

THE NUMBER AND FORM IN WHICH THE QUESTION WILL  
APPEAR UPON THE OFFICIAL BALLOT AT THE  
GENERAL ELECTION, MAY 5, 1931,  
IS AS FOLLOWS:

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## Referendum Measure No. 35

An Act Known as the State Highway Treasury Anticipation Debenture Act of 1931 and Authorizing the Issuance of Debentures of the State of Montana in the Principal Sum Not Exceeding Six Million Dollars (\$6,000,000.00) for the Years 1931 to 1934, Inclusive, and Not to Exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) in Any One of Said Years, and Providing for the Sale Thereof for the Use of the State Highway Fund for the Purpose of Assuring the Ability of the State of Montana to Secure Any Moneys Made Available by the Act of Congress in Reference to Highways, and for Other Highway Purposes; Providing for a Tax on Gasoline or Motor Fuels and Anticipating the Revenues therefrom; Prescribing the Form and Terms and Conditions of Said Debentures and Interest Thereon and the Dates of Their Maturities; Calling a General Election for the Submission of This Act to the People; and Providing the Method for Referring the Question of Issuance and Sale of Said Debentures to the People at a General Election and Prescribing the Registration for Such Election, and Prescribing the Method for Holding Such General Election and Appropriating Moneys From the State Highway Fund to Pay the Cost Thereof; Providing a Method by which the State Treasurer May Purchase said Debentures and Providing that Said Debentures May be Accepted as Security for the Repayment of Public Moneys; Prescribing the Conditions Under which the Sale of Such Debentures May be Made and the Use of the Funds to be Derived from the Sale of Such Debentures; Prescribing the Amounts and Years Respectively in Which said Debentures Shall be Due and Payable; Providing for the Repayment of Both Principal and Interest of Such Debentures and for the Pledging and Setting Aside of a Sufficient Amount of Said Excise or License Tax on Gasoline or Motor Fuels to Pay the Same from the State Highway Treasury Debenture Redemption Fund Herein Created; Providing for the Cost of Such General Election and for the Cost of Advertising the Sale of Said Debentures; Providing for the Creation of a Liability Binding the State of Montana Not to Reduce the License Tax on Gasoline or Motor Fuels until after Accrual of Sufficient Moneys to Pay the Said Debentures and Interest; Defining the Duties of Election Officials Hereunder and Providing Penalties for Violations of the Election Provisions of This Act.

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For the above entitled Act.

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Against the above entitled Act.

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An Act Known as the State Highway Treasury Anticipation Debenture Act of 1931 and Authorizing the Issuance of Debentures of the State of Montana in the Principal Sum Not Exceeding Six Million Dollars (\$6,000,000.00) for the Years 1931 to 1934, Inclusive, and Not to Exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) in Any One of Said Years; and Providing for the Sale Thereof for the Use of the State Highway Fund for the Purpose of Assuring the Ability of the State of Montana to Secure Any Moneys Made Available by the Act of Congress in Reference to Highways, and for Other Highway Purposes; Providing for a Tax on Gasoline or Motor Fuels and Anticipating the Revenues therefrom; Prescribing the Form and Terms and Conditions of Said Debentures and Interest Thereon and the Dates of Their Maturities; Calling a General Election for the Submission of This Act to the People and Providing the Method for Referring the Question of the Issuance and Sale of Said Debentures to the People at a General Election and Prescribing the Registration for Such Election, and Prescribing the Method for Holding Such General Election and Appropriating Moneys From the State Highway Fund to Pay the Cost Thereof; Providing a Method by which the State Treasurer May Purchase said Debentures and Providing that Said Debentures May be Accepted as Security for the Repayment of Public Moneys; Prescribing the Conditions Under which the Sale of Such Debentures May be Made and the Use of the Funds to be Derived from the Sale of Such Debentures; Prescribing the Amounts and Years Respectively in Which said Debentures Shall be Due and Payable; Providing for the Repayment of Both Principal and Interest of Such Debentures and for the Pledging and Setting Aside of a Sufficient Amount of Said Excise or License Tax on Gasoline or Motor Fuels to Pay the Same from the State Highway Treasury Debenture Redemption Fund Herein Created; Providing for the Cost of Such General Election and for the Cost of Advertising the Sale of Said Debentures; Providing for the Creation of a Liability Binding the State of Montana Not to Reduce the License Tax on Gasoline or Motor Fuels until after Accrual of Sufficient Moneys to Pay the Said Debentures and Interest; Defining the Duties of Election Officials Hereunder and Providing Penalties for Violations of the Election Provisions of This Act.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:**

