VETO MESSAGE ON ESHB 1497

June 15, 2011

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 5028; 6001; 7018; and 7031, page 83, lines 32-35, and 7031, page 83, line 36, and page 84, lines 1-3 of Engrossed Substitute House Bill 1497 entitled:

"AN ACT Relating to the capital budget."

Section 5028, page 50, Central Washington University -- Combined Utilities

The appropriation of \$273,000 erroneously references the State Building Construction Account instead of the Central Washington University Building Account. ESHB 1497 is comprised of cash and dedicated fund sources, and does not otherwise include bond accounts. Therefore, I am vetoing Section 5028 so that the fund source can be corrected in the 2012 supplemental capital budget.

Section 6001, page 58, Salmon Recovery Funding Board Programs, Termination of Contract for Restoration of Bear River Estuary This proviso language conflicts with the existing statutory process for Salmon Recovery Funding Board project review by directing the Board to take action on an existing contract. In addition, the requirement is now moot because the Board terminated this contract in May. For these reasons, I am vetoing Section 6001.

<u>Section 7018, pages 72-73, Department of Fish and Wildlife</u> Land Transfer

This proviso requires the Fish and Wildlife Commission to transfer to the City of Olympia its three parcels of property located in downtown Olympia. The Department of General Administration is directed to obtain an appraisal, and negotiate a contract with the City of Olympia to develop a plan for preparing the land for mixed use retail and market rate housing.

This requirement precludes the possibility of other parties offering competitive bids for these properties. Therefore, I am vetoing Section 7018.

Section 7031, page 83, lines 32-35, Treasurer Transfers
Section 7031, page 83, line 36, and page 84, lines 1-3,
Treasurer Transfers

The Legislature's reduction of the existing transfers from the State Toxics Control Account and the Local Toxics Control Account to the state General Fund was meant to accompany a statutory change directing toxics account revenues into the General Fund. Because the offsetting statutory change was not made, the transfers in Section 7031 would result in an unintended loss of \$103.5 million to the General Fund. Therefore, I am vetoing Section 7031, page 83, lines 32-35; and Section 7031, page 83, lines 36, and page 84, lines 1-3.

For these reasons, I have vetoed Sections 5028; 6001; 7018; and 7031, page 83, lines 32-35, and 7031, page 83, line 36, and page 84, lines 1-3, of Engrossed Substitute House Bill 1497.

With the exception of Sections 5028; 6001; 7018; and 7031, page 83, lines 32-35, and 7031, page 83, line 36, and page 84, lines 1-3, Engrossed Substitute House Bill 1497 is approved.

Respectfully submitted, Christine Gregoire Governor