CHAPTER 271.

[ H. B. 516. ]

TRANSPORTATION ON PUGET SOUND—STABILIZATION FUND—EMPLOYEES' RETIREMENT—STUDY.

An act relating to transportation on Puget Sound; defining the powers and duties of the Washington toll bridge authority; creating a Puget Sound transportation stabilization fund and providing for payments to and from such fund from the motor vehicle fund; permitting every employee of the Washington toll bridge authority to participate in the state employees' retirement system and for payments to establish service credit in such system; providing for a study by the joint fact-finding committee on highways, streets and bridges of subsidization of the Puget Sound transportation system from the motor vehicle fund and a report thereon; amending section 1, chapter 83, Laws of 1943 and RCW 46.68.100, section 1, chapter 246, Laws of 1941 and RCW 46.68.130, and section 2, chapter 82, Laws of 1951 and RCW 47.64.060; and making an appropriation.

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

Section 1. There is created in the state treasury a permanent fund to be known as the Puget Sound transportation stabilization fund to the credit of which shall be deposited all moneys directed by law to be deposited therein and to be expended as provided by section 2 of this act.

Sec. 2. The Washington toll bridge authority, as an incident of its operation of the Puget Sound transportation system including the operation of toll bridges and ferries, is authorized and directed to make from the Puget Sound transportation stabilization fund such additional payments as are required by extending the coverage of the state employees' retirement system and the federal social security act to employees of the Washington state ferries, a part of the Puget Sound transportation system. Payments shall be made by the authority from the Puget Sound transportation stabilization fund on the presentation
of vouchers duly processed and approved by the authority.

SEC. 3. Section 1, chapter 83, Laws of 1943 and RCW 46.68.100 are each amended to read as follows:

From the net tax amount in the motor vehicle fund there shall be paid sums as follows:

1. To the Puget Sound transportation stabilization fund sums equal to three-fourths of one percent of the net tax amount to be paid monthly as the same accrues;

2. To the cities and towns of the state sums equal to fifteen percent of the remainder of the net tax amount to be paid monthly as the same accrues;

3. To the counties of the state sums equal to forty-one and one-half percent of the remainder of the net tax amount to be paid monthly as the same accrues.

Nothing in this section or in RCW 46.68.090 or 46.68.130 shall be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute and whose payment is by such statute pledged to be paid from any excise taxes on motor vehicle funds.

Note: See also section 10, chapter 175, Laws of 1957.

SEC. 4. Section 1, chapter 246, Laws of 1941 and RCW 46.68.130 are each amended to read as follows:

The net tax amount not deducted or distributed in the manner provided by RCW 46.68.090, 46.68.100, 46.68.110, 46.68.120 and section 3 of this amendatory act, and all moneys accruing to the motor vehicle fund from any other source, less such sums as are expended pursuant to proper appropriation for costs of collection and administration thereof, shall be expended by the department of highways, subject to proper appropriation and reappropriation, for state highways and other proper department of highways purposes.

Note: See also section 3, chapter 105, Laws of 1957.
SEC. 5. Any funds credited to the Puget Sound transportation stabilization fund and remaining unexpended at the expiration of each biennium shall revert to the motor vehicle fund.

SEC. 6. Subject to the provisions of chapter 41.40 RCW every employee of the Washington toll bridge authority shall become a member of the state employees' retirement system. The Washington toll bridge authority shall pay into the state retirement system the required employer's contributions for each employee for the period beginning April 1, 1949 or from the time he became eligible for membership. Each eligible member shall receive credit for all of his former service from the beginning of his employment on ferries, wharves, or terminals acquired, leased or constructed by or for the Washington toll bridge authority. Satisfactory proof of service with previous employer shall be furnished the state employees' retirement board by employee.

SEC. 7. Section 5, chapter 148, Laws of 1949 as amended by section 2, chapter 82, Laws of 1951, and RCW 47.64.060 are each amended to read as follows:

All employees engaged in the operation of ferries acquired by the authority shall remain subject to the federal social security act and shall be under the state employees' retirement act. The authority shall make such deductions from salaries of employees and contributions from revenues of the authority as shall be necessary to qualify such employees for benefits under the federal social security act; and the appropriate officials are authorized to contract with the secretary of health, education and welfare to effect such coverage.

SEC. 8. Any employer's contribution required to establish employees' credit for former service under section 6, shall be paid by the Washington toll bridge authority in such amount as will entitle the employee
to all rights, benefits and privileges that he would have been entitled to had he been a member of the state employees' retirement system from the beginning of his employment with the authority on or after June 1, 1951. Such contributions for former service shall be payable at the rate of seventy-five thousand dollars in each calendar year and shall continue at such rate until such payments are equal to the then outstanding liability for former service credits.

**Sec. 9.** There is appropriated from the motor vehicle fund to the Puget Sound transportation stabilization fund and from the Puget Sound transportation stabilization fund to the authority for the biennium beginning July 1, 1957, and ending June 30, 1959, the sum of seven hundred fifty thousand dollars, or so much thereof as is necessary, to carry out the provisions of this act.

**Sec. 10.** The joint fact-finding committee on highways, streets, and bridges, in cooperation with the Washington toll bridge authority, shall, before July 1, 1957, enter upon a study of the whole problem of the proper subsidy, if any, to be paid from the motor vehicle fund, toward the operation of an integrated Puget Sound transportation system, including the operation of ferries and bridges constructed to replace ferries, and shall report thereon to the 1959 legislature prior to its convening.

**Sec. 11.** If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**Sec. 12.** This act shall expire on June 30, 1959.

Passed the House March 8, 1957.
Passed the Senate March 12, 1957.
Approved by the Governor March 26, 1957.