

## ROAD BONDING ACT

House Bill 550, referred to the people at special election June 4, 1917.

An act to provide for the construction of roads and highways in the state of Oregon; provide for the issuance of bonds by the state of Oregon to raise money to carry out the purposes of this act; to authorize the State highway commission to take such action and perform such duties as may be necessary to meet the requirements of this act; to designate and authorize the construction of certain hard-surfaced highways and certain roads and certain forest roads, and to provide for other post roads and forest roads; to provide for the letting of contracts for the construction, paving and maintenance of roads and highways; to make the surplus arising from the fees collected under House bill No. 509 of the present legislative session a fund under the jurisdiction of the State highway commission with which to pay interest and principal on bonded indebtedness of the state, contracted by the state for road purposes, and other lawful claims incurred by said commission, and to provide for modifying the terms of House bill No. 21 passed by the 29th legislative assembly of the state of Oregon, and to provide for submitting this act to the people and for the calling of a special election therefor, and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

Section 1. The State Highway commission is hereby authorized, empowered and directed, during the next five years, to sell the bonds of the state of Oregon as hereinafter provided, in an amount sufficient to raise enough money to meet the requirements of this act.

Provided, that not more than \$1,000,000 in bonds shall be issued hereunder during the year 1917, and that not more than \$2,000,000 in addition to any surplus unissued or unexpended out of the \$1,000,000 authorized for the year 1917, shall be issued during the year 1918.

Section 2. The State Highway commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officials, and do any other act or thing necessary to fully meet the requirements of this act.

Section 3. The attorney general shall, under the direction of the State highway commission, prepare a form of interest-bearing gold bond of the State of Oregon, to be sold in order to provide funds for the carrying out of the purposes of this act. Said bonds shall be numbered serially, beginning at Number 1, and shall be payable in the order of their issuance. Said State Highway commission is hereby authorized, empowered and directed to issue bonds of the State of Oregon for the purpose of carrying out the provisions of this act in an amount not exceeding \$6,000,000.00, of which sum at least \$600,000 shall be issued in denominations of \$600 each or less. The bonds issued in any year under the provisions of this act shall be payable one-twentieth each year, commencing with the sixth year after the issuance thereof. One-half of the bonds payable each year shall be payable on the 1st day of April and the other half on the 1st day of October. Each bond shall bear upon its face a statement showing the date of its maturity. Said bonds shall bear interest at the rate of four per cent per annum, payable semi-annually on April 1st and October 1st. Principal and interest on said bonds shall be payable at the office of the state treasurer at Salem, Oregon, and if said State Highway commission shall so direct, said bonds may also provide for payment at some other place. Said bonds shall be in a form embodying an absolute promise of the state of Oregon to pay the amount thereof in gold coin of the United States of America of the value and weight and fineness of the date of such bond, and shall be in such denominations as the State Highway commission shall elect. They shall be signed by the governor, secretary of state and state treasurer. Said bonds shall bear coupons evidencing the interest to become due thereon for each installment of such interest, upon which shall be printed the facsimile of the signature of said officers. Said commission may, at its option, cause a part or all of said bonds to be payable to the purchaser thereof and register the name of such purchaser in the office of the state treasurer and provide an appropriate endorsement upon each of such bonds to the effect that the same will be paid only to the owner appearing on the register thereof, and providing a method for re-registering the same as the title may be passed, and it may also provide that a part or all of said bonds shall be payable to bearer and not subject to registration. Not less than ten days before the payment of the principal or interest falls due on any of the bonds provided for in this act, the State Highway commission shall certify to the state treasurer the amount necessary to meet the payment thereof. Upon receipt of such certificate by the state treasurer he shall prepare and verify a claim for the amount mentioned therein, attaching thereto said

certificate, and present the same to the secretary of state, who shall audit such claim in like manner as other claims against the state are audited, and pay the same out of any moneys provided by law for the payment thereof. The state treasurer is authorized and directed to make any such payments of principal or interest on said bonds at such places, other than at Salem, Oregon, as the State Highway commission may provide. All bonds and interest coupons upon payment shall be deposited by the state treasurer with the secretary of state to be attached to the original claim of the state treasurer for the payment thereof.

Section 4. The State Highway commission shall provide such method as it may deem necessary for the advertisement of each issue of said bonds before the same are sold, and shall also require such deposit with bids as may be required, and generally shall conduct the sale and issuance of said bonds under such rules and regulations not inconsistent with this act as shall be adopted by said commission.