Section 1. That for the purpose of anticipating the revenue to accrue in the State Highway Fund of the State of Montana and for the purpose of assuring the ability of the State of Montana to secure any funds or moneys allocated to the State and made available to it by the Acts of the Congress of the United States in reference to the construction, betterment and maintenance of highways; and to provide additional working funds for the State Highway Commission of the State of Montana in reference to the roads and highways of the State, a loan or series of loans for the use and benefit and in the name of the State of Montana in the total principal sum of Six Million Dollars (\$6,000,000.00) and not exceeding One Million Five Hundred Thousand Dollars (\$1,500,000.00), lawful money of the United States of America in any one (1) year, is hereby authorized and directed, the proceeds of which said loan or loans shall be paid into the State Treasury of the State of Montana and placed in the State Highway Fund therein, to be used for the purposes herein provided.

Section 2. Said loan or loans shall be negotiated by the issuance and sale of a series of State Highway Treasury Anticipation Debentures of the State of Montana in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) during each of the years 1931 to 1934, inclusive, and not to exceed in the aggregate Six Million Dollars (\$6,000,000.00), and not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) in any one of said years, bearing interest at a rate not exceeding five per centum (5%) per annum payable semi-annually. Said debentures shall be issued in serial form to mature in the aggregate principal sum of Eight Hundred Fifty-Eight Thousand Dollars (\$858,000.00) in each of the years from 1934 to 1939, inclusive, and Eight Hundred Fifty-Two Thousand Dollars (\$852,000.00) in the year 1940. The said State Highway Debentures shall be substantially in the following form, to-wit:

No. .... UNITED STATES OF AMERICA \$ .....  
STATE OF MONTANA  
STATE HIGHWAY TREASURY ANTICIPATION DEBENTURE  
(State Highway Fund)

FOR VALUE RECEIVED, The State of Montana, acknowledges itself to owe and promises to pay from the State Highway Fund of the State of Montana, at the office of the State Treasurer of the State of Montana, at Helena, Lewis and Clark County, Montana, on the ..... day of ..... A. D. 19....., the sum of ..... (\$.....) Dollars in lawful money of the United States of America, together with interest thereon in like money at the rate of five per centum (5%) per annum from the date thereof, such interest to be payable semi-annually, on the first day of January and July each year. This debenture is one of a series of debentures aggregating the principal sum of a total par value of ..... (\$.....) Dollars, all of which debentures are identical in terms and conditions save and except as to the numbers, dates, denominations and maturities. All debentures of this series are entitled to payment at maturity in the order of their presentation at the office of the State Treasurer of the State of Montana, but are otherwise entitled to no priority or preference, the one over the other, and all are issued in pursuance of and subject to the terms and provisions of an Act of the Twenty-Second Legislative Assembly of the State of Montana, entitled "An Act Authorizing the Issuance of State Highway Treasury Anticipation Debentures of the State

of Montana, in the Principal Sum Not Exceeding Six Million Dollars (\$6,000,000.00), etc., approved March 1931. This debenture, and all other debentures of this series, is secured by the moneys derived from the excise or license tax on gasoline or motor fuels as provided for in said Act and not otherwise.

It is hereby certified, recited and declared that all matters, acts, conditions, and things required by law to make this debenture a valid outstanding and binding obligation against the State Highway Fund of the State of Montana, have happened and been done and performed, and the State of Montana hereby pledges its faith and credit that the excise or license tax on gasoline or motor fuels, as provided in said Act authorizing the issuance hereof, shall not be reduced so long as this debenture or any of the debentures of this series shall remain outstanding and unpaid, except as in said Act provided.

