

to the commission, or in lieu of such bond may accept a deposit as security of such property or collateral or the giving of such other form of security as may be satisfactory to the commission.

Passed the House March 20, 1961.

Passed the Senate March 25, 1961.

Approved by the Governor March 29, 1961.

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## CHAPTER 9.

[ S. B. 3. ]

### STATE FERRIES AND TOLL BRIDGES— HOOD CANAL—FINANCING.

AN ACT Relating to toll bridges and ferries and the financing thereof; making an appropriation; amending section 3, chapter 10, Laws of 1961 (uncodified); and declaring an emergency.

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

SECTION 1. The Washington toll bridge authority is authorized to issue revenue bonds to refund all or any part of the authority's outstanding 1955 Washington state ferry system refunding revenue bonds and 1957 ferry and Hood Canal bridge revenue bonds, and may issue additional revenue bonds in parity therewith to pay costs of improving the Washington state ferry system or constructing or improving transportation facilities for the crossing of Puget Sound and any of its tributary waters and connections thereof other than bridging from the east side of Puget Sound to the Kitsap Peninsula, Vashon Island or Bainbridge Island: *Provided*, That the toll bridge authority shall not issue any such additional revenue bonds without further express authorization by the legislature. With respect to the issuing of such bonds and the payment of principal and interest thereon, the payment into

Issuance of  
bonds by  
toll bridge  
authority.  
Authorized—  
Purpose.

reserves, sinking funds, and the ferry improvement fund established in connection therewith, and the fixing and revision of charges for services and facilities of the system, and in managing all its fiscal operations, the authority shall have all the powers and shall follow the same procedures established for it under existing laws, except as otherwise provided herein.

Ferry im-  
provement  
fund.

SEC. 2. In the event refunding bonds are issued as provided in section 1 of this act, the authority is hereby directed to establish a fund to be called the "ferry improvement fund" to be used to pay all or any part of the cost of constructing, purchasing, reconstructing, replacing, extending, bettering, developing or otherwise improving any part of the Washington state ferry system.

Into this fund the authority shall place each year such sums as it finds needed for the aforesaid and available from the revenues of the ferry system and Hood Canal bridge after payment of costs of maintenance and operation, bond interest, bond reserve funds, and payments upon principal required during the year by bond resolutions: *Provided*, That not more than two hundred fifty thousand dollars in any year shall be placed in such fund and the amount accumulated in the fund shall not at any time exceed three million dollars.

Charge against  
Puget Sound  
reserve  
account—  
Repayment.

SEC. 3. To the extent that all revenues from Washington state ferry system and the Hood Canal bridge available therefor are insufficient to provide for the payment principal and interest on the bonds authorized and issued pursuant to this act and for sinking fund requirements established with respect thereto and for payment into such reserves as the authority shall have established with respect to the securing of such bonds and for payment into the ferry improvement fund, there is hereby imposed a first and prior charge against the Puget Sound re-

serve account of the motor vehicle fund created by \*chapter ....., Laws of 1961, extraordinary session (Senate Bill No. ....) and, to the extent required, against all revenues hereafter derived from the one-quarter cent of motor vehicle fuel tax and one-quarter cent of use fuel tax required by law to be deposited in the Puget Sound reserve account.

To the extent that the revenues from the Washington state ferry system and the Hood Canal bridge available therefor are insufficient to meet required payments of principal and interest on bonds, sinking fund requirements and payments into reserves and the payments into the ferry improvement fund provided in section 2 of this act, the authority shall use moneys in the Puget Sound reserve account for such purpose. Any moneys from the Puget Sound reserve account used by the authority to pay such obligations shall be repaid by the authority to the motor vehicle fund from tolls of the Washington state ferry system and the Hood Canal bridge and tolls shall be continued for any required additional length of time necessary for this purpose.

\*Said Puget Sound reserve account of the motor vehicle fund was created by section 18, chapter 7, Laws Ex. Session, 1961.

SEC. 4. So long as any bonds issued as authorized herein are outstanding, the state hereby agrees to continue to impose the one-quarter cent of motor vehicle fuel tax and one-quarter cent of use fuel tax required by law to be deposited in the Puget Sound reserve account of the motor vehicle fund.

Pledge of continuance of taxes.

