CHRISTINE O. GREGOIRE Governor



STATE OF WASHINGTON

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March 31, 2006

To the Honorable President and Members, The Senate of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to parts of Sections 126(42), 126(63), 128(3), 128(10), 131(2), 137(12), 139, 204(1)(x), 207(5), 217(13), 217(17), 221(25), 302(16), 307(21)(c), 308(16), 518(4), 602(16), 602(22), 602(25), 603(18), 604(14), 606(5), 607(7), 611(1), 611(3), 708(1)(d), 711(4), and 906, of Engrossed Substitute Senate Bill No. 6386 entitled:

"AN ACT Relating to fiscal matters."

My reasons for vetoing the above-noted Sections are as follows:

### <u>Section 126(42), page 31, Department of Community, Trade, and Economic Development,</u> <u>Small Business Incubators</u>

This proviso funds implementation of Third Substitute House Bill 1815 pertaining to Small Business Incubators, and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 126(42).

### <u>Section 126(63), page 34, Department of Community, Trade, and Economic Development,</u> Washington Trade Corps Fellowship Program

This proviso funds implementation of Substitute Senate Bill 6330 and stipulates that the appropriation will lapse if the bill is not enacted. Since I have vetoed Substitute Senate Bill 6330, I have also vetoed Section 126(63).

### Section 128(3), page 36, Office of Financial Management, Classified School Employees

New language directs the Washington Learns steering committee to review funding for classified school employees and to report findings and recommendations that include how classified school employees can enhance students' abilities to meet state learning standards. Washington Learns is a comprehensive study of education from early learning through higher education, encompassing all employee groups within the educational system. I have vetoed Section 128(3)

because it is not necessary to single out any specific class of employees, and because the requirements of this new language will be met under the current work plan for Washington Learns.

## Section 128(10), page 38, Office of Financial Management, Report on State-purchased Health Care Costs

This proviso requires the Office of Financial Management to prepare a report on state-purchased health care costs and expenditures. Since no funding is provided for this activity, I have vetoed section 128(10).

## Section 131(2), page 40, State Lottery, Research

This proviso permits the use of agency appropriations for the implementation of Senate Concurrent Resolution 8417, and stipulates that the subsection will lapse if the resolution is not enacted. Since that resolution did not pass the Legislature, I have vetoed Section 131(2).

## Section 137(12), page 46, Department of Revenue, Streamlined Sales Tax

This proviso funds implementation of Substitute Senate Bill 6594 and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 137(12).

## Section 139, page 46-47, Municipal Research Council, Special Purpose Districts

I have vetoed the portion of Substitute Senate Bill 6555 that diverts revenue from the general fund to the Special Purpose District Research Services Account. For consistency, I also have vetoed Section 139.

## Section 204(1)(x), page 77, Department of Social and Health Services Mental Health Division, Mental Health Professionals

This proviso references Second Substitute House Bill 2912, which would require two mental health care professionals for all home visits that require mental health evaluations. Since that bill did not pass the Legislature, I have vetoed Section 204(1)(x).

## <u>Section 207(5), page 94, Department of Social and Health Services Economic Services</u> <u>Division, Child Support Schedule</u>

This proviso funds Second Substitute House Bill 2462, which established work groups to periodically review the child support schedule, and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 207(5).

## Section 217(13), page 116, Department of Labor and Industries, Agricultural Workers

This proviso funds Engrossed House Bill 2623 relating to agricultural workers, and stipulates that the appropriation will lapse if the bill is not enacted. Since the bill did not pass the Legislature, I have vetoed Section 217(13).

# Section 217(17), pages 116-117, Department of Labor and Industries, Brochures on Building Contractors

This proviso provides \$10,000 General Fund-State solely for the Department of Labor and Industries to prepare consumer information brochures on contracting for new construction or remodeling construction work. I am directing the Department of Labor and Industries to perform all the functions and procedures listed in this proviso within existing funds. I have, therefore, vetoed Section 217(17).

## Section 221(25), page 126, Department of Health, Background Checks/Health Care

This proviso funds implementation of Substitute House Bill 2431 and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 221(25).