In witness whereof, and pursuant to the authority vested in them and each of them, and under and by direction of the aforesaid Act of the Legislature, the Governor and the State Treasurer of the State of Montana have hereunto affixed their and each of their official signatures, and the Secretary of State of the State of Montana has attested the same by his official signature and the Great Seal of the State of Montana, at Helena, the capital of said State, this \_\_\_\_\_ day of \_\_\_\_\_ A. D. 19\_\_\_\_\_.

\_\_\_\_\_  
Governor of the State of Montana.

\_\_\_\_\_  
State Treasurer of the State of Montana.

Attest:

\_\_\_\_\_  
Secretary of State of the State of Montana.

On the back of each said debentures shall be printed the following: "This debenture registered in my office this \_\_\_\_\_ day of \_\_\_\_\_ A. D. 19\_\_\_\_\_."

\_\_\_\_\_  
State Treasurer of the State of Montana."

Section 3. All of said State Highway Anticipation Treasury Debentures shall bear date on the day they are actually issued and shall be issued serially at the rate of One Million Five Hundred Thousand Dollars (\$1,500,000.00) in each of the years 1931 to 1934, inclusive, and shall be due and payable as provided in Section 1 of this Act. The principal and interest of said debentures shall be payable to the bearer at the office of the State Treasurer of the State of Montana at Helena, Montana at maturity and shall be entitled to payment in the order of their presentation at maturity; otherwise without preference or priority one over the other.

Section 4. The issue and sale of said debentures shall constitute an irrevocable contract between the State of Montana and the owner of any of said debentures that the excise or license tax on gasoline or motor fuels or dealers or distributors therein, as provided in this Act, or in any of the other laws of the State of Montana, shall not be reduced so long as any of said debentures remain outstanding and unpaid, and that the State of Montana will cause such taxes to be promptly collected, and after the payment of drawbacks or refunds, that the State Treasurer shall set aside from the said proceeds of said license taxes, into a fund to be known as the State Highway Treasury Debenture Redemption Fund, a sufficient amount of money each month to provide for the payment of the interest accruing each respective month, and during the twelve (12) months next preceding the maturity of said debentures he shall set aside in such fund from said proceeds sufficient money to provide for the payment of the principal maturing at the end of that year. The said license or excise taxes upon gasoline or motor fuels and dealers and distributors therein as herein provided, shall be irrevocable until all of said debentures and the interest to accrue thereon shall have been fully paid, and all of said debentures and the interest thereon shall be paid from the proceeds of said excise taxes; provided that nothing in this Act shall prevent the reduction of such excise taxes when sufficient moneys to pay the principal and accrued interest on all of said debentures have been set aside in said State Highway Treasury Debenture Redemption Fund.

Section 5. The State Highway Treasury Anticipation Debentures herein provided for shall be sold by the State Treasurer and the State Highway Commission to the highest or best bidder for cash at not less than par and accrued interest, and at such times and in such amounts, subject to the limitations herein provided, as may be authorized by said State Highway Commission by resolution to be entered of record in the minutes of their proceedings.

Immediately upon the passage or adoption by the said State Highway Commission of such resolution providing for the issuance and sale of any of said debentures, a certified copy of said resolution shall be delivered to the State Treasurer who, immediately upon receipt of such copy, shall advertise the time and place of sale by notice published once each week for four (4) consecutive weeks in at least one (1) newspaper published in the City of Helena, Montana, and by one (1) publication in one (1) newspaper published in the City of New York, State of New York as provided by law. The first publication of such notice shall be made not less than thirty (30) days next preceding the date of sale. Such notice shall state that such sale will be made at the office of the State Treasurer of the State of Montana and shall specify the time of such sale. Such notice shall further state the amount of such debentures to be sold and that the denominations thereof will be made to suit the purchaser; and shall further state that said debentures shall bear interest at a rate not to exceed five per centum (5%) per annum and that sealed bids will be received therefor.

At the time and place stated in said notice the State Treasurer and the State Highway Commission shall open the bids in public and may award said debentures to the bidder or bidders offering to pay the highest price therefor, or offering to purchase said debentures at par and accrued interest at the least rate of interest.

The State Treasurer and the State Highway Commission shall have the right to refuse any and all bids and they shall require as security for compliance with the terms of each bid, the deposit of a certified check equal to two per centum (2%) of the bid, drawn on some solvent bank or trust company payable to the order of the State Treasurer as a guaranty that said debentures will be paid for by the bidder whose bid is accepted. Said certified check and the proceeds therefrom shall be forfeited to the State of Montana in case such bidder fails to make good his bid.

