders' meeting or at a special meeting of the stockholders called for that purpose, or by the approval in writing of seventy-five per cent. of the stockholders of such company. Articles stating the name selected for such consolidated corporation and the terms of such consolidation shall be approved by each corporation by the vote of the stockholders holding seventy-five per cent. of the stock, in person or by proxy, at a regular meeting thereof or a special meeting called for that purpose in the manner provided by the by-laws of the respective consolidating corporations, or by the consent in writing of such seventy-five per cent. of such stockholders annexed to such articles; and a copy thereof, with a copy of the records of such approval or consent, duly certified by the respective presidents and secretaries, with the corporate seals of such corporations affixed thereto, shall be filed for record in the office of the secretary of state, and a copy thereof be furnished to the Department of Public Works; and thereupon such consolidating corporations shall be and become one corporation, by the name so selected, which, within this state, shall possess all the powers, franchises, and immunities, including the right of further consolidation with other corporations, and be subject to all the liabilities and restrictions now or hereafter imposed by law: *Provided*, that no railroad corporation shall consolidate its stock, property, or franchises with any other railroad corporation owning a competing line, or purchase, either directly or indirectly, any stock or interest in a railroad corporation owning or operating a competing line: *And, Provided further*, That nothing in the foregoing provisions shall be held or construed as curtailing the right of this state, or of the counties

through which any such road or roads may be located to levy and collect taxes upon the same, and upon the rolling stock thereof, in conformity with the provisions of the laws of this state upon that subject, and all roads or branches thereof in this state so consolidated with, purchased or leased, or aided, or extended into this state, shall be subject to taxation and to regulation and control of its operation by the laws of this state in all respects the same as if constructed by corporations organized under the laws of this state; and any corporation of another state or territory or of the United States, being the purchaser or lessee of a railroad within this state or extending its railroad or any portion thereof into or through this state, shall establish and maintain an office or offices in this state, at some point or points on its line, at which legal process and notice may be served as upon railroad corporations of this state: *Provided, further,* That before any railroad corporation organized under the laws of any other state or territory, or of the United States, shall be permitted to avail itself of the benefits of this act with respect to any railroad constructed, or to be constructed within this state, such corporation shall file with the secretary of state, a true copy of its charter or articles of incorporation, and otherwise comply with the laws of this state respecting foreign corporations doing business within the state: *Provided,* That any such consolidation shall be approved by the Department of Public Works: *Provided, further,* That in no case shall the capital stock of the company formed by such consolidation exceed the sum of the capital stock of the companies so consolidated, at the par value thereof. Any sale or lease of a branch line railroad heretofore made in substantial compliance with the provisions of this Act

Taxation:  
right of,  
not cur-  
tailed.

Foreign  
corporation  
purchaser.

Office for  
service of  
process.

Foreign  
corporations.

Approval of  
department  
of public  
works.

Part sales  
or leases  
of branch  
lines legal-  
ized.

is hereby legalized and made in all respects legal and binding from the date of its execution.

Passed the House December 19, 1925.

Passed the Senate December 31, 1925.

Approved by the Governor January 16, 1926.

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## CHAPTER 189.

[H. B. 130.]

### DRAINAGE DISTRICTS.

AN ACT relating to drainage, diking and sewerage improvement districts, and amending Chapter 176 of the Laws of 1913 by adding after Section 16 thereof a new section to be known as Section 16-1, being Section 4421-1 of Remington's Compiled Statutes.

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

SECTION 1. That Chapter 176 of the Laws of 1913 is hereby amended by adding after Section 16 thereof a new section to be known as Section 16-1, and as Section 4421-1 of Remington's Compiled Statutes as follows:

Section 16-1. (4421-1). Whenever the board of county commissioners has passed a resolution establishing a district, the county commissioners may at their meeting on the first Monday in October next ensuing and at the same time in each year thereafter until the improvement has been completed and a statement of total costs has been filed, levy an assessment against the property within the district to defray the preliminary expenses of the district, the levy to be based upon the estimated benefits as shown by the report of the county engineer on file in the Auditor's office. The assessment so made shall be considered and credited to the respective pieces of property by the board of appraisers and

Adds  
§ 1945-72a,  
Pierce's  
Code.  
See § 22,  
ch. 130,  
p. 528, L.  
1917;  
§ 4226-16,  
R. & B.  
Code.

Annual levy  
for prelim-  
inary ex-  
penses.

Basis.