

affected by such findings and determination, or is otherwise unable to reach any decision on the matter, the administrative board created by RCW 43.17.080, as now or hereafter amended, is authorized to grant a request. When a request for defense has been authorized, then any obligation for payment arising from such action, claim or proceedings shall be paid from the tort claims revolving fund, notwithstanding the nature of the claim, pursuant to the provisions of RCW 4.92.130 through 4.92.170, as now or hereafter amended: PROVIDED, That this section shall not apply unless the authorizing body has made a finding and determination by resolution that such regent, trustee, member of the educational board, officer, employee or agent was acting in good faith.

NEW SECTION. Sec. 3. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.10 RCW a new section to read as follows:

The board of regents and the board of trustees of each of the state's institutions of higher education and governing body of an educational board are authorized to purchase insurance to protect and hold personally harmless any regent, trustee, officer, employee or agent of their respective institution, any member of an educational board, its officers, employees or agents, from any action, claim or proceeding instituted against him arising out of the performance or failure of performance of duties for or employment with such institution or educational board and to hold him harmless from any expenses connected with the defense, settlement or monetary judgments from such actions.

NEW SECTION. Sec. 4. This 1972 act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions and shall take effect immediately.

Passed the Senate January 31, 1972.

Passed the House February 11, 1972.

Approved by the Governor February 19, 1972.

Filed in Office of Secretary of State February 19, 1972.

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CHAPTER 24

[Senate Bill No. 152]

WASHINGTON STATE FERRY SYSTEM

AN ACT Relating to the Washington state ferry system; amending section 82.36.020, chapter 15, Laws of 1961 as last amended by section 3, chapter 85, Laws of 1970 ex. sess. and RCW 82.36.020; amending section 46.68.100, chapter 12, Laws of

1961 as last amended by section 4, chapter 85, Laws of 1970 ex. sess. and RCW 46.68.100; amending section 47.60.150, chapter 13, Laws of 1961 and RCW 47.60.150; amending section 47.60.290, chapter 13, Laws of 1961 and RCW 47.60.290; amending section 5, chapter 9, Laws of 1961 ex. sess. as amended by section 42, chapter 3, Laws of 1963 ex. sess. and RCW 47.60.440; adding new sections to chapter 47.60 RCW; repealing section 47.60.320, chapter 13, Laws of 1961 and RCW 47.60.320; declaring an emergency; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 82.36.020, chapter 15, Laws of 1961 as last amended by section 3, chapter 85, Laws of 1970 ex. sess. and RCW 82.36.020 are each amended to read as follows:

Every distributor shall pay, in addition to any other taxes provided by law, an excise tax to the director of nine cents for each gallon of motor vehicle fuel sold, distributed, or used by him in the state as well as on each gallon upon which he has assumed liability for payment of the tax under the provisions of RCW 82.36.100: PROVIDED, That under such regulations as the director may prescribe sales or distribution of motor vehicle fuel may be made by one licensed distributor to another licensed distributor free of the tax. In the computation of the tax, one-quarter of one percent of the net gallonage otherwise taxable shall be deducted by the distributor before computing the tax due, on account of the losses sustained through handling. The tax herein imposed shall be collected and paid to the state but once in respect to any motor vehicle fuel. An invoice shall be rendered by a distributor to a purchaser for each distribution of motor vehicle fuel.

The proceeds of the nine cents excise tax collected on the net gallonage after the deduction provided for herein shall be distributed as follows:

(1) Seven cents shall be distributed between the state, cities, ((and)) counties, and Puget Sound ferry operations account in the motor vehicle fund under the provisions of RCW 46.68.090 and 46.68.100 as now or hereafter amended: PROVIDED, That from ((April 7, 1970)) the effective date of this 1972 amendatory act through June 30, 1976, six and seven-eighths cents shall be distributed between the state, cities, ((and)) counties, and Puget Sound ferry operations account in the motor vehicle fund under the provisions of RCW 46.68.090 and 46.68.100 as now or hereafter amended.