The cost of the advertisement of the sale of any of said debentures shall be paid out of the State Highway Fund as other claims against said fund are paid.

Section 6. The proceeds from the sale of said State Highway Treasury Anticipation Debentures shall be placed in the State Treasury and credited to the State Highway Fund to be used for the purposes hereinbefore set out.

Section 7. The State Treasurer may, with the approval of the State Board of Examiners, and other officials whose approval is required by law for the investment of public funds, purchase such debentures for public investment on a competitive basis with any other bidders.

Section 8. The said State Highway Treasury Anticipation Debentures may be accepted at their par value by all public officials of the State of Montana as security for the repayment of all deposits of public moneys of the State or of any county, municipality or public institution thereof, and as security for the faithful performance of any obligation or duty to guarantee the performance of which such officials are now authorized by law to accept deposits of the bonds of this State or of the United States of America.

Section 9. For the purpose of providing funds for the payment of the interest and the maturing principal of the State Highway Treasury Anticipation Debentures herein provided for, every distributor referred to and defined in Initiative Measure No. 31, effective January 1, 1927, and in Chapter 19 of the Laws of Montana, 1927, and Chapter 92 of the Laws of Montana, 1929, shall pay for the year beginning April 1, 1931 and ending March 31, 1932, and each year thereafter, until March 31, 1941, to the State Board of Equalization for deposit into the State Treasury, a license tax for engaging in and carrying on such business in this State in an amount equal to five cents (5c), and for each year after March 31, 1941, equal to three cents (3c), for each gallon of gasoline refined, manufactured, produced or impounded by such distributor and sold by him in this State, or shipped, transported or imported by such distributor into and distributed and sold by him within this State, after it has arrived in and is brought to rest within this State, whether sold in the original packages or in the broken packages during such year; provided that all gasoline delivered by any distributor to any of his service stations in this State shall be deemed to have been sold and shall be treated and considered in computing such license tax in the same manner as though the same had been sold to dealers or to other persons. In making the computation of license tax due and in making payment thereof, two per centum (2%) of the amount of such tax shall be deducted by the distributor as an allowance for evaporation and other loss of gasoline handled by such distributor, and every dealer referred to and defined in said laws, shall, for the year beginning April 1, 1931, and ending March 31, 1932, and each thereafter until March 31, 1941, while engaged in such business in this State, pay to the State Board of Equalization for deposit into the State Treasury a license tax for engaging in such business in this State equal to five cents (5c), and for each year after March 31, 1941, equal to three cents (3c), for each gallon of gasoline sold or distributed by such dealer in this State during such year; provided, however, that no gasoline sold by such dealer, which was purchased by him from a producer or distributor, who has paid the tax thereon, shall be included or considered in determining the amount of such license tax to be paid by such dealer, but only such gasoline as was shipped, transported or imported into this State and purchased by such dealer before it had arrived in and was brought to rest within this State and then re-sold by such dealer, whether in the original packages or in broken packages, shall be included or considered for the purpose of computing such license tax due, provided that no gasoline exported out of the State of Montana shall be included in the computation of any dealer's license tax herein provided for. Two per centum (2%) of the amount of such tax shall be deducted as an allowance for evaporation and other loss of gasoline handled by such dealer.

Section 10. It is hereby provided that if this Act shall fail to receive the approval of the people at the general election herein provided for, nothing herein contained shall operate to repeal or amend any of the laws of the State of Montana relating to the excise taxes on gasoline or motor fuels.

Section 11. Pursuant to Section 2 of Article XIII of the Constitution of Montana, this law shall be, and it hereby is submitted to the people for their approval or disapproval, at the general election ordered.

Section 12. There is hereby called a general state-wide election to be held in each precinct of every county in this State on Tuesday, the 5th day of May, 1931, and at such election this law shall be submitted to the qualified voters for their approval or disapproval, and authorization of the liability herein created, by a majority vote.

