6456-S

Sponsor(s): Senate Committee on Transportation (originally sponsored by Senators Prince, Haugen, Wood, Kline and Horn; by request of Governor Locke)

Brief Title: Funding transportation.

SB 6456-S.E - DIGEST

(DIGEST AS ENACTED)

Makes supplemental transportation appropriations.

VETO MESSAGE ON SB 6456-S

April 3, 1998

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

I am returning herewith, without my approval as to sections 202(6); 202(8), page 8, line 20 through page 9, line 6; 203(13); 207(2); 209, page 18, lines 1 through 2; 209(3); 209(4); 209(5); 211(12); 211(13); 212(3); 214(4); 214(5); 220(10); 221(7); 301(4); 402, page 42, lines 29 through 30; 403; 501; 502; 507 and 508, Engrossed Substitute Senate Bill No. 6456 entitled:

"AN ACT Relating to transportation funding and appropriations;"

Engrossed Substitute Senate Bill No. 6456 provides a supplemental budget for the 1997-99 transportation budget.

Section 202(6), page 7 (Legislative Transportation Committee) Section 202(6) directs the Legislative Transportation Committee to study and report findings to the Legislature regarding the design-build method of contracting. I am vetoing this proviso because it is unnecessary in light of passage of Substitute Senate Bill 6439, which requires the Department of Transportation (DOT) to conduct a demonstration program using the design-build method of contracting and requires the DOT to present a report within one year of completion of the demonstration projects.

Section 202(8), page 8, line 20 through page 9, line 6 (Legislative Transportation Committee)

Section 202(8) provides a \$1 million appropriation for the purpose of convening a panel of citizens to conduct a comprehensive analysis of state-wide transportation needs, funding, and policies. The panel is to be appointed by the legislature and the Governor.

While there is no question about the commitment of all parties, including myself, to conduct a creditable and timely review of transportation issues, I have vetoed page 8, line 20 through page 9, line 6 in order to provide maximum flexibility to the panel to manage the review as effectively as possible within the available dollars. The review activities outlined in the vetoed provisos can serve as guidance, rather than limits, for the panel as they start their deliberations. The veto of these subsections does not preclude the panel from addressing the same issues, but it does allow the panel to adjust the scope and

emphasis of the study activities as information is developed.

Section 203(13), page 11 (Washington State Patrol«Field Operations Bureau)

Section 203 (13) prohibits the Chief of the Washington State Patrol from using funding provided in Chapter 457, Laws of 1997 and in this act to increase salaries for positions above the rank of captain. I am vetoing this proviso because it unduly restricts the ability of the Chief to manage the State Patrol. It is also retroactive, and would reduce current salaries. Finally, it contravenes the existing statutory authority in RCW 43.43.020, which grants the Chief the authority to determine the compensation of her officers.

Section 207(2), pages 15-16 (Department of Licensing Information Systems)

Section 207 (2) stipulates that if the driver's license fee increase contained in Engrossed Substitute House Bill 2730 is not enacted by June 30, 1998, the appropriations provided in this subsection lapse. Engrossed Substitute House Bill 2730 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate possible confusion about whether the Department of Licensing must work to implement the enumerated Business and Technology Assessment Project recommendations without the requisite funding.

Section 209, page 18, lines 1 through 2, (Department of Licensing Driver Services)

section reduces the state highway safety appropriation to the Department of Licensing. I am vetoing the supplemental appropriation in order to partially restore inadvertent reduction that was subtracted twice. A recent court decision, regarding the limitations to the Governor's veto powers, dictates a budget level that is \$2,503,000 less than the original When the supplemental budget adjustments were appropriation. calculated, this reduction occurred twice. The effect of this veto is to reinstate \$868,000 in state highway safety funds to the A legislative adjustment of \$1,635,000 will be required in the 1999 legislative session in order to fully restore the intended funding level for the department. The complete restoration of these funds will ensure that the department continues to maintain existing service levels and implements recently enacted legislation. Since the double count appears to have been an inadvertent error, I am requesting that the department make plans for the intended funding level for the remainder of the biennium in anticipation of a legislative adjustment in the 1999 session.

