

reasonable proportion of all costs in connection with the satellite facility.

A commercial bank may share a facility with one or more mutual savings banks or with one or more savings and loan associations.

NEW SECTION. Sec. 4. Notwithstanding the provisions of section 3 of this act, any savings and loan association or any mutual savings bank may agree to share the use of any satellite facility it owns, operates, or uses or which is owned by any entity owned by one or more savings and loan associations or mutual savings banks, with any one or more financial institutions, and sharing with one or more commercial banks shall not require sharing with, or making the facility available for use by the customers of, any other commercial bank.

NEW SECTION. Sec. 5. If, but for this chapter, any action by any one or more commercial banks, mutual savings banks, or savings and loan associations would be in violation of any of the laws of this state or the United States commonly referred to as the antitrust laws, then this chapter shall be construed so as to permit or require only such action as shall not be in violation of such laws.

NEW SECTION. Sec. 6. Sections 1 through 5 of this act shall constitute a new chapter in Title 30 RCW.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government, and shall take effect immediately.

Passed the Senate April 23, 1974.
Passed the House April 23, 1974.
Approved by the Governor April 30, 1974.
Filed in Office of Secretary of State April 30, 1974.

CHAPTER 167
[Substitute House Bill No. 670]
COUNTY TRANSPORTATION AUTHORITY

AN ACT Relating to transportation; amending section 35.58.030, chapter 7, Laws of 1965 and RCW 35.58.030; adding a new section to chapter 94, Laws of 1970 ex. sess. and to chapter 82.14 RCW; adding a new chapter to Title 36 RCW; and declaring an emergency.

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

NEW SECTION. Section 1. For the purposes of this 1974 amendatory act the following definitions shall apply:

(1) "Authority" means the county transportation authority created pursuant to this 1974 amendatory act.

(2) "Population" means the number of residents as shown by the figures released for the most recent official state, federal, or county census, or population determination made by the office of program planning and fiscal management.

(3) "Public transportation function" means the transportation of passengers and their incidental baggage by means other than by chartered bus, sightseeing bus, or any other motor vehicle now on an individual fare-paying basis, together with the necessary passenger terminals and parking facilities or other properties necessary for passenger and vehicular access to and from such people-moving systems: PROVIDED, That nothing shall prohibit an authority from leasing its buses to private certified carriers or prohibit the county from providing school bus service.

NEW SECTION. Sec. 2. Every county, except a county in which a metropolitan municipal corporation is performing the function of public transportation on the effective date of this 1974 amendatory act, is authorized to create a county transportation authority which shall perform the function of public transportation. Such authority shall embrace all the territory within a single county and all cities and towns therein.

NEW SECTION. Sec. 3. Every county which undertakes the transportation function pursuant to section 2 of this 1974 amendatory act shall create by resolution of the county legislative body a county transportation authority which shall be composed as follows:

(1) The elected officials of the county legislative body, not to exceed three such elected officials;

(2) The mayor of the most populous city within the county;

(3) The mayor of a city with a population less than five thousand, to be selected by the mayors of all such cities within the county.

(4) The mayor of a city with a population greater than five thousand, excluding the most populous city, to be selected by the mayors of all such cities within the county: PROVIDED, HOWEVER, That if there is no city with a population greater than five thousand, excluding the most populous city, then the sixth member who shall be an elected official, shall be selected by the other two mayors selected pursuant to subsections (2) and (3) of this section.

The members of the authority shall be selected within sixty days after the date of the resolution creating such authority.

Any member of the authority who is a mayor or an elected official selected pursuant to subsection (4) above and whose office is not a full time position shall receive one hundred dollars for each day attending official meetings of the authority.

NEW SECTION. Sec. 4. Every county transportation authority created to perform the function of public transportation pursuant to section 2 of this 1974 amendatory act shall have the following powers:

(1) To prepare, adopt, carry out, and amend a general comprehensive plan for public transportation service.