Section 13. Within two (2) days after the passage and approval of this Act by the Legislative Assembly, the Governor shall, by proclamation published in at least one (1) newspaper in each county of the State in the weeks of March 10th, and March 17th, 1931, set forth the fact of the calling of such election by this Act, the time and places of holding the same and also the title of this Act and the form of the ballots to be used in voting upon the same together with notice of the time when the registration for this election shall be closed, as herein provided, and that voters eligible to vote at any general election shall be qualified, if already registered, or upon proper registration, as herein provided, to vote thereat.

Section 14. The Secretary of State shall, not later than the 1st day of April, 1931, cause to be printed and delivered to the County Clerk and Recorder of each county a true copy of the title of this Act, with the form in which the same shall be printed on the official ballots and submitted to the people at such election. The Secretary of State shall concurrently distribute to each County Clerk a sufficient number of the copies of said Act, in full, to furnish one (1) copy to every voter in each county. Each County Clerk shall be required to mail to each registered voter in his respective county

at least one (1) copy of the same on or before five (5) days after the closing of registration. Each County Clerk shall return to the Secretary of State with the abstract of votes on this Act in his county an affidavit duly executed showing compliance with this Section, and the Secretary of State shall file affidavit of his compliance with all provisions of this Act in the record of said election in his office.

Section 15. All electors whose names now appear on the official register of electors in each county and who are eligible to vote at the next general election in this State in the year 1932 without re-registration, shall be eligible to vote and may vote at the election herein called, and, in addition, all persons now eligible to vote or eligible to vote at any time before the closing of registration as herein provided except for the fact that their names are not on the official register, may register and vote if otherwise qualified, upon registration with the County Clerk of their respective counties during the period before which registration shall be closed preceding the election herein called, it being intended hereby to permit all qualified and registered voters in the State to participate in said election, and to recognize as eligible to vote all persons whose names are now on the official register, or may be placed thereon as herein provided.

Section 16. For the purposes of this election, and for no other purposes, the County Clerk shall close registration on Saturday, the 25th day of April, 1931, and he shall immediately transmit to the Secretary of State a certificate showing the number of voters registered in each precinct in his county and eligible to vote at the election herein called.

The County Clerk of each county must cause to be published in a newspaper within his county having general circulation therein in the week of March 25th, 1931, a notice signed by himself to the effect that registration for the election herein called will be closed on April 25, 1931, and must also state that electors may register for such election by appearing before the County Clerk at his office, or by appearing before a Deputy Registrar, or before any Notary Public or Justice of the Peace in the manner prescribed by law.

Section 17. During the time intervening between the closing of the registration and the day of the ensuing election the County Clerk shall prepare for each precinct a book to be known as the Poll Book which shall be for the use of the Clerks and Judges of elections in each of said precincts, and conform as near as may be for the purposes of the election herein called to the Poll Book prescribed by Section 568, Revised Codes of Montana, 1921, and during such time the County Clerk shall also prepare and distribute the official ballots as herein provided, and all other necessary election equipment and paraphernalia.

Section 18. It is hereby made the duty of the County Clerk of each County to provide printed ballots for the election herein called and to furnish the election judges, clerks and officers in each precinct of his county with a number at least equivalent to twenty (20) more than will be required for his eligible electors therein.

Such ballot shall have printed thereon the words:

An Act known as the State Highway Treasury Anticipation Debenture Act of 1931 and authorizing the issuance of debentures of the State of Montana in the principal sum not exceeding Six Million Dollars (\$6,000,000.00) for the years 1931 to 1934, inclusive, and not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) in any one of said years, and providing for the sale thereof for the use of the State Highway Fund for the purpose of assuring the ability of the State of Montana to secure any moneys made available by the Act of Congress in reference to highways, and for other highway purposes; providing for a tax on gasoline or motor fuels and anticipating the revenues therefrom; prescribing the form and terms and conditions of said debentures and interest thereon and the dates of their maturities; calling a general election for the submission of this Act to the people; and providing the method for referring the question of the issuance and sale of said debentures to the people at a general election and prescribing the registration for such election, and prescribing the method for holding such general election and appropriating moneys from the State Highway Fund to pay the cost thereof; providing a method by which the State Treasurer may purchase said debentures and providing that said debentures may be accepted as security for the repayment of public moneys; prescribing the conditions under which the sale of such debentures may be made and the use of the funds to be derived from the sale of such debentures; prescribing the amounts and years respectively in which said debentures shall be due and payable; providing for the repayment of both principal and interest of such debentures and for the pledging and setting aside of a sufficient amount of said excise or license tax on gasoline or motor fuels to pay the same from the State Highway Treasury Debenture Redemption Fund herein created; providing for the cost of such general election and for the cost of advertising the sale of said debentures; providing for the creation of a liability binding the State of Montana not to reduce the license tax on gasoline or motor fuels until after accrual of sufficient moneys to pay the said debentures and interest; defining the duties of election officials hereunder and providing penalties for violations of the election provisions of this Act.