Section 209(3), page 18 (Department of Licensing Driver Services)

Section 209(3) stipulates that the \$117,000 highway safety account state appropriation shall lapse if House Bill 3054 is not enacted by June 30, 1998. House Bill 3054 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 209(4), page 18 (Department of Licensing Driver Services)

Section 209(4) stipulates that the \$80,000 highway safety

account« state appropriation shall lapse if House Bill 2730 is not enacted by June 30, 1998. House Bill 2730 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

<u>Section 209(5), page 18 (Department of Licensing Driver Services)</u>

Section 209(5) stipulates that the \$124,000 highway safety account state appropriation shall lapse if Senate Bill 6591 is not enacted by June 30, 1998. Senate Bill 6591 was not passed by the Legislature; therefore, I have vetoed this subsection to eliminate any possible confusion.

Section 211(12), page 21-22 (Department of Transportation« Improvements« Program I)

Section 211(12) requires the Department of Transportation (DOT) to develop criteria for programming and prioritization of highway infrastructure projects that will contribute to economic development as required by RCW 47.05.051 (2). Additionally, this subsection provides that the DOT shall report the criteria to the Legislative Transportation Committee by December 1, 1998. I am vetoing this proviso because it is unnecessary. The DOT already factors economic development in the prioritization of projects in its improvement program. If the Legislature wishes to modify the prioritization scheme, they may amend RCW 47.05.051.

Section 211(13), page 22 (Department of Transportation Improvements Program I)

Section 211(13) prohibits the Department of Transportation (DOT) from contracting any of the preliminary engineering services funded by this act without prior approval of the Legislative Transportation Committee. I am vetoing this proviso because it infringes on DOT's ability to manage its construction program. By hampering the DOT's ability to contract preliminary engineering, program delivery may be thwarted. Additionally, a legislative committee should not be placed in the role of approving customary functions of an executive branch agency.

Section 212(3), page 23 (Department of Transportation Economic Partnerships Program K)

Section 212(3) provides \$100,000 of the motor vehicle fund« state appropriation solely for the purpose of the program evaluation and audit of the Public Private Initiatives program required under RCW 47.46.030(2). Further, the subsection provides that the Legislative Transportation Committee (LTC) shall act as project manager and be responsible for hiring the consultants to conduct the evaluation and audit. I am vetoing this subsection because it contravenes RCW 47.46.030 (2), which charges the Department of Transportation (DOT) with the duty to conduct a program and fiscal audit of the Public-Private Initiatives Program. However, the statute provides that DOT shall consult with and submit progress reports to the LTC. DOT has agreed to proceed accordingly.

Section 214(4), page 25 (Department of Transportation« Preservation« Program P)

Section 214(4) requires the Transportation Commission to develop a comprehensive policy on tolls and to submit a report to the Legislative Transportation Committee and the Office of

Financial Management by March 1, 1999. While this is a worthwhile and important subject, I believe it is more properly addressed as an option in the larger context of long-term transportation funding.

Section 214(5), page 25 (Department of Transportation Preservation Program P)

Section 214(5) requires the Department of Transportation to recommend a plan for accomplishing the preservation work on the Hood Canal Bridge, and the remainder of the twenty-year bridge system plan, under the constraints of current law revenues. Reliance on current revenues to fund major projects, like the Hood Canal Bridge, will preclude a substantial number of other necessary bridge preservation and highway improvement projects. Any review of the bridge system plan must have the flexibility to consider the need for new revenues.

Section 220(10), page 35 (Department of Transportation Public Transportation and Rail)

Section 220(10) provides an additional \$4 million Central Puget Sound Public Transportation Account - State appropriation for the Department of Transportation for activities related to the improvement of the King Street Station. The King Street Station redevelopment project was also submitted to the Transportation Improvement Board (TIB) for state funding from the same account. The project has subsequently been selected for state funding through the TIB prioritization process, making this appropriation unnecessary. Therefore, I am vetoing this subsection to eliminate any possible confusion.

