

vided, That this act shall not apply to activities and services offered by or through the Washington employment security department.

Penalty.

SEC. 2. Any person violating the provisions of this act shall be guilty of a gross misdemeanor.

Passed the Senate March 7, 1961.

Passed the House March 5, 1961.

Approved by the Governor March 20, 1961.

CHAPTER 181.

[S. B. 250.]

TOLL FACILITY AID DISTRICTS.

AN ACT relating to toll facility aid districts; and repealing sections 47.57.010 through 47.57.220 and 47.57.900, chapter 13, Laws of 1961 (House Bill No. 3) and RCW 47.57.010 through 47.57.220 and RCW 47.57.900.

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

"Authority",
"toll bridge
authority".

SECTION 1. "Authority" or "toll bridge authority" means the Washington toll bridge authority.

"District".

SEC. 2. Unless the context indicates otherwise "district" means a toll facility aid district.

"Contiguous
counties".

SEC. 3. "Contiguous counties" include those counties separated by any waters of this state.

Principal
county".

SEC. 4. "Principal county" means the county of that part of the proposed district in which the largest number of inhabitants reside as of the date incorporation proceedings are commenced.

"Principal"
officials and
boards defined.

SEC. 5. "Principal county auditor", "principal board of county commissioners", "principal county canvassing board", and "principal county officer" mean respectively those officers in the principal county.

SEC. 6. "Toll facility" or "the toll facility" means a single toll project or any extension or improvement thereof. "Toll facility".

SEC. 7. Toll facility aid districts, to be composed of a part or all of one or more contiguous counties including the incorporated cities and towns therein, may be incorporated in accordance with this chapter for any of the following purposes: Toll facility aid districts.
Purpose of incorporation.

(1) To pay or guarantee the payment of the principal and interest of any bonds or refunding bonds issued by the Washington toll bridge authority to finance or refinance any toll facility which will benefit the territory encompassed by such district; or

(2) To pay a portion of the cost of any toll project financed in part by the sale of bonds by the Washington toll bridge authority when such toll facility will benefit the territory encompassed by such district.

SEC. 8. The Washington toll bridge authority may initiate proceedings proposing the creation of a district by adopting a resolution stating: Resolution initiating
—Contents.

(1) That the public interest requires the construction, improvement or refinancing of a toll highway, tunnel, bridge or ferry system and that such project can be financed or refinanced principally from toll revenues.

(2) A general description of such toll facility.

(3) That a certain described territory encompassing a part or all of one or more counties will be benefited by the construction, improvement or refinancing of the toll facility.

(4) That in order to make the toll facility financially feasible, or to refinance an existing toll facility, one or both of the following will be required from a district to be formed for such purpose:

(a) Either general obligation bonds or a sum of money in an amount to be specified will be required to be placed in trust for the purpose of payment or

guaranteeing the payment of principal and interest on bonds or refunding bonds issued by the authority to the extent that revenues of the project are insufficient therefor;

(b) A sum of money to be specified will be required to pay a portion of the cost of the project or to retire existing outstanding bonds issued by the authority.

The resolution of the authority shall further request the board of county commissioners of each county named therein to proceed to form a toll facility aid district for the purpose stated.

Copies of resolution transmitted.

SEC. 9. The secretary of the authority shall transmit certified copies of the resolution to the board of county commissioners of each of the counties named in the resolution.

Public hearing—Notice, contents.

SEC. 10. Upon receipt of a copy of the resolution, the principal board of county commissioners, with the consent and approval of the other boards of county commissioners involved, shall fix a date and place for a public hearing to be not more than sixty days after receipt of the authority's resolution. Said board shall further direct its clerk to prepare a notice of hearing on the resolution which shall state:

- (1) The full text of the authority's resolution;
- (2) The time and place for a hearing on the resolution; and
- (3) That written requests for exclusion, and all persons wishing to be heard on the matter of the size, shape and establishment of the boundaries of the proposed district, will be heard and considered.

Notice of hearing transmitted—Publication of.

SEC. 11. A copy of the notice of hearing shall be transmitted to each board of county commissioners involved and each such board shall direct its clerk to cause the notice to be published once a week for two consecutive weeks in a newspaper of general circulation within its county.

SEC. 12. Upon the day specified the respective boards of county commissioners, under the direction of the principal board of county commissioners, shall jointly hear the resolution and any objections thereto. The hearing may be adjourned from place to place and from time to time, for not more than two months in all.

Hearing on resolution.

SEC. 13. If upon final hearing the respective boards find that any land has been unjustly or improperly included within the proposed district, the respective boards may change and fix the boundary lines of the part of the proposed district within their respective counties in such manner as they deem reasonable and just, and each board shall thereupon enter an order establishing and defining the boundary lines of the proposed district within its respective county. No territory not described in the authority's resolution shall be included within the boundaries of the proposed district.

