

SB 5499-S - DIGEST

(DIGEST AS ENACTED)

Allows the department of transportation to authorize bonds in an amount less than the full contract price of a project on highway construction contracts administered by the department with an estimated contract price of two hundred fifty million dollars or more.

Requires the office of financial management, before the secretary of the department of transportation may approve any bond authorized to be less than the full contract price of a project, to review and approve the analysis supporting the amount of the bond set by the department.

Expires June 30, 2016.

VETO MESSAGE ON SSB 5499

May 13, 2009

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

Ladies and Gentlemen:

I am returning, without my approval as to Section 2, Substitute Senate Bill 5499 entitled:

"AN ACT Relating to bond amounts for department of transportation highway contracts."

Section 2 of this bill requires the Governor to approve any contracts in which the Washington State Department of Transportation intends to authorize bonds in an amount less than the full contract price of the contract.

Section 1 of the bill requires the Office of Financial Management to approve risk guidelines developed by the Department of Transportation prior to authorizing bonds in an amount less than the full price of the contract. Section 1 also requires the Office of Financial Management to review and approve the decision of the Secretary of Transportation to authorize a bond in an amount less than the full price of the contract prior to proceeding with the contract. Approval from the Office of Financial Management of the risk guidelines, as well as review of pending contracts constitutes sufficient oversight by the Governor's office of highway contract decisions. Requiring subsequent approval from the Governor is redundant and is not a necessary statutory requirement.

For these reasons, I have vetoed Section 2 of Substitute Senate Bill 5499.

With the exception of Section 2, Substitute Senate Bill 5499
is approved.

Respectfully submitted,
Christine O. Gregoire
Governor