Section 5. The money arising from the sale of each issue of bonds shall be deposited in the state treasury to the credit of a special fund, which shall be used in carrying into effect the provisions of this act. The secretary of state is hereby authorized and directed to audit all claims incurred in carrying out the provisions of this act in the same manner as other claims against the state are audited, and pay the same from any moneys provided by law for the payment thereof upon the submission of duly verified vouchers therefor approved by the commission; provided, that bonds and coupons shall be paid as is provided in Section 3 hereof.

Section 6. The highways described in Sections 6 and 7 of this act are hereby determined to be highways of first importance to the general public of the state of Oregon. It is hereby determined that the following highways should be permanently constructed and finished with a hard surface.

1. The Columbia River Highway from the Multnomah county line to Astoria, Seaside, and south in Clatsop county to the Tillamook county line. Inasmuch as the counties of Columbia and Clatsop have already expended large sums of money in constructing the said Columbia Highway through said counties and in doing so have practically exhausted their ability to raise money by an issuance of county bonds, the State Highway commission is hereby authorized, from the funds arising under this act, in addition to paving said highway, to use from said funds sufficient to provide for the preparation of said highway through said counties for the paving thereof.

2. The Pacific Highway from the Multnomah county line through Washington county and Yamhill county by way of Hillsboro, Forest Grove, McMinnville to Dallas, Monmouth and Independence, in Polk county; to Corvallis and Monroe in Benton county, and through Eugene to the north line of Douglas county.

3. The Pacific Highway from the Multnomah county line through Oswego, Oregon City and Canby in Clackamas county, thence through Marion and Linn counties, to a junction with the highway at Junction City.

4. Such portions of the Columbia River Highway between the Multnomah county line easterly through the city of Hood River and Hood River county and through The Dalles and Wasco county, through Sherman county, through Gilliam county, by way of the town of Arlington and up the Columbia river to the confluence of the Umatilla river with the Columbia river, thence up the Umatilla river through Hermiston, Stanfield, Echo and Pendleton, and thence by such route as shall be determined by the State Highway commission to La Grande, Baker, and to the Idaho line, as the county courts of the various counties affected shall agree to prepare the road ready for paving. Provided, that inasmuch as the county of Hood River has raised by a bond issue and expended upon said Columbia River Highway practically its full constitutional limit, said commission may expend on said Columbia River Highway in Hood River county, such portion of the money arising under this act as it may deem proper in preparing said Columbia River Highway for paving. The various county courts in said counties in Eastern Oregon through which said Columbia River Highway is projected shall agree with the State Highway commission upon what portions of said highway are to be paved with a hard-surface paving and what portions are to be constructed as post roads, and whenever any of said counties shall have prepared a portion of said highway ready for paving, then the State Highway commission shall proceed promptly to pave the same under the provisions of this act, and the remainder thereof shall be improved as a post road under the provisions of this act, and such portion so improved as a post road shall not be eligible for paving at the expense of the state under the provisions of this act.

5. The Pacific Highway through Jackson county, where the same has not already been paved, along the

route heretofore adopted by the State Highway commission. Inasmuch as the county of Jackson has already expended large sums of money in constructing said Pacific Highway, and in paving a large portion thereof, and in so doing has practically exhausted its ability to raise money by any issuance of county bonds, the said Highway commission is hereby authorized, from the funds arising from this act, in addition to completing the paving of said highway in Jackson county, to use from said funds sufficient to provide for completing the preparation of said highway through said county, for the paving thereof.

6. Commencing on the Columbia River Highway at or near Arlington, in Gilliam county, thence up Willow creek in Morrow county, through the cities of Lone, Lexington and Heppner in Morrow county and through Pilot Rock, Pendleton, Adams, Athena, Weston, Milton and Freewater in Umatilla county, to the Oregon and Washington state line.

7. A road from the south line of Clatsop county, at the end of its highway described in paragraph 1 hereof, south by Wheeler to Garibaldi.

8. A road from the Multnomah county line by Tigard, Rex and Newberg to McMinnville.

For the purposes of this act the above highways are to be known as hard-surfaced highways.

Section 7. The following highways, to-wit:

1. The road running from the north line of Douglas county to the Jackson county line over the line of the Pacific Highway as adopted by the State Highway commission;

2. All that portion of the Columbia river highway described in the fourth paragraph of the description of hard-surfaced roads as described in section 6 of this act, which the county courts of the several counties through which the same is located, shall not determine to prepare for paving hard-surfaced paving as is herein provided, shall be considered a post road, and eligible to improvement as such under the provisions of this act;

3. A road from Roseburg, by Myrtle Point and Coquille to Marshfield;

4. A road from the Pacific highway, from a point at or near McMinnville, by Willamina to Tillamook City;

5. A road from The Dalles by way of Dufur, Maupin and Shaniko to Redmond, Bend and from thence to Klamath Falls;

6. A road from Bend to Lakeview;

7. A road from an intersection with the Columbia river highway at a point either in Sherman or Gilliam county, by way of Condon, Fossil and Spray and thence up John Day Valley to such point as the highway commission shall elect, and from thence to Vale and the Idaho line;