Boundary changes fixed at final hearing.

SEC. 14. Each board of county commissioners shall, for the area within its county, at its first regular meeting after the final hearing, by resolution establish and define the boundaries of the proposed district and shall transmit such resolution to the toll bridge authority forthwith.

Adoption of resolution by individual boards.

SEC. 15. At any time within thirty days following the passage of the resolutions required by section 14, the toll bridge authority may by resolution stay any further proceedings for the formation of the district in order to determine if sufficient territory remains within the boundaries as established to form a feasible toll facility aid district. The authority after investigation may by resolution either vacate its stay of proceedings or finally terminate all proceedings for the creation of such district.

Action by authority to vacate stay of proceedings or terminate proceedings.

SEC. 16. In the event the authority shall find that sufficient territory remains to form a feasible toll

Resolution of incorporation.

facility aid district, it may, by resolution, declare such territory to be incorporated as (inserting name of the toll facility) aid district.

Filing resolution of incorporation.

SEC. 17. The incorporation of the district shall be complete upon the filing of a certified copy of the authority's resolution declaring it so in the office of the secretary of state.

Alternative and additional method.

SEC. 18. Sections 19 through 23 are declared to be an alternative and additional method of completing the incorporation of a toll facility aid district following the approval of boundaries by the respective boards of county commissioners as provided in section 14.

Election method of incorporating toll facility aid district.

SEC. 19. Within thirty days after the establishment of the boundaries of the district or the vacation of any stay of proceedings by the Washington toll bridge authority, the principal board of county commissioners, after consulting each other board of county commissioners involved, shall, by resolution, call an election to be held in the proposed district for the purpose of determining whether or not the district shall be formed.

Election resolution—Contents.

SEC. 20. The resolution calling the election shall:

- (1) Fix the day of the election, which shall be within six months after the date of the order.
- (2) Show the boundaries of the proposed district.
- (3) State the ballot proposition which shall be in substantially the following form:

“Formation of toll facility aid district

“Shall a toll facility aid district be established for the area described in a resolution of the board of county commissioners of (insert name of principal county) county adopted on the day of, 19....., to be known as (insert name of the toll facility) aid district.

YES.....
NO.....”

This resolution shall be entered in the minutes of the board and shall be conclusive evidence of the fact that all steps preliminary to the making of the order, including the hearing of the toll bridge authority's resolution and establishment of the boundaries of the district have been properly taken.

SEC. 21. The principal board of county commissioners, with the cooperation and approval of the toll bridge authority, may prepare, and in the same resolution direct, that there be submitted to the voters of the proposed district at the same election, a proposition authorizing a tax levy, or bond issue, or both as may be necessary to provide the financial assistance required for the toll project. Any such proposal submitted to the voters of the district after its formation shall be initiated by the board of directors of the district but only with the cooperation and approval of the toll bridge authority.

Election—Tax
levy or bond
issue
proposal.

SEC. 22. A certified copy of the resolution calling the election shall be transmitted forthwith by the clerk of the principal board of county commissioners to the auditor of each county affected.

Election
resolution
transmitted.

SEC. 23. The principal county auditor shall cause an election to be held within the boundaries so established to determine whether the area described shall be established as a toll facility aid district and to submit any proposition for an excess tax levy or bond issue certified for the election by resolution of the principal board of county commissioners. The election shall be conducted by the principal county auditor in accordance with the general election laws of the state. The principal county officers and principal county canvassing board shall exercise all powers and perform all duties in connection therewith with the assistance of the officers and canvassing board of the other county or counties.

Scope of
election—
Conduct.

SEC. 24. The notice of election shall be given by the principal county auditor as provided by RCW

Notice of
election.

29.27.080, and shall describe the boundaries of the proposed district, its name and the ballot title of any tax or bond measure to be voted upon.

Post election procedure.

SEC. 25. The principal county canvassing board shall certify the results of the election to the respective boards of county commissioners. If, at the election, a majority of those voting thereat in the entire district favor incorporation, the respective boards of county commissioners acting jointly shall, by resolution, declare such territory to be incorporated as aid district (inserting the name appearing on the ballot) and such resolution shall be entered in the minute record of each board: *Provided*, That, if at such election any tax or bond measure essential for the purposes of the district fails to pass, the respective boards of county commissioners, voting as units, may by a joint resolution adopted by majority vote, terminate all proceedings for the formation of the district. In such case if there be a tie vote for and against such resolution, the vote of the principal board of county commissioners shall control.

Completed incorporation by election method, when.

SEC. 26. The incorporation of the district shall be complete upon the filing of a certified copy of the joint resolution of the boards of county commissioners declaring it so in the office of the secretary of state.