<u>Section 221(7), pages 37-38 (Department of Transportation« Local Programs« Program Z)</u>

Section 221(7) provides for the preparation of a consolidation plan for the Transportation Improvement Board (TIB), County Road Administration Board (CRAB), and the Department of Transportation's TransAid Service Center. The 1998 Legislature did consider, but failed to enact, legislation that would have required this same consolidation plan. While I support efforts to streamline government, a more deliberative process that involves the key stakeholders and does not presuppose an outcome must be employed.

Section 301(4), pages 39-40 (Transportation Agencies Capital Facilities)

Section 301(4) requires the transportation agencies, the Department of General Administration, and the Office of Financial the Legislative review, analyze, and report to Transportation Committee (LTC) on the consolidation of Thurston state transportation agencies. Ι am vetoing subsection because it mandates action by non-transportation agencies without providing the funding necessary to accomplish such A more deliberative process that involves the key a review. stakeholders, provides the necessary funding, and does presuppose an outcome must be employed.

Section 402, lines 29 through 30, page 42 (State Treasurer Bond Retirement and Interest, And Ongoing Bond Registration and Transfer Charges: For Bond Sale Expenses and Fiscal Agent Charges)

This item is an increase in the appropriation for the State

Treasurer for bond sale expenses and fiscal agent charges. Because the supplemental expenditures in this budget are not supported by additional bond revenues, this increased appropriation is unnecessary.

Section 403, page 43

This section authorizes the State Treasurer to transfer any Transportation Improvement Board balances available in the Highway Bond Retirement Account into the Transportation Improvement Board Bond Retirement Account. To be operative, this section required passage of House Bill 2582. House Bill 2582 was not passed by the Legislature; therefore, I have vetoed this section to eliminate any possible confusion.

Section 501, page 45

This section directs agencies that spend transportation funds to submit their budget requests and supporting documents to the Office of Financial Management (OFM) and the Legislative Transportation Committee at the same time. All agency budget requests are public documents, and OFM routinely sends a copy of all budget requests to the Legislature for review soon after they are received, making this section unnecessary.

Section 502, page 45

Section 502 provides that in the 1999-01 biennium, the Department of Transportation's Public Transportation and Rail Program shall be divided into three separate programs« public transportation, rail-operating, and rail-capital. I am vetoing this section because it infringes on the ability of the department to organize and manage this program. The determination of this level of organizational structure should be left to the agency.

Section 507, page 48

Section 507 requires the Department of Transportation to use appropriations for Programs I and P in this act to fund projects identified in the Transportation Executive Management System (TEIS) and Legislative Budget Notes. I am vetoing this section because it circumvents the process established in RCW 47.05. Additionally, I do not support enacting TEIS or Legislative Budget Notes into law through reference.

Section 508, page 48

Section 508 repeals a section from the 1997 Transportation Budget that appropriates \$10 million into reserve status for potential funding of the highway construction program should the federal transportation authorization act not be enacted by October 1, 1997. I am vetoing this section because I believe that this reserve is still appropriate as the successor to the Intermodal Surface Transportation Efficiency Act (ISTEA) has not yet been enacted, and Congress appears poised to act soon.

For these reasons, I have vetoed sections 202(6); 202(8), page 8, lines 20 through page 9, line 6; 203(13); 207(2); 209, page 18, lines 1 through 2; 209(3); 209(4); 209(5); 211(12); 211(13); 212(3); 214(4); 214(5); 220(10); 221(7); 301(4); 402, page 42, lines 29 through 30; 403; 501; 502; 507 and 508 of Engrossed Substitute Senate Bill No. 6456.

With the exception of sections 202(6); 202(8), page 8, lines 20 through page 9, line 6; 203(13); 207(2); 209, page 18, lines 1 through 2; 209(3); 209(4); 209(5); 211(12); 211(13); 212(3);

214(4); 214(5); 220(10); 221(7); 301(4); 402, page 42, lines 29 through 30; 403; 501; 502; 507 and 508, Engrossed Substitute Senate Bill No. 6456 is approved.

Respectfully submitted, Gary Locke Governor