SEC. 5. The Washington state ferry system shall be efficiently managed, operated and maintained as a revenue-producing undertaking. The authority shall maintain and revise from time to time as necessary a schedule of tolls and charges on said ferry system and Hood Canal bridge that will produce net revenue available for debt service, in each fiscal year, in an amount at least equal to minimum annual debt service requirements as hereinafter

Ferry system. Hood Canal bridge administration policies enunciated.

provided. Minimum annual debt service requirements as used in this section shall include required payments of principal and interest, sinking fund requirements and payments into reserves on all outstanding revenue bonds authorized by this act and all other outstanding parity bonds hereafter issued in connection with the said ferry system and Hood Canal bridge and any other facility hereafter constructed by the authority to facilitate the crossing of Puget Sound, but shall not include payments into the ferry improvement fund: *Provided*, That if the net revenue available for debt service in any fiscal year fails to meet such minimum annual debt service requirements for that year, the tolls and charges shall be promptly increased to produce such coverage.

The provisions of law relating to the revision of tolls and charges to meet minimum annual debt service requirements from net revenues as required by this section shall be binding upon the authority but shall not be deemed to constitute a contract to that effect for the benefit of the holders of such bonds.

Revision of  
tolls and  
charges as  
covenant for  
bondholders.

SEC. 6. If the net revenue together with all moneys in the Puget Sound reserve account available for debt service in any fiscal year fail to meet minimum annual debt service for the year, as defined in section 5, the tolls and charges shall be promptly revised to produce such coverage: *Provided*, That in such case revision of tolls and charges shall be determined by the authority after considering supporting data and recommendations therefor which shall be furnished by a nationally recognized traffic engineering firm retained by the authority in the manner provided in the bond proceedings.

Tolls and charges shall not be increased in any case when in the opinion of such engineering firm the increase would so reduce traffic that no net gain

in revenue would result. The provisions of this section shall be deemed a covenant for the benefit of the holders of such bonds.

SEC. 7. Section 3, chapter 10, Laws of 1961 (uncodified) is amended to read as follows: 1961 c 10 § 3 amended.

Any part of the appropriation or reappropriation provided for by this act which is expended shall be repaid to the motor vehicle fund to be used for state highway purposes, from revenues of the Hood Canal bridge. Tolls may be continued on said bridge any required additional length of time necessary for this purpose: *Provided*, That the obligations imposed by this section shall be subordinate to any obligations to pay principal, interest, reserves and sinking funds required for any refunding or parity bonds hereafter issued by the Washington toll bridge authority in connection with the Washington state ferry system and Hood Canal bridge. Appropriation to be repaid from bridge revenues.

SEC. 8. There is hereby appropriated from the motor vehicle fund to the Washington toll bridge authority, for the biennium ending June 30, 1963, the sum of two million six hundred thousand dollars or so much thereof as may be necessary for the operation and maintenance of the Washington state ferries and the payments of principal and interest on outstanding 1955 Washington state ferry system refunding revenue bonds and 1957 ferry and Hood Canal bridge revenue bonds and payments into reserves thereof as required by resolutions adopted by the authority with respect to such bond issues. Whenever such bond issues shall be refunded, any unexpended part of this appropriation shall lapse. Appropriation.

SEC. 9. The Washington toll bridge authority shall periodically report to the joint fact-finding committee on highways, streets and bridges its plans and progress relating to the financing and refinancing of the Washington state ferries and Hood Canal bridge, including the issuance of bonds authorized Authority to report to committee periodically.

by this act, to the end that the committee may be informed of plans which may affect its recommendations to the legislature.

Emergency.

SEC. 10. This act is necessary for the immediate preservation of the public peace, health and safety, the support of state government and its existing institutions, and shall take effect immediately.

Passed the Senate March 24, 1961.

Passed the House March 23, 1961.

Approved by the Governor March 30, 1961.

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CHAPTER 10.

[ S. B. 21. ]

UNIVERSITY OF WASHINGTON—TUITION AND FEES.

AN ACT Relating to education; authorizing the board of regents of the University of Washington to establish, charge and collect general tuition and other fees from students of the University; and amending section 2, chapter 66, Laws of 1915, as last amended by section 1, chapter 186, Laws of 1959, and RCW 28.77.030.

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

RCW 28.77.030 amended.

SECTION 1. Section 2, chapter 66, Laws of 1915, as last amended by section 1, chapter 186, Laws of 1959, and RCW 28.77.030 are each amended to read as follows:

University of Washington. Tuition and fees.

The board of regents of the University of Washington shall charge to and collect from each of the students registering therein such general tuition fees and other fees as it shall in its discretion determine: *Provided*, That such fees for quarters other than summer session shall be in at least the following amounts:

- (1) For schools and departments other than the schools of medicine and dentistry, for
  - (a) Resident students