Costs borne depend upon incorporation decision.

SEC. 27. If the district is successfully incorporated, all costs incurred shall be borne by the district, but otherwise, all costs incurred shall be borne proportionately by each county in that ratio which the assessed valuation of property within that part of each county forming a part of the proposed district bears to the total assessed valuation of property within the boundaries of the whole of the proposed district.

SEC. 28. For the purpose of providing for the operation and maintenance of the district, including costs of incorporating, and for the purpose of providing financial assistance to a toll facility as requested by a toll bridge authority resolution, there may be submitted a proposition to the voters residing within the district, authorizing the district to levy at the earliest time permitted by law on all property located in the district, a general tax for one year, in excess of the forty mill tax limitation provided by law. Such proposition to be effective must be approved by a majority of at least three-fifths of those voting on the proposition and the total number of persons voting on the proposition shall constitute not less than forty percent of the total number of votes cast in the area of the district at the last preceding general election.

Election on tax levy—
Minimum approval necessary.

SEC. 29. Such tax levies shall be apportioned, levied and collected insofar as possible as provided for the apportionment, levy and collection of taxes in joint school districts.

Apportioning, levying, collecting tax, method.

SEC. 30. The proceeds of such tax levies shall be deposited by the treasurer of the principal county in the toll facility aid fund to be used for the necessary operating expenses of the district, including the costs of incorporating the district, and for the purposes of providing financial assistance to the toll facility as requested by a toll bridge authority resolution. Such fund shall be disbursed by the district treasurer upon warrants signed by the auditor of the principal county and authorized by the board of directors of the district.

Disposition of tax levies.

SEC. 31. For the purpose of providing financial assistance to a toll facility as requested by a toll bridge authority resolution, the district may authorize and issue general obligation bonds not to exceed an amount equal to two percent of the assessed valuation of the taxable property within the district.

Bonds authorized—
Election on—
Minimum approval necessary.

Issuance of such bonds shall be authorized at an election which shall provide for the payment of the principal and interest of such bonds by annual levies in excess of the forty mill tax limitation provided by law. The proposition to issue any such bonds and to exceed the tax limitation must receive the affirmative vote of a three-fifths majority of those voting on the proposition and the total number of persons voting on the proposition shall constitute not less than forty percent of the total number of votes cast in the area of the district at the last preceding general election.

**Bonds—Sale
of.**

SEC. 32. Bonds so authorized shall be sold in such amounts and in such manner, by the board of directors, as may be required for the purposes of the district. Such bonds authorized and issued may be deposited with the toll bridge authority or a trustee designated by the authority and sold by the toll bridge authority when required to meet the financial guarantee or other undertaking of the district.

**Bonds—Form
—Interest—
Attestation—
Redeeming.**

SEC. 33. Bonds authorized by section 28 shall be serial in form and maturity and numbered from one upward consecutively. Only bond No. 1 of any issue shall be of a denomination other than a multiple of one hundred dollars. The proposition authorizing the issuance of the bonds shall fix the rate of interest the bonds shall bear at not to exceed six percent per annum, and the place and time (from date of sale) of payment of principal and interest, the bonds shall be signed by the chairman of the board of directors of the district and attested by the executive secretary. Coupons in lieu of being signed may bear the facsimile signature of such officers.

All district bonds shall be payable within a period not to exceed twenty-three years from the date of their sale.

**Bonds—Regis-
tration—
Indorsement.**

SEC. 34. Each bond so issued must at the time of sale be registered by the county treasurer of each

county in which any part of the district may lie. Such registration shall be made in a book to be kept for that purpose, and must show the number and such data as is necessary to secure a complete record of each bond, the series and amount of each bond, the person to whom the same is issued and sold and the name of the district issuing the same. Before sale, each bond shall be indorsed by the treasurer, with his name and a statement showing the number and series of the bond.

SEC. 35. The bonds shall be sold pursuant to a resolution of the board of directors of the district or in cases where bonds are issued and deposited with the toll bridge authority, then pursuant to resolution of the toll bridge authority.

Bonds—Sale pursuant to resolution.

SEC. 36. Notice of sale shall be published by the principal county treasurer in accordance with the resolution directing the sale of bonds and shall be made in the form and manner prescribed for publishing notice of sale of school district bonds.

Bonds—Notice of sale.

SEC. 37. The provisions for sale, readvertisement and sale and delivery of bonds to purchasers as contained in chapter 28.51 RCW governing sale of school district bonds shall apply to the sale of district bonds.

Bonds—Procedure in chapter 28.51 RCW to apply.

SEC. 38. Fees for advertising shall first be deducted from the proceeds of the sale of district bonds and the balance paid forthwith to the secretary of the toll bridge authority or trustee designated by the toll bridge authority to be used for the purposes for which the bonds were issued.