(2) Five-eighths of one cent shall be distributed to the state and expended pursuant to RCW 46.68.150.

(3) Five-eighths of one cent shall be paid into the motor vehicle fund and credited to the urban arterial trust account created

by RCW 47.26.080.

(4) One-quarter cent shall be paid into the motor vehicle fund and credited to the Puget Sound reserve account created by RCW 47.60.350: PROVIDED, That from (~~April 1, 1976~~) the effective date of this 1972 amendatory act through June 30, 1976, three-eighths of one cent shall be paid into the motor vehicle fund and credited to the Puget Sound reserve account created by RCW 47.60.350.

(5) One-half cent shall be distributed to the cities and towns directly and allocated between them as provided by RCW 46.68.110, subject to the provisions of RCW 35.76.050: PROVIDED, That the funds allocated to a city or town which are attributable to such one-half cent of the additional tax imposed by this 1961 amendatory act shall be used exclusively for the construction, improvement and repair of arterial highways as that term is defined in RCW 46.04.030, or for the payment of any municipal indebtedness which may be incurred after June 12, 1963 in the construction, improvement and repair of arterial highways as that term is defined in RCW 46.04.030. All such sums shall first be subject to proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

Sec. 2. Section 46.68.100, chapter 12, Laws of 1961 as last amended by section 4, chapter 85, Laws of 1970 ex. sess. 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 cities and towns of the state sums equal to ten and (~~four-tenths~~) twenty-five hundredths percent of the net tax amount to be paid monthly as the same accrues: PROVIDED, That from (~~April 1, 1976~~) the effective date of this 1972 amendatory act through June 30, 1976, there shall be paid to the cities and towns of the state sums equal to ten and (~~fifty-nine~~) forty-four hundredths percent of the net tax amount to be paid monthly as the same accrues;

(2) To the counties of the state sums equal to thirty-two and (~~five-tenths~~) four hundredths percent of the net tax amount to be paid monthly as the same accrues: PROVIDED, That from (~~April 1, 1976~~) the effective date of this 1972 amendatory act through June 30, 1976, to the counties of the state there shall be paid sums equal to (~~thirty-three and nine~~) thirty-two and sixty-one hundredths percent of the net tax amount to be paid monthly as the same accrues;

(3) To the state to be expended as provided by RCW 46.68.130, sums equal to (~~fifty-seven and one-tenth~~) fifty-six and twenty-eight hundredths percent of the net tax amount to be paid monthly as the same accrues: PROVIDED, That from (~~April 1, 1976~~) the effective date of this 1972 amendatory act through June 30, 1976, to the state there shall be paid to be expended as provided by RCW 46.68.130, sums equal to (~~fifty-six and thirty-two hundredths~~)

fifty-five and five-tenths percent of the net tax amount to be paid monthly as the same accrues.

(4) To the Puget Sound ferry operations account in the motor vehicle fund sums equal to one and forty-three hundredths percent of the net tax amount to be paid monthly as the same accrues: PROVIDED, That from the effective date of this 1972 amendatory act through June 30, 1976, there shall be paid to the Puget Sound ferry operations account sums equal to one and forty-five hundredths percent 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 fuels.

NEW SECTION. Sec. 3. There is added to chapter 47.60 RCW a new section to read as follows:

There is hereby created in the motor vehicle fund the Puget Sound ferry operations account to the credit of which shall be deposited all moneys directed by law to be deposited therein. All moneys deposited in this account shall be expended pursuant to appropriations only for maintenance and operation of the Washington state ferries supplementing as required the revenues available from the Washington state ferry system.

NEW SECTION. Sec. 4. There is added to chapter 47.60 RCW a new section to read as follows:

(1) Whenever in any biennium there has been paid into the Puget Sound ferry operations account sums equal to the appropriations from the account for the biennium, all additional sums accruing to the account shall forthwith be transferred from the account and shall be expended by the state highway commission pursuant to proper appropriations for state highway purposes.

