"The item quoted would have the effect of postponing for an indefinite time the construction of the much needed Secondary State Highway No. 11-C. This new highway will shorten the distance between the Tri-City area and Seattle by some 20 miles. Its construction would relieve the already congested traffic on the highway running from Prosser to Ellensburg. Its construction will facilitate the flow of commerce between the Tri-City area and the Puget Sound area rather than into the State of Oregon. I feel this road is of utmost importance for the economic development of the Tri-City area and of the State of Washington. Since the Vernita Ferry which is subsidized by the State of Washington is entirely adequate in the forseeable future to handle the traffic across the Columbia River, it is my conviction that to make the construction of State Highway No. 11-C dependent upon the construction of a bridge across the Columbia River near Vernita, is copricious and unreasonable. For this reason the item quoted is vetoed.

"Sections 42 and 43 would allow the Highway Commission to fix the salary of the Director of Highways. Chapter 307, Laws of 1961, which was passed during the regular session, permits the Governor to fix the salaries of the various department heads of the executive branch, including the salaries of directors serving under the various commissions. The salaries of the directors are to be fixed by the Governor upon the recommendation of a seven member Salary Advisory Committee. One of the main purposes for the enactment of Chapter 307, Laws of 1961, was to establish a uniform system of fixing salaries for the various executive departments under my control. To allow the salary of the Director of Highways to be fixed by the Highway Commission would destroy such uniformity.

"In addition, I have been advised that the fixing of the salary of the Director of Highways might constitute a new subject matter not incorporated in the title to the act.

"For the reasons indicated, the item contained in section 14 quoted herein, and sections 42 and 43 are vetoed. The remainder of the bill is approved."

ALBERT D. ROSELLINI, Governor.

CHAPTER 22.

[S. B. 14.]

WASHINGTON STATE TEACHERS' RETIREMENT SYSTEM.

An Act Relating to the Washington state teachers' retirement system; making an appropriation; and adding three new sections to chapter 80, Laws of 1947, and to chapter 41.32 RCW.

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

Section 1. There is added to chapter 80, Laws New sections. of 1947, and chapter 41.32 RCW, three new sections as set forth in sections 2 through 4 of this act.

SEC. 2. Any former member of the teachers' retirement system or a former fund who is receiving

Recipients of retirement allowances, minimum pensions set. a retirement allowance for service or disability on July 1, 1961, shall receive a pension of four dollars and no cents per month for each year of creditable service established with the retirement system, but not to exceed thirty-five years of creditable service: *Provided*, That such former members who were retired pursuant to option 2 or 3 of RCW 41.32.530 shall receive a pension which is actuarially equivalent under said options to the benefits provided in this section: *Provided further*, That anyone qualifying for benefits pursuant to this section shall not receive a smaller pension than he was receiving prior to July 1, 1961.

Additional retirement allowances.

- Sec. 3. In addition to the pension provided under section 2 of this amendatory act of 1961, a pension increase of eighty-three cents per month for each year of creditable service established with the retirement system, but not to exceed thirty-five years of creditable service, shall be granted to the following persons:
- (1) Former members of the teachers' retirement system or a former fund who were receiving a retirement allowance for service on June 30, 1957, and who have not returned to active membership in the system since June 30, 1957, and who are receiving a retirement allowance on July 1, 1961, and who were sixty-two years of age or older in the case of females and sixty-five years of age or older in the case of males by June 30, 1957.
- (2) All former members of the teachers' retirement system or a former fund who were receiving a retirement allowance for disability on December 31, 1960, and who have not returned to active membership in the retirement system since December 31, 1960, and who are receiving a retirement allowance for disability on July 1, 1961.
- (3) Members who were receiving a temporary disability allowance on December 31, 1960, and who

qualify for disability retirement benefits upon termination of the temporary disability benefit, provided they are not at that time eligible for benefits pursuant to chapter 41.33 RCW.

- (4) Any former member of the teachers' retirement system or a former fund who is receiving a retirement allowance from the teachers' retirement system on July 1, 1961, and who, on that date, is permanently disabled for further teaching duties, but is unable to qualify for the increased benefits as set forth under subsection (1), (2) or (3) of this section, shall be eligible to apply for such increased benefits: Provided, That he is not eligible for benefits pursuant to chapter 41.33 RCW. Such person may qualify for the increased pension provided in this section upon approval by the board of trustees of a written application, together with a medical report approved by the medical director of the retirement system, certifying that the applicant is physically or mentally incapacitated for further teaching duties.
- Sec. 4. The funds necessary for the payment of Appropriation. benefits provided by this amendatory act of 1961 shall constitute a separate appropriation transfer from the state general fund to the teachers' retirement fund: Provided, That for the 1961-1963 biennium the sum of one million eight hundred and forty-seven thousand dollars, or so much as may be needed of this amount, shall be transferred from the Teachers' Retirement Pension Reserve Fund to the Teachers' Retirement Fund for the payment of benefits under this act.

SEC. 5. If any provision of this act, or its appli- Severability. cation 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. 6. This act shall take effect on July 1, 1961.

Passed the Senate March 31, 1961.

Passed the House March 31, 1961.

Approved by the Governor April 3, 1961.

CHAPTER 23.

[S. B. 5.]

CAPITAL IMPROVEMENT PROJECTS-FINANCING.

An Act Providing for the financing of capital improvement projects from the proceeds of a bond issue repayable from a portion of the retail sales tax and such additional means as the legislature may provide.

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

Capital budget projects— Financing by bonds.

Section 1. For the purpose of furnishing funds to finance projects in the 1961-1963 capital budget, as adopted by the legislature, there shall be issued and sold limited obligation bonds of the state of Washington in the sum of twenty-seven million five hundred fifty-six thousand dollars to be paid and discharged not more than twenty years after date of issuance. The issuance, sale and retirement of said bonds shall be under the general supervision and control of the state finance committee.

Committee supervision and control—Bond form.

The state finance committee is authorized to prescribe the forms of such bonds; the provisions of sale of all or any portion or portions of such bonds; the terms, provisions, and covenants of said bonds; and the sale, issuance, and redemption thereof. None of the bonds herein authorized shall be sold for less than the par value thereof. Such bonds shall state distinctly that they shall not be a general obligation of the state of Washington, but shall be payable in the manner and from the proceeds of retail sales taxes as in this act provided. As a part of the contract of sale of the aforesaid bonds, the state under-