Bonds—Disposition of proceeds from sale of.

SEC. 39. The various annual maturities of such bonds shall commence with the second year after the date of their sale and shall, as nearly as practicable, be in such amounts as will, together with the interest on all outstanding bonds sold, be met by an equal annual tax levy for the payment of such bonds and interest.

Bonds—Maturities, tax levies for.

Bonds—Tax levies for redemption—Transmission, disposition of moneys.

SEC. 40. The board of county commissioners of every county in which any part of the district may lie, shall levy at a uniform rate the taxes for bond interest and bond redemption, and the treasurer of each county other than the principal county, shall transmit to the treasurer of the principal county all money in his possession derived from these taxes at least five days before the time at which bonds or the interest thereon must be paid. The county treasurer of the principal county shall issue receipts in duplicate to the remitting treasurers. He shall place the money so received to the credit of the district's bond redemption fund.

Bonds—As legal investments for public funds.

SEC. 41. The bonds herein authorized shall be a legal investment for all state funds or for funds under state control and all funds of municipal corporations, and shall be legal security for all state, county and municipal deposits, and be fully negotiable instruments.

District board of directors. Members—Terms.

SEC. 42. The powers of the district shall be exercised by a board of directors which shall be composed of one county commissioner selected by each board of county commissioners of the counties in which any part of the district lies. The members of the first board of directors shall hold office until the following July 1. On such date and annually thereafter, the respective boards of county commissioners shall each select one of their members to serve on the board of directors of the district for the ensuing year. If during his term, any member of the board of directors shall cease to be a member of the board of county commissioners which selected him such board of county commissioners shall appoint another of its members to fill the unexpired term on the district board of directors.

Board officers, proceedings.

SEC. 43. The board of directors of the district shall elect from its members, a chairman, and shall, by resolution, adopt rules governing the transaction

of district business, and adopt a seal. All proceedings of the board of directors shall be by motion or resolution, recorded in its minute books, which shall be public records. The board of directors shall select and appoint an executive secretary who, subject to the policies prescribed by the board, shall carry out the administrative functions of the district. The treasurer of the principal county shall be the district treasurer.

SEC. 44. Members of the board of directors shall receive no compensation for holding such office but shall receive their actual necessary traveling and other expenses in attending district meetings and discharging other district duties.

Board reim-
bursement for
expenses.

SEC. 45. On or before the third Monday in June of each year, the board of directors shall adopt a budget for the following calendar year. Such budget shall provide only for operation and administration expenses of the district, including any costs of incorporation incurred but not paid. If no revenues will be available to the district for operation and administration expenses in the following year, the amount required for such purposes as shown in the budget shall be obtained from the counties in which any part of the district may lie. Expenditures made to provide financial assistance to a toll facility as requested by a toll bridge authority resolution shall not be included in the budget.

District
budget—
Scope.

SEC. 46. Each county shall pay such proportion of the operation and administration expenses of the district for which no other revenues are available as the assessed valuation of property within that part of each county lying within the district bears to the total assessed valuation of property within the boundaries of the whole of the district. The board of directors of the district shall certify to each county prior to the fourth Monday in June of each year the share of the operation and administration

County share
in district
administration
expenses.

budget to be paid by each county for the next calendar year. Each county shall then include such amount in its budget for the next ensuing calendar year, and during such year shall pay to the district the amount of its share: *Provided*, That the total amount to be paid by any one county, exclusive of its share of costs of incorporation, shall not exceed ten thousand dollars in any calendar year.

Subsequent
district
elections for
facility
financial
assistance,
procedure.

SEC. 47. Subsequent to the formation of the district and authorization by a district of any initial financial assistance to the toll facility, the toll bridge authority may by resolution request additional financial assistance from the district for the toll facility and the board of directors of the district may, in their discretion, submit to a vote of the electors residing within the district additional millage or bond measures for the purpose of financially assisting the toll facility.

Dissolution
of district—
Distribution
of unexpended
funds.

SEC. 48. When the purposes for which a district has been created no longer exist and all obligations of the district have been fully discharged, the board of directors of the district may in its sound discretion by resolution dissolve the district. Upon dissolution of a district any unexpended funds in the district treasury shall be distributed to each of the counties of the district in proportion as the assessed valuation of property within that part of such county lying within the district bears to the total assessed valuation of property within the boundaries of the whole district.

Repeal.

SEC. 49. Sections 47.57.010 through 47.57.220 and 47.57.900, chapter 13, Laws of 1961 (House Bill No. 3) and RCW 47.57.010 through 47.57.220 and RCW 47.57.900 are each repealed.

Passed the Senate February 18, 1961.

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