## Section 302(16), page 142, Department of Ecology, Brominated Flame Retardants

This proviso funds implementation of Engrossed Second Substitute House Bill 1488 and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 302(16).

# Section 307(21)(c), page 153, Department of Fish and Wildlife, Fiscal Reporting and Modeling

This section requires Washington's Department of Fish and Wildlife (WDFW) to develop an electronic revenue forecast model with the Office of Financial Management and the Department of Revenue for forecasting the state Wildlife Account. Although the WDFW's ability to accurately forecast revenues has been a concern in the past, its current methodology has proven generally reliable. There is no evidence that a new forecasting model would significantly improve state Wildlife Account forecasts, and no additional funding was provided to develop a new model. For these reasons, I have vetoed Section 307(21)(c).

## Section 308(16), page 161, Department of Natural Resources, Wildfire Prevention

This proviso directs the Department of Natural Resources to implement a workgroup defined in Substitute Senate Bill 6603, relating to wildfire prevention. Since that bill did not pass the Legislature, I have vetoed Section 308(16). However, the department has the authority to engage in this activity and I would encourage it to do so.

## Section 518(4), page 222-223, Department of Early Learning, Contingency Funding

This proviso was included in the budget to serve as a contingency to reverse the funding transfers to the Department of Early Learning, if the new department had not been created. Since Second Substitute House Bill 2964 passed the Legislature, and the Department of Early Learning goes into effect on July 1, 2006, I have vetoed this section for the technical reason that it is no longer needed.

## Section 602(16), page 229, State Board for Community and Technical Colleges, High Demand Training

This proviso provides funding for and directs the State Board for Community and Technical Colleges to identify high demand occupations, develop or utilize skills standards or credentials for those occupations, and market the standards and credentials to educational institutions and employers. This agency, the Higher Education Coordinating Board, the Workforce Training and Education Coordinating Board, and the Department of Employment Security have already accomplished much of this work in prior studies. I have, therefore, vetoed Section 602(16).

## Section 602(22), page 231, State Board for Community and Technical Colleges, Nursing Faculty Retention Pilot Program

This proviso attempts to address a real problem relating to nursing recruitment and retention, but addresses it in a very narrow fashion. The State Board for Community and Technical Colleges, along with industry stakeholders, needs to consider various, statewide options for retaining nursing faculty and keeping qualified teachers in the classroom. This proviso directs state funds to a very limited number of sites with no plan for retention of faculty beyond the current year. Therefore, I have vetoed Section 602(22).

### <u>Section 602(25), page 231, State Board for Community and Technical Colleges, High</u> <u>School Completion</u>

This proviso indicates that there is sufficient funding in the State Board for Community and Technical Colleges' budget to implement Engrossed Second Substitute House Bill 2582. Since that bill did not pass the Legislature, I have vetoed Section 602(25).

### Section 603(18), page 235, University of Washington, Public Curriculum Study

This proviso directs the University of Washington's College of Education to conduct a review of curriculum offered by Washington public schools to examine the extent to which the curriculum accurately includes the history, contributions, and contemporary experiences of people of color. With 296 school districts in Washington making individual decisions regarding curriculum offered to students in more than 2,000 Washington schools, the study is a monumental task. It is not clear that the results of a narrow study will be applicable throughout the state. While this is an important issue, the scope of the study needs to be refined or funding must be increased. Therefore, I have vetoed Section 603(18).

### Section 604(14), page 239, Washington State University, Local Government Reference

Although the provision of local government reference books may be valuable, this effort should be prioritized within existing resources. Therefore, I have vetoed Section 604(14).

### Section 606(5), page 243, Central Washington University, Additional Tuition Waivers

This proviso funds additional tuition waivers. While I understand the inequity in the original waiver limits set by the Legislature more than a decade ago, I do not concur with this appropriation for a purpose that does not create additional enrollment slots for our students. Since the waiver limit has been in place so long, it is also clear that this is not an emergency that requires action in a supplemental budget. Therefore, I have vetoed Section 606(5).