8. A road from La Grande, through Union and Wallawa counties to Joseph;

9. A road from Bend, through Burns and Harney to Vale;

shall be known as post roads and shall be constructed along routes between said certain points to be agreed upon by the representatives of the Federal government, and said State highway commission. Said post roads shall be constructed according to specifications agreed upon between the representatives of the Federal government and said State highway commission. Provided, that if the counties of Douglas and Josephine, or either of them, shall prepare any part of the said Pacific highway and make same ready for paving according to the requirements of the State highway commission, then said commission shall immediately pave the road so prepared, and such portion of said road shall be expected from the classification as a post road. If the county of Coos shall prepare and make ready for paving, according to the requirements of the State highway commission, twenty or more miles in length of the post road between Roseburg and Marshfield hereinbefore described, or the county of Tillamook shall so prepare and make ready for paving twenty or more miles in length of the post road between Tillamook City and McMinnville, and if such portions of said roads, in either or both of said counties, are so prepared, that the same shall be ready for paving according to the requirements of the State highway commission shall immediately pave the road so prepared and such portion of said road shall be expected from the classification as a post road, and such portion shall then be classified as a paved road.

Section 8. Roads over the following routes are hereby adopted and designated as forest roads, to-wit:

1. A road from Medford in Jackson county as surveyed and adopted by the Federal government in cooperation with the State of Oregon, by the way of Crater Lake, to a point in Klamath county to be selected by the highway commission and the Federal officials representing the Federal government, operating under what is known as the "Shackelford bill."

2. A road from a point in Lane county to be selected by the State highway commission and the Federal officials representing the Federal government, operating under what is known as the "Shackelford bill," by way of the Siuslaw river, to a point in

Coos county to be selected by said highway commission.

3. A road from Edgemoor connecting Willamette valley with Eastern Oregon by way of the McKinzie river to Bend.

4. A road connecting the post road from the Columbia river highway up the John Day valley with the post road between The Dalles and Bend.

5. A road from Albany, via Lebanon, Cascadia and Fish Lake, to Bend.

No preference shall be given in the construction, improving or paving any of the roads described herein by reason of the numerical designation of such roads.

The funds with which to pay the portion of the expense of the construction of said post roads and forest roads payable by the State of Oregon, shall be secured from the sale of bonds as is provided in house bill No. 21, passed by the present legislative session, which bill is entitled "A bill for an act to accept the benefits of the act passed by the Sixty-fourth congress of the United States entitled 'An act to provide that the United States shall aid the states in construction of rural post roads, and for other purposes,' and to provide for the issuance of bonds of the State of Oregon to raise such money as may be required to meet the requirements of said Federal statute, and to authorize the State board of Control to take such action and perform such duties as may be necessary to meet the requirements of said Federal act and Federal officials acting under said act." Of the funds made available by said act for post roads, at least sixty per cent shall be expended on the above mentioned post roads, in the counties east of the Cascade mountains.

Provided, however, that the above provision shall not be construed to impair the assent of the state to the Federal aid as hereinbefore specified, and to limit the necessary cooperation between this state and the Federal government in the construction of forest and post roads.

No description of any highway provided for herein, shall be construed to prevent the State highway commission from making such local changes in the location thereof as they may deem proper.

Section 9. The State Highway commission is also authorized to adopt such other roads or routes connecting portions of the state and to provide for the construction of post roads or forest roads over such routes and the improvement and maintenance thereof, and to pay for the same from the fund created by House Bill No. 21, referred to by title in Section 8 hereof.

Section 10. The State Highway commission is hereby authorized, empowered and directed whenever the county through which any portion of said hard-surfaced roads may be located, shall have constructed all or any section of any such hard-surfaced road in accordance with plans and specifications prepared by the State Highway commission, along routes prescribed by said commission, and shall have provided for suitable drainage of said roads in accordance with the requirements of said commission and shall have prepared the foundation in accordance with the requirements of said commission, then said commission shall let contracts, or otherwise provide according to law for the completion of said hard-surfaced roads by causing said roads to be finished and hard-surfaced according to plans and specifications prepared by said commission, and the funds required therefor shall be derived from the sale of said bonds, provided for in Section 3 hereof.

Section 11. The State Highway commission shall pay the interest upon said bonds as the same shall become due, from any funds subject to its control, from whatever source the same may come, and the payments upon the principal of said bonds, as the same shall become due, shall be paid by the said Highway commission from any funds within its control, without regard to the origin of said funds.