(2) To acquire by purchase, condemnation, gift or grant and to lease, construct, add to, improve, replace, repair, maintain, operate and regulate the use of any transportation facilities and properties, including terminal and parking facilities, together with all lands, rights of way, property, equipment and accessories necessary for such systems and facilities.

(3) To fix rates, tolls, fares and charges for the use of such facilities and to establish various routes and classes of service.

(4) In the event a county transit authority shall extend its transportation function to any area in which service is already offered by any company holding a certificate of public convenience and necessity from the Washington utilities and transportation commission under RCW 81.68.040, it may acquire by purchase or condemnation at the fair market value, from the person holding the existing certificate for providing the services, that portion of the operating authority and equipment representing the services within the area of public operation, or it may contract with such person or corporation to continue to operate such service or any part thereof for time and upon such terms and conditions as provided by contract.

(5) (a) To contract with the United States or any agency thereof, any state or agency thereof, any metropolitan municipal corporation, any other county, city, special district, or governmental agency and any private person, firm or corporation for the purpose of receiving gifts or grants or securing loans or advances for preliminary planning and feasibility studies, or for the design, construction, operation, or maintenance of transportation facilities; and

(b) To contract with any governmental agency or with any private person, firm or corporation for the use by either contracting party of all or any part of the facilities, structures, lands, interests in lands, air rights over lands and rights of way of all kinds which are owned, leased or held by the other party and for the purpose of planning, constructing or operating any facility or performing any service related to transportation which the county is authorized to operate or perform, on such terms as may be agreed upon by the contracting parties: PROVIDED, That before any contract for the lease or operation of any transportation facilities shall be let

to any private person, firm or corporation, competitive bids shall first be called for and contracts awarded in accord with the procedures established in accord with RCW 36.32.240, 36.32.250, and 36.32.270.

(6) In addition to all other powers and duties, an authority shall have the power to own, construct, purchase, lease, add to, and maintain any real and personal property or property rights necessary for the conduct of the affairs of the authority. An authority may sell, lease, convey or otherwise dispose of any authority real or personal property no longer necessary for the conduct of the affairs of the authority. An authority may enter into contracts to carry out the provisions of this section.

NEW SECTION. Sec. 5. The authority shall elect a chairman, and appoint a general manager who shall be experienced in administration, and who shall act as executive secretary to, and administrative officer for the authority. He shall also be empowered to employ such technical and other personnel as approved by the authority. The general manager shall be paid such salary and allowed such expenses as shall be determined by the authority. The general manager shall hold office at the pleasure of the authority, and shall not be removed until after notice is given him, and an opportunity for a hearing before the authority as to the reason for his removal.

NEW SECTION. Sec. 6. Each authority shall establish a fund to be designated as the "transportation fund", in which shall be placed all sums received by the authority from any source, and out of which shall be expended all sums disbursed by the authority. The county treasurer shall be the custodian of the fund, and the county auditor shall keep the record of the receipts and disbursements, and shall draw and the county treasurer shall honor and pay all warrants, which shall be approved before issuance and payment as directed by the authority.

The county and each city or town which is included in the authority shall contribute such sums towards the expense for maintaining and operating the authority as shall be agreed upon between them.

V- Every year at the conclusion of its fiscal year each authority shall submit a report, which shall conform to the requirements of the state auditor as provided in RCW 43.09.230, to the senate and house of representatives transportation and utilities committees of the legislature.

V- NEW SECTION. Sec. 7. The authority shall adopt a public transportation plan. Such plan shall conform to the plan requirements of any federal law or regulation, compliance with which is required for federal public transportation assistance. Such plan

shall be a general comprehensive plan designed to best serve the residents of the entire county. Prior to adoption of the plan, the authority shall provide a minimum of sixty days during which sufficient hearings shall be held to provide interested persons an opportunity to participate in development of the plan.