Below the said title of the Act on the said ballot there shall be printed:

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For the above entitled Act.

☐

Against the above entitled Act.

Section 19. The election herein called shall be conducted and the votes on this Act shall be counted, canvassed, and returned by the regular board of judges, clerks and officers as votes for candidates are counted, canvassed, and returned and the ab-



stract made by the several County Clerks of votes on this Act shall be returned to the Secretary of State on separate abstract sheets in the manner provided by Sections 801 and 802 of this Code for abstract of votes for state officers. It shall be the duty of the State Board of Canvassers to proceed within five (5) days after the election and sooner if the returns be all received, to canvass the votes cast for this Act and the votes against this Act, and the Governor shall forthwith issue his proclamation, which shall be published in two (2) daily newspapers printed at the Capitol, Helena, Montana, giving the whole number of votes cast in the state for and against this Act and declaring this Act, if approved by a majority of those voting at such election, to be in full force and effect as the law of the State of Montana from the date of said proclamation.

Section 20. The County Commissioners and County Clerk in each county and the election judges, clerks and officers therein must, in all respects, carry out the provisions of this Act in the calling, advertising, noticing, registration, preparation and furnishing of ballots and supplies for the election, holding and conducting of the election, counting, canvassing and return of the votes as prescribed by the General Election laws of the State of Montana, except as herein specifically prescribed. Any person or persons or any of said officers or officials of any county, who, under the provisions of this Act, are required to perform any duty, or who shall wilfully or knowingly fail, or refuse to perform such duty or comply with the provisions of this Act, shall be deemed guilty of a felony and shall, upon conviction, be fined in the sum of not less than Three Hundred Dollars (\$300.00) nor more than One Thousand Dollars (\$1,000.00) or by imprisonment in the County Jail for a period of not less than three (3) months and not more than one (1) year. Upon the conviction of any person, officer or official of the violation of the provisions of this Act, the judge of the District Court hearing such proceedings shall, at the time of rendering judgment of conviction, include in such order of conviction in all proper cases an order of the Court that such officer be removed from office and such removal shall be effective forthwith.

Section 21. In all cases in which the counties of this State are required by this Act to incur expense and pay claims in connection with the election ordered hereby, such counties shall be entitled to and shall be reimbursed from the State of Montana for such expenditures, upon their claims therefor.

Section 22. There is hereby appropriated out of any money in the State Highway Fund the sum of Two Hundred Thousand Dollars (\$200,000.00), or so much thereof as may be necessary to pay the cost and expenses of such election, and all expenses in any wise lawfully incurred in connection with the same, or in carrying out the election provision of this Act, and the same shall be charged against and paid out of said fund, upon claims presented by the several counties or other persons to the State Board of Examiners and by said State Board of Examiners approved, and the State Auditor shall draw, issue, and deliver his warrants therefor; provided, however, that the State and the counties therein are hereby authorized to accept the services of the election officials without payment therefor, if the same are tendered, and in all other lawful ways keep the expense at such election at a minimum.

Section 23. This Act shall be known as "The State Highway Treasury Anticipation Debenture Act of 1931."

Section 24. If any section, provision, clause, or phrase of this Act be adjudged unconstitutional, or invalid by any court, for any reason, such adjudication shall not affect the validity of this Act as a whole, or of any section or provision thereof which is not specifically so adjudged unconstitutional or invalid.

Section 25. This Act shall be in full force and effect from and after its passage and approval and proclamation to that effect by the Governor, providing the same shall have received a majority of the votes cast for and against it at the election herein called.

Approved March 3, 1931.

