under this subsection shall be in writing and may be rejected at any time before written acceptance by the department.

(5) Conveyances made under this section shall be by deed executed by the secretary of transportation and shall be duly acknowledged.

(6) All moneys received under this section shall be deposited in the essential rail assistance account of the general fund.

NEW SECTION. Sec. 8. Transfers of ownership of property acquired under RCW 47.76.030 are exempt from chapters 8.25 and 8.26 RCW.

NEW SECTION. Sec. 9. Sections 3 through 8 of this act shall be added to chapter 47.76 RCW.

*NEW SECTION. Sec. 10. The rail right of way acquisition program under chapter 47.76 RCW shall be terminated on June 30, 1991.

*Sec. 10 was vetoed, see message at end of chapter.

*NEW SECTION. Sec. 11. The rail right of way acquisition act as now existing or hereinafter amended, is repealed, effective June 30, 1992.

*Sec. 11 was vetoed, see message at end of chapter.

Passed the Senate April 23, 1985.
Passed the House April 17, 1985.
Approved by the Governor May 21, 1985, with the exception of certain items which are vetoed.
Filed in Office of Secretary of State May 21, 1985.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 10 and 11, Substitute Senate Bill No. 4267, entitled:

"AN ACT Relating to abandoned rail rights of way."

Sections 10 and 11 of this bill seek to terminate and repeal, in 1991 and 1992, the rail right of way acquisition program and the rail right of way acquisition act, which are not defined. Signing these sections into law would raise difficult technical questions about the intent of Sections 10 and 11. I have, therefore, vetoed Sections 10 and 11 of Substitute Senate Bill No. 4267.

With the exception of Sections 10 and 11, which I have vetoed, Substitute Senate Bill No. 4267 is approved."

CHAPTER 433
[Engrossed Substitute House Bill No. 863]
STATE HIGHWAY IMPROVEMENTS NECESSITATED BY PLANNED ECONOMIC DEVELOPMENT—ECONOMIC DEVELOPMENT ACCOUNT OF THE MOTOR VEHICLE FUND CREATED

AN ACT Relating to transportation improvements necessitated by planned economic development; amending RCW 43.160.030, 47.10.801, and 47.10.803; reenacting RCW 43.160.030; adding new sections to chapter 43.160 RCW; adding a new section to chapter 47.01 RCW; creating a new section; repealing RCW 47.10.810; making an appropriation; declaring an emergency; and providing effective dates.

Be it enacted by the Legislature of the State of Washington:
NEW SECTION. Sec. 1. A new section is added to chapter 43.160 RCW to read as follows:

The legislature recognizes that in order to attract new industry to the state of Washington, and to encourage significant expansion of industries already here, it is often necessary to construct or improve public works facilities. To that end, the legislature, in 1982, created the community economic revitalization board and subsequently established a program of loans and grants to political subdivisions to enable construction and improvement of such facilities. This program has made a significant contribution toward stimulating economic development within the state.

The legislature now finds that the state's economic development efforts can be further enhanced by, in certain instances, providing funds to improve state highways in the vicinity of new industries considering locating in this state or existing industries that are considering significant expansion.

The legislature finds it desirable to provide a process whereby the need for diverse public works improvements necessitated by planned economic development can be addressed in a timely fashion and with coordination among all responsible governmental entities.

It is the intent of the legislature to create an economic development account within the motor vehicle fund from which expenditures can be made by the department of transportation for state highway improvements necessitated by planned economic development. All such improvements must first be approved by the state transportation commission and the community economic revitalization board in accordance with the procedures established by sections 5 and 6 of this act. It is further the intent of the legislature that such improvements not jeopardize any other planned highway construction projects. The improvements are intended to be of limited size and cost, and to include such items as additional turn lanes, signalization, illumination, and safety improvements.

*Sec. 2. Section 3, chapter 40, Laws of 1982 1st ex. sess. as amended by section 2, chapter 60, Laws of 1983 1st ex. sess. and RCW 43.160.030 are each amended to read as follows:

(1) The community economic revitalization board is hereby created to exercise the powers granted under this chapter.