NEW SECTION. Sec. 8. On the effective date of the proposition approved by the voters in accord with section 10 of this 1974 amendatory act, the authority shall have and exercise all rights with respect to the construction, acquisition, maintenance, operation, extension, alteration, repair, control and management of passenger transportation which the county or any city located within such county shall have been previously empowered to exercise and such powers shall not thereafter be exercised by the county or such cities without the consent of the authority. The county and all cities within such county upon demand of the authority shall transfer to the authority all unexpended funds earmarked or budgeted from any source for public transportation, including funds receivable. The county in which an authority is located shall have the power to contract indebtedness and issue bonds pursuant to chapter 36.67 RCW to enable the authority to carry out the purposes of this 1974 amendatory act, and the purposes of this act shall constitute a "county purpose" as that term is used in chapter 36.67 RCW.

NEW SECTION. Sec. 9. A county transportation authority may acquire any existing transportation system by conveyance, sale, or lease. In any purchase from a county or city, the authority shall receive credit from the county or city for any federal assistance and state matching assistance used by the county or city in acquiring any portion of such system. The authority shall assume and observe all existing labor contracts relating to such system and, to the extent necessary for operation of facilities, all of the employees of such acquired transportation system whose duties are necessary to operate efficiently the facilities acquired shall be appointed to comparable positions to those which they held at the time of such transfer, and no employee or retired or pensioned employee of such systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he enjoyed as an employee of such system prior to such acquisition. The authority shall engage in collective bargaining with the duly appointed representatives of any employee labor organization having existing contracts with the acquired transportation system and may enter into labor contracts with such employee labor organization.

NEW SECTION. Sec. 10. There is added to chapter 94, Laws of 1970 ex. sess. and to chapter 82.14 RCW a new section to read as follows:

Any county in which a plan has been adopted pursuant to section 7 of this 1974 amendatory act may by resolution, for the sole purpose of providing funds for the operation, maintenance or capital needs of county public transportation, submit an authorizing proposition to the voters and if approved by a majority of persons voting thereon, fix and impose a sales and use tax. Such tax shall be in addition to the tax authorized by RCW 82.14.030 and shall be collected from those persons who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within such county. The proceeds of such tax shall be deposited in the transportation fund created pursuant to section 6 of this act. The rate of such tax imposed by such county shall be three-tenths of one percent of the selling price (in the case of a sales tax) or value of the article used (in the case of a use tax): PROVIDED, That

V- such tax shall expire on June 30, 1979: PROVIDED FURTHER, That no authority may issue general obligation bonds which are secured by or payable from a sales and use tax imposed pursuant to this chapter.

In the event the county shall impose a sales and use tax pursuant to this section, no city, town, or metropolitan municipal corporation located within the territory of the authority shall be empowered to levy and/or collect taxes pursuant to RCW 35.58.273, 35.95.040, and/or 82.14.045.

V- Sec. 11. Section 35.58.030, chapter 7, Laws of 1965 and RCW 35.58.030 are each amended to read as follows:

Any area of the state located in a class AA county and containing two or more cities, at least one of which is a city of the first class, may organize as a metropolitan municipal corporation for the performance of certain functions, as provided in this chapter.

NEW SECTION. Sec. 12. There is added to Title 36 RCW a new chapter to read as set forth in sections 1 through 9 of this 1974 amendatory act.

NEW SECTION. Sec. 13. This 1974 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 immediately.

Passed the House April 23, 1974.
Passed the Senate April 23, 1974.
Approved by the Governor May 5, 1974, with the exception of certain items which are vetoed.
Filed in Office of Secretary of State May 5, 1974.
Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to certain items Substitute House Bill No. 670 entitled:

"AN ACT Relating to transportation."

