VETO MESSAGE ON ESHB 2836

May 4, 2010

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 5061, 6003 and 6012, Engrossed Substitute House Bill 2836 entitled:

"AN ACT Relating to the capital budget."

Section 5061, page 98, Community and Technical College System, Bates Technical College Mohler Communications Technology Center

Design funding for the Mohler Communications Technology Center at Bates Technical College was reduced by \$563,000 from the budget approved by the 2009 Legislature. This reduced budget amount would not be sufficient to pay for currently executed contracts, and the costs cannot be deferred until the next biennium. Therefore, I am vetoing Section 5061.

<u>Section 6003, page 111, Office of Financial Management Budget</u> <u>Instructions</u>

With this proviso, the Office of Financial Management must require that preliminary energy audits be conducted on project requests that involve significant renovations or improvements in owned or leased facilities. Reducing energy consumption is a high priority, but requiring energy audits before funding decisions are made will be burdensome and costly. I am directing the Office of Financial Management to develop instructions to state agencies that will serve the goal of reducing energy costs without requiring formal audits for every project. Therefore, I am vetoing Section 6003.

Section 6012, page 121-122, Project Transfer Authority

This proviso eliminates existing authorization for the Office of Financial Management to approve the transfer of funds from one capital project to another within the same state agency. It also places limitations on approving spending plans for construction contingencies, bid alternates, and equipment costs for capital budget projects already approved by the Legislature. These limitations are too stringent for state agencies and may cause unintended cost increases and schedule delays. I am directing the Office of Financial Management to continue to scrutinize capital project spending plans to identify additional savings that can be directed to new projects in the 2011-13 Biennium. Therefore, I am vetoing Section 6012.

For these reasons, I have vetoed Sections 5061, 6003 and 6012 of Engrossed Substitute House Bill 2836.

With the exception of Sections 5061, 6003 and 6012, Engrossed Substitute House Bill 2836 is approved.

Respectfully submitted, Christine O. Gregoire Governor