

1427-S

Sponsor(s): House Committee on Capital Facilities & Financing  
(originally sponsored by Representatives H. Sommers and Schmidt)

Brief Description: Adopting the capital budget.

**HB 1427-S.E - DIGEST**

(DIGEST AS ENACTED)

Adopts the capital budget.

VETO MESSAGE ON HB 1427-S

June 30, 1991

To the Honorable, the House  
of Representatives of the  
State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 5, 6(3)(b), (4)(d), 15(4), 19(62), 20(5), 24(17) line 8, page 105, (18) line 25, page 105, (22), line 23, page 106, 30(9)(b)(c)(d)(e), and section 58 of Engrossed Substitute House Bill No. 1427, entitled:

"AN ACT Adopting the capital budget."

My reasons for vetoing these sections are as follows:

Section 5, page 7, Office of the Administrator for the Courts

Section 5 provides for the replacement of the heating-ventilation-air conditioning system in the Olympia eastside building. This building is leased by the state and therefore it would be inappropriate to use bond money to correct building deficiencies.

Section 6(3)(b), page 8 and page 9, Asbestos Removal or Abatement Projects

Subsection 3(b) provides funding to the Office of Financial Management to be allocated to agencies and institutions for asbestos removal or abatement projects with conditions and limitations. While I agree with the Legislature's concern that funding asbestos projects needs a statewide, comprehensive approach, this language is unduly restrictive and does not allow for emergency situations. The federal law requirement applies only to school districts through the Asbestos Hazard Emergency Response Act (AHERA) program and this provision may unduly impact those institutions such as Developmentally Disabled facilities that do not fall within the AHERA requirements. The requirements for evaluation of asbestos projects is more appropriately established through administrative rule.

Section 6(4)(d), page 10, Higher Education Branch Campuses Site Acquisition and Development (90-5-002)

Subsection 4 provides funding for the acquisition and development of sites for branch campuses with conditions and limitations. Subsection (d) requires that the appropriation not be expended for land in the Spokane area until an environmental study

indicates the property is free of toxic substances. While I concur with the Legislature that property acquired by the state not contain substances which exceed state and federal toxic standards, it is unreasonable to establish a standard which prohibits the state from acquiring property until it is "totally" free of toxic substance, as such a certification may be impossible for any property.

Section 15(4), page 56, Garfield Barracks

This subsection directs the Office of Financial Management to report to the legislature on the costs of constructing, maintaining, and operating Garfield Barracks using federal Veterans' Affairs funds compared to the cost of using Medicaid Nursing Home funding. This subsection also indicates funds cannot be expended until the agency has sought Medicaid Certification for its existing facilities. The federal Veterans' Administration has indicated that federal funds will not be released for projects with these kinds of provisos. Additionally, to seek Medicaid Certification for the existing facilities before a study has been completed is inappropriate. I am directing the Department of Veterans' Affairs to complete the study of funding alternatives.

Section 19(62), page 89, Olmstead Park

This subsection provides for the revenues generated from the lease of state lands at the park to be used exclusively for the improvements of this park. This language is unduly prescriptive and limits the Commission's discretion in efficiently administering the state park system.

Section 20(5), page 91, Clear Creek Dam

This subsection provides funding to rebuild the Clear Creek Dam in Yakima County. Although this project has strong local interest, because the benefits from the project are purely local they do not justify state funding. Given the limited nature of state capital dollars this project does not warrant a \$1.75 million commitment of state funds.

Section 24(17) line 8, page 105 (18), line 25, page 105, (22), line 23, page 106, Wildlife Reimbursable Bonds

These sections make appropriations for capital projects for the Department of Wildlife and are funded through reimbursable bonds backed by the State Wildlife Account. While use of such funding may be an acceptable policy, it cannot be decided without determining the future amount of General Fund which will be used to fund the Department. The Wildlife Department cannot commit to debt service until there is a resolution to provide sufficient General Fund financing for their operating budget. I am therefore vetoing the appropriations from the Wildlife Reimbursable Construction Account. The agency will scale back these capital projects and complete them to the extent possible within existing funds.

Section 30(9)(b)(c)(d)(e), page 127, Public School Building Construction

Section 30(9) provides funding for school construction subject to conditions. These conditions would effectively gut the log export restriction recently enacted by Congress and implemented by my office. I believe it is a cruel hoax to encourage the export of raw logs overseas at a time we are facing an extreme raw log shortage within our own state. Last month, a judge shut down

virtually all new timber sales on Federal lands in Washington state. Consequently, the only supply of logs left for those federally dependent mills will be from state lands. This budget proviso attempts to take that supply away from these mills as well. If successfully implemented, this proviso would effectively snatch thousands of jobs from Washington forest products workers and send those jobs to Japan.

I am vetoing the proviso requiring the Department of Natural Resources to rewrite the rules adopted by my office to implement the state log export restriction. The rules currently in force prohibit the practice of substitution. Substitution is a practice carried out by the large landowning, log-exporting companies of exporting logs from their own lands overseas and then running the export restricted logs through their mills. This practice effectively negates the impact of the export restriction and results in the state subsidizing the big log-exporting companies.

The Department of Natural Resources opposes the substitution prohibition and has expressed a desire to write rules which would allow the big log exporting companies to buy export restricted state logs.

I am vetoing this proviso for three reasons: 1) An effective export restriction is needed during this time of log shortages. 2) Changing the rules will not save the common school construction fund money. It is a federal law which prohibits exports not the state rules. Gutting the rules will merely ensure that the beneficiaries of the law are the big log exporting companies rather than the small and medium sized domestic processors. 3) This proviso is not legal under Federal law. The Federal log export restriction gives the Governor or the legislature the authority to write rules implementing the federal log export restrictions. This federal authority can only be promulgated by the passage of specific authorizing legislation or by an issuance of rules by the Governor. Budget provisos are not a substitute for either of these actions.

Section 58, page 194 and 195, Development Loan Fund

This section amends the development loan fund statute to make principal and interest payments to the fund appropriated. The state appropriation of funds with federal status will not allow the program to comply with federal regulations.

With the exception of sections 5, 6(3)(b), (4)(d), 15(4), 19(62), 20(5), 24(17), line 8, page 105, (18), line 25, page 105, (22), line 23, page 106, 30(9)(b)(c)(d)(e), and section 58 of Engrossed Substitute House Bill No. 1427 is approved.

Respectfully submitted,  
Booth Gardner  
Governor