### Section 607(7), page 245, The Evergreen State College, Collective Bargaining Unit Training

This proviso expands collective bargaining and bargaining unit training at The Evergreen State College's Labor Education and Research Center. The Center currently provides similar training by contracting with those who will receive the training. The Center can expand the collective bargaining and bargaining unit training under its current finance model, so I have vetoed Section 607(7).

## <u>Section 611(1), page 256, Workforce Training and Education Coordinating Board, Private</u> <u>Vocational Schools</u>

This proviso funds implementation of House Bill 2597 and stipulates that the appropriation will lapse if the bill is not enacted. Since that bill did not pass the Legislature, I have vetoed Section 611(1).

## <u>Section 611(3), page 257, Workforce Training and Education Coordinating Board, Worker</u> <u>Training B & O Tax</u>

This proviso funds implementation of Engrossed Substitute House Bill 2565, relating to worker training business and occupation tax. The appropriation will lapse if the bill is not enacted. Engrossed Substitute House Bill 2565 did not pass the Legislature, so I have vetoed Section 611(3).

## <u>Section 708(1)(d), page 266, Department of Retirement Systems, Implementation of SHB</u> 2934 (Survivor Health Benefits)

This proviso funds the implementation of Substitute House Bill 2934, and stipulates that the appropriation will lapse if the bill is not enacted. The provisions of that bill, however, passed the Legislature in Senate Bill 6723. Since the bill cited in this proviso did not pass the Legislature, I have vetoed Section 708(1)(d) for the sake of clarity.

## Section 711(4), page 268, Strategic Purchasing Strategy

This proviso indicates that the State Board for Community and Technical Colleges is not subject to the General Fund-State allotment reduction related to implementation of a statewide purchasing strategy. In order to continue to encourage all state agencies to be as efficient and economical in their purchasing as possible, I have vetoed Section 711(4), and will direct the Department of General Administration to work with the colleges on a practical approach to achieve purchasing savings.

# Section 906, pages 282-284, State Parks and Recreation Commission, Authority to Charge Day-Use Access or Parking Fees

This section prohibits the State Parks and Recreation Commission from charging fees for general park access or parking from the effective date of this bill through June 30, 2007. This prohibition also appears in Section 303(5) of this bill. Since the underlying statute has also been amended in Substitute House Bill 2416 to prohibit general park access or parking fees permanently, beginning April 9, 2006, Section 906 is redundant and unnecessary, I have vetoed Section 906. However, to harmonize the temporary disparities in effective dates, I hereby direct the State Parks and Recreation Commission to discontinue collecting these fees effective immediately.

In addition to these vetoes, I would like to comment on two other aspects of this bill:

## **Emergency Management**

Section 150(7) provides \$2 million for the Military Department to expand its emergency management planning and training activities, study the feasibility of regional medical assistance and search-and-rescue teams, and administer a competitive grant program to support local emergency management efforts.

Emergency response is an important state priority, and I am directing the Military Department to report to me on a regular basis concerning the uses of this funding and the specific improvements in emergency preparation that have been achieved through the grant process.

## **Capital Projects**

This operating budget bill includes funding for facility repair and renovation, trail upgrades, and property improvements that more appropriately belong in the capital budget. Although these projects have distinct public benefit, they create long-term assets and should be considered among all other capital needs and priorities rather than competing against critical general fund operating programs. I sincerely hope that next year the Legislature will keep projects of this nature out of the operating budget and in the capital budget, where they properly belong.

With the exception of those portions of sections 126(42), 126(63), 128(3), 128(10), 131(2), 137(12), 139, 204(1)(x), 207(5), 217(13), 217(17), 221(25), 302(16), 307(21)(c), 308(16), 518(4), 602(16), 602(22), 602(25), 603(18), 604(14), 606(5), 607(7), 611(1), 611(3), 708(1)(d), 711(4), and 906, as specified above, Engrossed Substitute Senate Bill No. 6386 is approved.

Respectfully submitted,

/s/ Christine O. Gregoire Governor