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Governor



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May 15, 2007

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; and (1), (2), and (3); 3204(2); 6023; 6024; 6030; and 6031 of Engrossed Substitute House Bill 1092 entitled:

"AN ACT Relating to the capital budget."

Section 1032(2), page 19, Department of Community, Trade and Economic Development, Job Development Fund Grants

This proviso prohibits the Department of Community, Trade and Economic Development from proceeding with a competitive process for the 2009-2011 Biennium. I believe a competitive grant selection process is appropriate for these projects. Therefore, I am vetoing Section 1032(2).

Because I am concerned that the current process does not put enough emphasis on the creation of family wage jobs, I am directing my staff to work with the Department and the Community Economic Revitalization Board to establish weighted criteria for the next group of projects and to develop legislation to make creation of jobs the top priority for the grant selection process.

Section 1068, page 42, lines 8 through 12, Department of General Administration, Signage Near Capitol Lake

This proviso directs the Department of General Administration to post signs on 5th Avenue at Capitol Lake dam in the City of Olympia concerning bicycle lanes. I am vetoing this proviso because it directs a state agency to install traffic control signs on a city street, even though the city's existing signage already complies with standards in the Manual on Uniform Traffic Control Devices. I am directing the Department of General Administration to work with the City of Olympia to look at how to provide additional appropriate warnings that would enhance the safety of bicyclists crossing Capitol Lake dam.

Section 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22, Department of Fish and Wildlife, Wiley Slough Restoration

This proviso prohibits the Department of Fish and Wildlife from spending funds until July 1, 2008, so that a report can be developed regarding the loss of recreation opportunities in upland habitat areas. The Wiley Slough Restoration project already has broad support from many in the community and should move ahead so that critical juvenile Chinook salmon habitat in the Skagit River basin can be restored. Rather than delay the project further, I expect the Department of Fish and Wildlife to work in good faith with legislators, waterfowl hunters and other community members to develop off-site hunting and recreation opportunities. For this reason, I have vetoed the specific restrictions in Section 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22.

Section 3204 (2), page 151, Department of Natural Resources, Trust Land Transfer

This section requires that the funds from transferred properties be used exclusively for the acquisition of forest lands. Existing statute for the Natural Resource Real Property Replacement Account allows purchases of commercial property, agriculture property and forest lands. I am vetoing Section 3204(2), because placing limits on the type of land that can be purchased should be more fully considered as a policy issue with separate legislation.

Section 6023, page 264, Department of General Administration, Consolidation Review

This section restates the Department of General Administration's statutory authority to review any capital improvement or capital project for possible consolidation, co-location, and compliance with state standards before allotment of funds. In addition, the passage of SHB 2366 creates new, broad authority for the Office of Financial Management to oversee facility issues of this type. Because existing statutes for General Administration and the new authority for the Office of Financial Management already require these actions, I am vetoing Section 6023.

Section 6024, page 264, Department of General Administration, Tacoma Rhodes

This section prevents the Department of General Administration from selling the Tacoma Rhodes building until after June 30, 2009, except to another state agency, state institution, or political subdivision of the state. I am vetoing this proviso because decisions regarding Tacoma Rhodes are within the authority and responsibilities of the Department of General Administration as an executive agency responsible for housing state government, and acquiring and disposing of property. This existing authority includes managing and making appropriate decisions on the future of facilities, based on sound business principles. Current law allows public agencies and local governments the first right of refusal on purchasing surplus property such as the Tacoma Rhodes building. I expect General Administration to follow this process.

Section 6030, page 267, For the State Treasurer—Transfers

This section requires a transfer of \$20 million from the Natural Resources Real Property Replacement Account to the Common School Permanent Fund. The amount transferred is to be added to the irreducible principal of the common school permanent fund and invested by the State Investment Board rather than to purchase replacement timber land. I believe this is a policy issue that is better addressed in substantive legislation. Therefore, I am vetoing Section 6030.

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Section 6031, page 267, Natural Resources Real Property Replacement Account

This section amends RCW 79.17.210 so that during the 2007-2009 Biennium balances in the Natural Resources Real Property Replacement Account may be transferred to the appropriate permanent funds as directed in the capital budget appropriations act. I believe this is a policy issue that is better addressed in substantive legislation. Therefore, I am vetoing Section 6031.

For these reasons, I have vetoed Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; 3204(2); 6023; 6024; 6030; and 6031 of Engrossed Substitute House Bill 1092.

With the exception of Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; 3204(2); 6023; 6024; 6030; and 6031, Engrossed Substitute House Bill 1092 is approved.

Respectfully submitted,

/s/

Christine O. Gregoire
Governor