(2) The board shall consist of ((nine)) eleven persons appointed by the governor and the director of commerce and economic development, the director of ((planning and community affairs)) community development, the director of revenue, the commissioner of employment security, ((and the chairmen)) the secretary of the department of transportation, and a majority member and a minority member of the committee on ((commerce)) trade and economic development of the house of representatives and a majority member and a minority member of the committee on commerce and labor of the senate, or the equivalent standing committees((--for a total of seventeen members)). Legislative members shall be chosen by the leader of their respective caucus.
The appointive members shall be as follows: A recognized private or public sector economist selected from the governor's council of economic advisors; one port district official; one county official; one city official; one representative of the public; one representative of small businesses each from: (a) The area west of Puget Sound, (b) the area east of Puget Sound and west of the Cascade range, (c) the area east of the Cascade range and west of the Columbia river, and (d) the area east of the Columbia river; one executive from large businesses each from the area west of the Cascades and the area east of the Cascades. The appointive members shall initially be appointed to terms as follows: Three members for one-year terms, three members for two-year terms, and three members for three-year terms which shall include the chairman. Thereafter each succeeding term shall be for three years. The representative from the governor's council of economic advisors shall serve as chairman of the board. The director of the department of commerce and economic development shall serve as vice chairman.

(3) Staff support shall be provided by the department of commerce and economic development.

(4) All appointive members of the board shall be reimbursed for travel expenses as provided in RCW 43.93.050 and 43.03.060 as now or hereafter amended.

(5) If a vacancy occurs by death, resignation, or otherwise of appointive members of the board, the governor shall fill the same for the unexpired term. Any members of the board, appointive or otherwise, may be removed for malfeasance or misfeasance in office, upon specific written charges by the governor, under chapter 34.04 RCW.

*Sec. 2 was vetoed, see message at end of chapter.

*Sec. 3. Section 3, chapter 40, Laws of 1982 1st ex. sess. as last amended by section 89, chapter 287, Laws of 1984 and by section 2 of this act and RCW 43.160.030 are each reenacted to read as follows:

(1) The community economic revitalization board is hereby created to exercise the powers granted under this chapter.

(2) The board shall consist of eleven persons appointed by the governor and the director of commerce and economic development, the director of community development, the director of revenue, the commissioner of employment security, the secretary of the department of transportation, and a majority member and a minority member of the committee on trade and economic development of the house of representatives and a majority member and a minority member of the committee on commerce and labor of the senate, or the equivalent standing committees. The appointive members shall be as follows: A recognized private or public sector economist selected from the governor's council of economic advisors; one port district official; one county official; one city official; one representative of the public; one representative of small businesses each from: (a) The area west of Puget Sound, (b) the area east of Puget Sound and west of the Cascade range, (c) the area east of the
Cascade range and west of the Columbia river, and (d) the area east of the Columbia river, one executive from large businesses each from the area west of the Cascades and the area east of the Cascades. The appointive members shall initially be appointed to terms as follows: Three members for one-year terms, three members for two-year terms, and three members for three-year terms which shall include the chairman. Thereafter each succeeding term shall be for three years. The representative from the governor's council of economic advisors shall serve as chairman of the board. The director of the department of commerce and economic development shall serve as vice chairman.

(3) Staff support shall be provided by the department of commerce and economic development.

(4) All appointive members of the board shall be compensated in accord ance with RCW 43.03.240 and shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(5) If a vacancy occurs by death, resignation, or otherwise of appointive members of the board, the governor shall fill the same for the unexpired term. Any members of the board, appointive or otherwise, may be removed for malfeasance or misfeasance in office, upon specific written charges by the governor, under chapter 34.04 RCW.

*Sec. 3 was vetoed, see message at end of chapter.

**NEW SECTION.** Sec. 4. A new section is added to chapter 43.160 RCW to read as follows:

Each agency head of an executive branch agency who is appointed to the community economic revitalization board under RCW 43.160.030 may designate an agency employee to take his or her place on the board for meetings in which the agency head will be absent. The designee has all powers to vote and participate in board deliberations as have the other board members.

*Sec. 4 was vetoed, see message at end of chapter.

**NEW SECTION.** Sec. 5. A new section is added to chapter 43.160 RCW to read as follows

(1) An application to the board from a political subdivision may also include a request for improvements to an existing state highway or highways. The application is subject to all of the applicable criteria relative to qualifying types of development set forth in this chapter, as well as procedures and criteria established by the board.

(2) Before board consideration of an application from a political subdivision that includes a request for improvements to an existing state highway or highways, the application shall be forwarded by the board to the transportation commission.

