

CHAPTER 206.

[S. B. 437.]

HIGHWAYS—ECHO LAKE ROUTE.

AN ACT relating to public highways and making
an appropriation.

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

SECTION 1. Increased costs for highway and bridge construction since the enactment of the highway bond issues authorized by the 1951, 1953 and 1955 legislatures makes necessary additional money with which to complete that portion of primary state highway No. 2, beginning approximately four miles west of North Bend thence southwesterly by the most feasible route by way of Auburn to a junction with primary state highway No. 1 in the vicinity of Milton, commonly known as the "Echo Lake Route." It is vital to the economy of the state and traffic safety that this project be constructed as soon as the funds provided herein will permit.

Echo Lake
route. De-
claration of
necessity.

SEC. 2. To provide additional funds for the construction of the "Echo Lake Route," in addition to bonds authorized to be sold by RCW 47.10.160 and as allocated by RCW 47.10.270, there shall be issued and sold limited obligation bonds of the state of Washington in the sum of three million dollars. The issuance, sale and retirement of said bonds shall be under the general supervision and control of the state finance committee. The state finance committee shall when notified by the Washington state highway commission, provide for the issuance of coupon or registered bonds to be dated, issued and sold from time to time in such amounts as may be necessary to the orderly progress of construction of this project: *Provided*, That if funds are available in the motor vehicle fund in an amount greater than is necessary to pay current demands, moneys appropriated to the

Additional
bond issue
authorized—
Use of motor
vehicle fund.

state highway commission for highways purposes may be used to finance this project until such time as bonds are sold, as provided by law, at which time the motor vehicle fund shall be reimbursed.

Echo Lake
route. Form
and term
of bonds.

SEC. 3. Each of such bonds shall be made payable at any time not exceeding twenty-five years from the date of its issuance, with such reserved rights of prior redemption bearing such interest, and such terms and conditions as the state finance committee may prescribe to be specified therein. The bonds shall be signed by the governor and the state auditor under the seal of the state, one of which signatures shall be made manually and the other signature may be in printed facsimile, and any coupons attached to such bonds shall be signed by the same officers whose signatures thereon may be in printed facsimile. Any bonds may be registered in the name of the holder on presentation to the state treasurer or at the fiscal agency of the state of Washington in New York City, as to principal alone, or as to both principal and interest under such regulations as the state treasurer may prescribe. Such bonds shall be payable at such places as the state finance committee may provide. All bonds issued under authority of this chapter shall be fully negotiable instruments.

Bonds not
general
obligations—
Taxes
pledged.

SEC. 4. Bonds issued under the provisions of this chapter shall distinctly state that they are not a general obligation of the state, but are payable in the manner provided in this chapter from the proceeds of all state excise taxes on motor vehicle fuels imposed by chapter 82.36 and RCW 82.36.020, 82.36.230, 82.36.250, and 82.36.400, as derived from chapter 58, Laws of 1933, as amended, and as last amended by chapter 220, Laws of 1949; and chapter 82.40 and RCW 82.40.020, as derived from chapter 127, Laws of 1941, as amended, and as last amended by chapter 220, Laws of 1949. The proceeds of such excise taxes

are hereby pledged to the payment of any bonds and the interest thereon issued under the provisions of this chapter and the legislature hereby agrees to continue to impose the same excise taxes on motor vehicle fuels in amounts sufficient to pay the principal and interest on all bonds issued under the provisions of this chapter.

SEC. 5. The bonds issued under the terms of this chapter shall be in denominations to be prescribed by the state finance committee and may be sold in such manner and in such amounts and at such times and on such terms and conditions as the committee may prescribe. If bonds are sold to any purchaser other than the state of Washington, they shall be sold at public sale, and it shall be the duty of the state finance committee to cause such sale to be advertised in such manner as it shall deem sufficient. Bonds issued under the provisions of RCW 47.10.150 through 47.10.270 shall be legal investment for any of the funds of the state except the permanent school fund.

Sale of bonds.

SEC. 6. The money arising from the sale of said bonds shall be deposited in the state treasury to the credit of the motor vehicle fund and such money shall be available only for the construction of the project referred to in section 1 of this chapter, and payment of the expense incurred in the printing, issuance and sale of any such bonds.

Proceeds—
Deposit
and use.

SEC. 7. Any funds required to repay such bonds, or the interest thereon when due shall be taken from that portion of the motor vehicle fund which results from the imposition of all excise taxes on motor vehicle fuels and which is, or may be, appropriated to the highway department for state highway purposes, and shall never constitute a charge against any allocations of such funds to counties, cities and towns unless and until the amount of the motor vehicle

Source of
funds for
payment of
principal
and interest.

fund arising from the excise taxes on motor vehicle fuels and available for state highway purposes proves insufficient to meet the requirements for bond retirement or the interest on any bonds.

Echo Lake
route. High-
way bond
retirement
fund.

SEC. 8. At least one year prior to the date any interest is due and payable on such bonds or before the maturity date of any bonds, the state finance committee shall estimate the percentage of the receipts in money of the motor vehicle fund, resulting from collection of excise taxes on motor vehicle fuels, for each month of the year which will be required to meet interest or bond payments under this chapter when due, and shall notify the state treasurer of such estimated requirement. The state treasurer shall thereafter from time to time each month as such funds are paid into the motor vehicle fund, transfer such percentage of the monthly receipts from excise taxes on motor vehicle fuels of the motor vehicle fund to the highway bond retirement fund, and which fund shall be available solely for payment of such interest or bonds when due. If in any month it shall appear that the estimated percentage of money so made is insufficient to meet the requirements for interest or bond retirement, the treasurer shall notify the state finance committee forthwith and such committee shall adjust its estimate so that all requirements for interest and principal of all bonds issued shall be fully met at all times.

Excess sums
in bond re-
tirement
fund—Use.

SEC. 9. Whenever the percentage of the motor vehicle fund arising from excise taxes on motor fuels, payable into the highway bond retirement fund, shall prove more than is required for the payment of interest on bonds when due, or current retirement of bonds, any excess may, in the discretion of the state finance committee, be available for the prior redemption of any bonds or remain available in the fund to reduce the requirements upon

the fuel excise tax portion of the motor vehicle fund at the next interest or bond payment period.

SEC. 10. There is hereby appropriated from the motor vehicle fund to the state highway commission the sum of three million dollars, or so much thereof as may be necessary to carry out the provisions of this chapter, but no money shall be available under this appropriation from said fund unless a like amount of bonds provided for herein are sold and the moneys derived therefrom are deposited to the credit of such fund.

Appropriation
from motor
vehicle fund.

SEC. 11. If any provision of this act or the application thereof to any person, firm, or corporation or circumstance is held invalid, in whole or in part, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application and to this end the provisions of this act are declared to be severable.

Severability,
enforce-
ability.

If any provision of this act shall be declared unconstitutional or ineffective in whole or in part by a court of competent jurisdiction, then to the extent that it is unconstitutional or ineffective, such provision shall not be enforced, nor shall such determination be deemed to invalidate the remaining provisions of this act.

Passed the Senate March 8, 1957.

Passed the House March 12, 1957.

Approved by the Governor March 22, 1957.