Veto
Message

1. Definition of "public transportation function."

Section 1 (3) of the bill contains an obvious drafting error overlooked throughout the entire

Veto
Message

legislative process that effectively defeats the purpose of the bill by excluding from the jurisdiction of a county transportation authority the principal function that should be undertaken: individual farepaying transportation. The definition of "public transportation function" in this bill is identical to the language employed in RCW 35.58.020(14) relating to metropolitan municipal corporations, with the sole exception of the word "now" appearing in page 1, line 17 of the bill which should have read "not." Since this is not the type of engrossing error which might otherwise have been corrected by the Code Reviser, I have determined that the only way of salvaging this critical definitional section is to veto the phrase "or any other motor vehicle now on an individual farepaying basis." It is interesting to note that had the item veto power not been available to correct this otherwise fatal error, the bill would be of no use to those counties that have long awaited this kind of enabling legislation.

2. Annual report to Legislature.

Under RCW 43.09.230, a county transportation authority set up under this act would be required to prepare annually a detailed report pursuant to the rigid requirements of that section, which report would in due course be submitted to the Legislature at its next session. The item in section 6 of the bill further requiring an annual report to be submitted to the transportation and utilities committees of the Senate and House is unwarranted and would lead to wasteful duplication of effort. Accordingly, I have vetoed that item.

3. Plan conformance to federal requirements.

Section 7 contains an item requiring the public transportation plan adopted by the authority to conform to federal requirements. Needless to say, an authority wishing to qualify for federal funding will prepare its plan in accordance with federal requirements. On the other hand, this could impose an excessive burden on areas in the state not seeking federal funding and without the capability for the planning effort which would be required to conform to federal requirements. I have therefore vetoed the referenced item.

4. Restrictions on funding and bonding.

Section 10 contains two provisos that effectively cripple the financial and planning capability of an authority. The expiration date of June 30, 1979 on the local option sales tax injects uncertainty into the future of any county transportation system and precludes any long-range planning. The prohibition against issuance of general obligation bonds removes the borrowing capability of an authority and would require the improbable situation of sufficient funds on hand before commencing any project. Even with federal participation, the authority would ordinarily be required to advance the federal share, which it simply would not be able to do without borrowed funds. For these reasons, I have determined to veto that item in section 10 consisting of the two referenced provisos.

5. Limitation on future formation of METROS.

The intent of the Legislature in section 11 was presumably to preclude formation of other metropolitan municipal corporations for transportation purposes. The language of this section far exceeds that intent, however, and subjects the bill to serious constitutional challenge. The broad language of the section precludes the formation of metropolitan municipal corporations for any other purposes such as sewerage disposal and planning. In doing so, the section goes beyond the title of the bill and raises the question of two separate subjects in one bill. Accordingly, I have vetoed section 11.

With the exception of the foregoing items, I have ^{Veto} approved the remainder of Substitute House Bill ^{Message} No. 670."

CHAPTER 168

[Substitute House Bill No. 867]

URBAN ARTERIAL PROJECTS—

FUND ALLOCATION PRESERVATION—STUDY

AN ACT Relating to authorized urban arterial projects, preserving approved allocations of the Washington state urban arterial board while delayed by court order and for an interim period thereafter; and declaring an emergency.

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

NEW SECTION. Section 1. Urban arterial trust account funds, heretofore allocated by the Washington state urban arterial board for authorized projects and subject to cancellation if construction has not commenced by July 1, 1974, shall, in the event that compliance with the construction deadline is prevented by an order of a court of the United States or the state of Washington during the pendency of litigation, be reserved for the use of such approved projects after July 1, 1974, provided that construction shall commence within ninety days after final disposition of such litigation.

NEW SECTION. Sec. 2. Where urban arterial trust account funds were authorized by the State Urban Arterial Board for specific arterial projects, and in those cases where the initial authorization of the project occurred during the 1967-69 and 1969-71 biennial periods, such trust account funds shall remain obligated to such projects for the period through June 30, 1975.

NEW SECTION. Sec. 3. The Senate and House Standing Committees on Transportation and Utilities shall review the fiscal effect of irrevocably committing state funds to specific projects during such period as all possible litigation under the National Environmental Policy Act, the State Environmental Policy Act, the Shoreline Management Act, or other federal or state litigation has been resolved, and report their findings and recommendations to the 1975 legislature.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health and safety, the support of