(3) The board may not make its final determination on any application made under subsection (1) of this section before receiving approval, as submitted or amended or disapproval from the transportation commission as
specified in section 6 of this act. Notwithstanding its disposition of the remain-der of any such application, the board may not approve a request for improvements to an existing state highway or highways without the approval as submitted or amended of the transportation commission as specified in section 6 of this act.

(4) The board shall notify the transportation commission of its decision regarding any application made under this section.

NEW SECTION. Sec. 6. A new section is added to chapter 47.01 RCW to read as follows:

(1) Upon receiving an application for improvements to an existing state highway or highways pursuant to section 5 of this act from the community economic revitalization board, the transportation commission shall, in a timely manner, determine whether or not the proposed state highway improvements:

   (a) Meet the safety and design criteria of the department of transportation;
   (b) Will impair the operational integrity of the existing highway system;
   (c) Will affect any other improvements planned by the department; and
   (d) Will be consistent with its policies developed pursuant to RCW 47.01.071.

(2) Upon completion of its determination of the factors contained in subsection (1) of this section and any other factors it deems pertinent, the transportation commission shall forward its approval, as submitted or amended or disapproval of the proposed improvements to the board, along with any recommendation it may wish to make concerning the desirability and feasibility of the proposed development. If the transportation commission disapproves any proposed improvements, it shall specify its reasons for disapproval.

(3) Upon notification from the board of an application's approval pursuant to section 5 of this act, the transportation commission shall direct the department of transportation to carry out the improvements in coordination with the applicant.

(4) The transportation commission shall notify the legislative transportation committee of all state highway improvements to be carried out pursuant to sections 5 and 6 of this act.

(5) All state highway improvements that are approved pursuant to sections 5 and 6 of this act shall be charged to the economic development account of the motor vehicle fund created by RCW 47.10.803.

Sec. 7. Section 1, chapter 316, Laws of 1981 as amended by section 1, chapter 19, Laws of 1982 and RCW 47.10.801 are each amended to read as follows:
In order to provide funds necessary for the location, design, right of way, and construction of selected interstate and other state highway improvements, there shall be issued and sold, subject to subsections (2) and (3) of this section, upon the request of the Washington state transportation commission a total of four hundred ((fifty)) sixty million dollars of general obligation bonds of the state of Washington for the following purposes and specified sums:

(a) Not to exceed two hundred twenty-five million dollars to pay the state's share of costs for federal-aid interstate highway improvements and until December 31, ((1985)) 1989, to temporarily pay the regular federal share of construction of federal-aid interstate highway improvements to complete state routes 82, 90, 182, and 705 in advance of federal-aid apportionments under the provisions of 23 U.S.C. Secs. 115 or 122: PROVIDED, That the total amount of bonds issued to temporarily pay the regular federal share of construction of federal-aid interstate highways in advance of federal-aid apportionments as authorized by this section and RCW 47.10-.790 shall not exceed one hundred twenty million dollars: PROVIDED FURTHER, That the transportation commission shall consult with the legislative transportation committee prior to the adoption of plans for the obligation of federal-aid apportionments received in federal fiscal year 1985 and subsequent years to pay the regular federal share of federal-aid interstate highway construction projects or to convert such apportionments under the provisions of 23 U.S.C. Secs. 115 or 122;

(b) Two hundred twenty-five million dollars for major transportation improvements throughout the state that are identified as category C improvements and for selected major non-interstate construction and reconstruction projects that are included as Category A Improvements in RCW 47.05.030;

(c) Ten million dollars for state highway improvements necessitated by planned economic development, as determined through the procedures set forth in sections 5 and 6 of this act.

The amount of bonds authorized in subsection (1)(a) of this section shall be reduced if the transportation commission, in consultation with the legislative transportation committee, determines that any of the bonds that have not been sold are no longer required.

The amount of bonds authorized in subsection (1)(b) of this section shall be increased by an amount not to exceed, and concurrent with, any reduction of bonds authorized under subsection (1)(a) of this section in the manner prescribed in subsection (2) of this section.

Sec. 8. Section 3, chapter 316, Laws of 1981 and RCW 47.10.803 are each amended to read as follows:

The proceeds from the sale of the bonds authorized by RCW 47.10.801(1) (a) and (b) shall be deposited in the motor vehicle fund((; and)) and in the manner prescribed in subsection (2) of this section.
47.10.801(1)(c) shall be deposited in the economic development account of the motor vehicle fund, hereby created. All such proceeds shall be available only for the purposes enumerated in RCW 47.10.801, for the payment of bond anticipation notes, if any, and for the payment of the expense incurred in the drafting, printing, issuance, and sale of such bonds.