Section 12. Any surplus or unexpended balance of the fees received under the operation of House Bill No. 509, passed by this legislative session, which bill is entitled "For an act to amend Chapter 174 of the General Laws of Oregon for 1911, as amended by Chapter 135 of the General Laws of Oregon for 1913, and as amended by Chapter 350 of the General Laws of the State of Oregon for 1915; providing for regulating the use, registration, license, identification, conduct and operation of vehicles operated upon the public roads, streets and highways of the State of Oregon; to regulate and license the persons who drive the same; to prescribe penalties for violation hereof and to prohibit the unauthorized possession or use of a vehicle and to provide a penalty therefor; to license and identify all motor vehicles; to limit the authority of cities and towns on like subjects concerned with said vehicles; to prescribe the duties of the secretary of state as to certain provisions of this act; to provide for the handling and distribution of the funds derived from the operation of this act, and to repeal all acts and parts of acts in conflict herewith," remaining after the payment

of all claims incurred in carrying out the provisions thereof or estimated by the secretary of state as necessary to defray any further administration expenses for the balance of any license year, shall be transferred on the first day of April and the first day of October in each year by the secretary of state to an account to be expended under the jurisdiction of the State highway commission in payment of the interest and principal as same shall become due upon bonded indebtedness of the state of Oregon, contracted for road purposes under the provisions of this act or the provisions of the said house bill No. 21 referred to by title in section 8, of this act. Any remainder of such surplus or unexpended balance so transferred to the jurisdiction of the State highway commission shall be subject to the payment of any other lawful claim or claims incurred or contracted by said commission.

Section 13. The State highway commission is hereby authorized and empowered to enter into contracts for the purpose of constructing the roads provided in this act; provided, however, that all contracts shall be let according to law and in open and public session of said commission; provided further, that if, in the opinion of a majority of the members of said commission, the lowest bid for the construction of any of the roads or parts of roads herein authorized to be constructed, shall be excessive, then and in that event, said commission shall have the right and it is hereby empowered and authorized to reject all bids and to construct under its own direction and supervision, all of such roads or any part thereof, and to this end to accomplish this purpose said commission is hereby authorized and empowered to purchase or lease all necessary machinery, equipment, tools and appliances and to employ all necessary help and labor and to do all things necessary and convenient to carry out the provisions of this act.

Section 14. This act shall be referred to the people for their ratification or rejection at a special election to be called in the manner provided by law, said election to be held on the 4th day of June, 1917, and shall be in full force and effect as soon as ratified by the people at such election.

Section 15. On account of the importance of the early decision of this matter and the importance of getting funds for construction of roads, this act is necessary for the peace, health and safety of the people of the State of Oregon, and the special election hereinabove declared should not be delayed beyond the time hereinabove set, and for that reason an emergency is declared to exist, and this act shall be in full force and effect in accordance with the terms and provisions therein set forth, from and after its passage, as regards said special election.

### 94 Sunk in Month.

New York—Official figures from the British admiralty made public here at the office of the consul general of Great Britain show that during February 94 British merchant ships were destroyed by mines or submarines. Of this number 61 ships were of 1600 tons or over and 33 were under 1600 tons. In addition to the merchant ships, 29 fishing vessels of British register were sunk. It was also reported that during the month 67 British merchant vessels were unsuccessfully attacked by submarines, as shown by reports filed with the admiralty up to and including March 4.

### Training Bill Sweeping.

Albany, N. Y. — Bills intended to provide for military training for all boys in New York state between the ages of 16 and 19 years were passed by the assembly and senate with only five votes cast against them. The bills would amend the military training law passed last year, which provided military training for schoolboys only. Under the amendment 230,000 boys will be eligible for military training, while under the old law only 22,000 were eligible. The measures provide that boys shall receive three hours of military training a week from September 1 to June 15 of each year.

### Three Die in Farm Fire.

Chandlers, Okla.—J. O. Phillips, a wealthy farmer living near here, was burned to death, with his two sons, 11 and 13 years of age, Wednesday, when fire destroyed their home. Phillips, his wife and her sister had escaped, when he realized that the children still were in the house asleep. He rushed into the building, but never emerged.

### Flag Desecrator Held.

Boston—Herman von Hagen, charged with desecrating the American flag, was held in \$500 bail for a hearing. Von Hagen, who was born in this country, had been employed recently in a local machine shop and it was alleged he used a small flag to wipe grease spots from the work bench.

### Swedish Ministry Quits.

London—The Swedish ministry has resigned, according to Reuter's Stockholm correspondent. At the request of King Gustave, however, the ministers consent to remain in office in the hope of composing the crisis.