(2) One month after the end of each biennium any sums which were paid into the Puget Sound ferry operations account during the biennium just ended which remain unexpended shall be transferred from the account and shall be expended by the state highway commission pursuant to proper appropriation for state highway purposes.

Sec. 5. Section 47.60.150, chapter 13, Laws of 1961 and RCW 47.60.150 are each amended to read as follows:

Subject to the provisions of section 8 of this 1972 amendatory act, the schedule of charges for the services and facilities of the system shall be fixed and revised from time to time by the authority so that the tolls and revenues collected together with any moneys in the Puget Sound ferry operations account appropriated for maintenance and operation, and all moneys in the Puget Sound reserve account available for debt service will yield annual revenue and income

sufficient, after allowance for all operating, maintenance and repair expenses to pay the interest and principal and sinking fund charges for all outstanding revenue bonds, and to create and maintain a fund for ordinary renewals and replacements: PROVIDED, That if provision is made by any resolution for the issuance of revenue bonds for the creation and maintenance of a special fund for rehabilitating, rebuilding, enlarging or improving all or any part of the ferry system then such schedule of tolls and rates of charges shall be fixed and revised so that the revenue and income will also be sufficient to comply with such provision.

All income and revenues as collected shall be paid to the state treasurer for the account of the authority as a separate trust fund and to be segregated and disbursed upon order of the authority: PROVIDED, That the fund so segregated and set apart for the payment of the revenue bonds may be remitted to and held by a designated trustee in such manner and with such collateral as may be provided in the resolution authorizing the issuance of said bonds.

Sec. 6. Section 47.60.290, chapter 13, Laws of 1961 and RCW 47.60.290 are each amended to read as follows:

Subject to the provisions of section 8 of this 1972 amendatory act, the Washington toll bridge authority is hereby authorized and directed to review tariffs and charges as applicable to the operation of the Washington state ferries for the purpose of establishing a more fair and equitable tariff to be charged passengers, vehicles, and commodities on the routes of the Washington state ferries.

Sec. 7. Section 5, chapter 9, Laws of 1961 ex. sess. as amended by section 42, chapter 3, Laws of 1963 ex. sess. and RCW 47.60.440 are each amended to read as follows:

The Washington state ferry system shall be efficiently managed, operated and maintained as a revenue-producing undertaking. Subject to the provisions of section 8 of this 1972 amendatory act 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~~) which together with any moneys in the Puget Sound ferry operations account appropriated for maintenance and operation and all moneys in the Puget Sound reserve account available for debt service 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 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 RCW 47.60.400 through 47.60.470 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.

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.

NEW SECTION. Sec. 8. There is added to chapter 47.60 RCW a new section to read as follows:

(1) So long as moneys in the Puget Sound ferry operations account in the motor vehicle fund are appropriated for maintenance and operation of the Washington state ferries, tolls for use of ferries shall be stabilized at current rates except as otherwise authorized in subsections (2) and (3) of this section.

(2) The Washington toll bridge authority may from time to time pursuant to periodic reviews of its ferry toll schedules, adjust tolls for different classes of users and uses including commutation rates and volume discounts to eliminate inequities, or respond to changing economic factors.

(3) Each year the authority shall review the February consumer price index of the United States department of labor for the city of Seattle, or if the index for Seattle has been discontinued, then for the nearest city to Seattle, to ascertain the amount of any increase or decrease in relation to the same index for the previous February, taking into consideration the provisions of section 3 of this 1972 amendatory act. Changes in tolls if any, shall be adjusted by such increase or decrease and shall be rounded to the nearest multiple of five cents. The adjusted tolls if any, shall become effective on May 1st of the same year.

NEW SECTION. Sec. 9. Section 47.60.320, chapter 13, Laws of 1961 and RCW 47.60.320 are each repealed.

NEW SECTION. Sec. 10. This 1972 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1972.

Passed the Senate January 28, 1972.

Passed the House February 10, 1972.

Approved by the Governor February 19, 1972.

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