NEW SECTION. Sec. 9. The sum of ten million dollars, or so much thereof as may be necessary, is appropriated from the economic development account of the motor vehicle fund to the department of transportation for the biennium ending June 30, 1987, to carry out the provisions of sections 5 and 6 of this act and RCW 47.10.801(1)(c). However, the money available for expenditure under this appropriation may not exceed the amount of money derived from the sale of bonds, and interest earned thereon, authorized by RCW 47.10.801(1)(c) and deposited to the credit of the economic development account of the motor vehicle fund.

NEW SECTION. Sec. 10. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the entire act and the application of the provision to other persons or circumstances is invalid and of no further force and effect.

NEW SECTION. Sec. 11. Section 11, chapter 316, Laws of 1981 and RCW 47.10.810 are each hereby repealed.

NEW SECTION. Sec. 12. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately, except for section 3 of this act, which shall take effect July 1, 1985.

*Sec. 12 was vetoed, see message at end of chapter.

Passed the House March 15, 1985.
Passed the Senate April 28, 1985.
Approved by the Governor May 21, 1985, with the exception of certain items which are vetoed.
Filed in Office of Secretary of State May 21, 1985.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to four sections, Engrossed Substitute House Bill No. 863, entitled:

"AN ACT Relating to transportation improvements necessitated by planned economic development."

I fully support the purpose of Engrossed Substitute House Bill No. 863. It allocates funds through existing Department of Transportation bond authority to allow CERB (Community Economic Revitalization Board) to fund improvements to the state highway system in connection with economic development projects. The bill also establishes a procedure for coordinated review and approval of these highway system improvements between CERB and the State Transportation Commission. Also, in the closing hours of the legislative session, an amendment was added to Engrossed Substitute House Bill No. 863 which increased the membership of CERB.

Engrossed Substitute House Bill No. 461, an act relating to economic development, is a bill that was the subject of much deliberation and which also passed the legislature this session. Among its provisions, Engrossed Substitute House Bill No.
461 also amends the CERB statute, Chapter 43.160 RCW, by clarifying evaluation standards for CERB projects, and enlarging the CERB Board.

I agree with the purpose of both bills. However, they contain provisions that would result in four double amendments to the CERB statute.

Sections 2 and 3 of Engrossed Substitute House Bill No. 863 add additional members to CERB. Sections 1 and 2 of Engrossed Substitute House Bill No. 461 also add members to CERB. I have vetoed Sections 2 and 3 of Engrossed Substitute House Bill No. 863 because I believe the membership provisions of Engrossed Substitute House Bill 461 is a more definitive statement of legislative intent because the bill resulted from more extensive discussion and negotiation during the session.

Section 4 of Engrossed Substitute House Bill No. 863 adds a new section to Chapter 43.160 RCW. Section 4 of Engrossed Substitute House Bill No. 461 duplicates the same language. Therefore, I have vetoed Section 4 of Engrossed Substitute House Bill No. 863 in order to avoid the confusion of duplicate sections being added to Chapter 43.160 RCW.

Section 12 of Engrossed Substitute House Bill No. 863 adds an emergency clause to the act and makes Section 3 effective July 1, 1985. The emergency clause is not necessary and the referral to Section 3 would make it a double amendment. Therefore, I have vetoed Section 12 of Engrossed Substitute House Bill No. 863 in order to avoid confusion.

With the exception of Sections 2, 3, 4 and 12, Engrossed Substitute House Bill No. 863 is approved.

NEW SECTION. Sec. 1. It is the intent of this act to provide for an equitable distribution of funds appropriated for educational clinics, to stabilize existing programs, and to provide a system for orderly expansion or retrenchment in the event of future increases or reductions in program appropriations.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.97 RCW to read as follows:

The superintendent of public instruction shall prepare a report on educational clinics that:

(1) Identifies a funding level that is adequate to fund the enrollment served by educational clinics during the previous fiscal year;

(2) Identifies locales in the state which are served by educational clinics but where demand for educational clinic services will support additional service, and recommends the funding level necessary to serve such demand;

(3) Identifies locales in the state which are not served by educational clinics but where demand will support operation of clinics, and recommends the funding level necessary to serve such demand; and