work with organizations in communities to help local businesses find new markets for their products.

The provisions of sections 5 through 14 would establish the Office of Capital Projects in the department to assist businesses in the state to increase their participation in large capital construction projects. This office would assist firms in the formation of business consortia to compete for large-scale capital projects.

The concept that the state should increase its role in assisting state firms to compete more effectively in international markets is an important one. New efforts by the federal government and by the international community to open international markets for capital construction projects may well provide additional opportunities for state firms. There may well be a useful role to be played by the state in assisting firms to respond to new opportunities in these markets. However, the lack of any funds to support this new function leads me to veto sections 5 through 14.

With the exception of sections 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14, Second Substitute House Bill No. 1476 is approved."

CHAPTER 418

[Senate Bill No. 5926] HANFORD LOW-LEVEL RADIOACTIVE WASTE DISPOSAL FACILITY-DEPARTMENT OF ECOLOGY DUTIES

AN ACT Relating to low-level radioactive waste; amending RCW 43.200.080; adding a new section to chapter 43.145 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

*<u>NEW SECTION.</u> Sec. 1. The legislature finds that the possibility exists for a drastic reduction in the volume of low-level radioactive waste disposed at Hanford in several years if waste from outside the region is denied access to the facility. The legislature further finds that the state has received millions of dollars of revenue generated by the waste site, funds which are annually deposited in the state general fund and other state accounts, and that proper analysis of the impacts of a loss of these funds has not been conducted, leaving the state in a potentially vulnerable position.

*Sec. 1 was vetoed, see message at end of chapter.

Sec. 2. Section 8, chapter 19, Laws of 1983 1st ex. sess. as amended by section 1, chapter 2, Laws of 1986 and RCW 43.200.080 are each amended to read as follows:

The director of ecology shall, in addition to the powers and duties otherwise imposed by law, have the following special powers and duties:

(1) To fulfill the responsibilities of the state under the lease between the state of Washington and the federal government executed September 10, 1964, covering one thousand acres of land lying within the Hanford reservation near Richland, Washington. The department of ecology may sublease to private or public entities all or a portion of the land for specific purposes or activities which are determined, after public hearing, to be in agreement with the terms of the lease and in the best interests of the citizens of the state consistent with any criteria that may be developed as a requirement by the legislature;

(2) To assume the responsibilities of the state under the perpetual care agreement between the state of Washington and the federal government executed July 29, 1965 and the sublease between the state of Washington and the site operator of the Hanford low-level radioactive waste disposal facility. In order to finance perpetual surveillance and maintenance under the agreement and ensure site closure under the sublease, the department of ecology shall impose and collect fees from parties holding radioactive materials for waste management purposes. The fees shall be established by rule adopted under chapter ((34.04)) 34.05 RCW and shall be an amount determined by the department of ecology to be necessary to defray the estimated liability of the state. Such fees shall reflect equity between the disposal facilities of this and other states. All such fees, when received by the department of ecology, shall be transmitted to the state treasurer, who shall act as custodian. The perpetual maintenance fund is created in the the state treasury. The treasurer shall place the money in a special ((account)) fund which may be designated the "perpetual maintenance ((account)) fund." ((Appropriations are required to permit expenditures and payment of obligations from this account, and the condition of the account and its administration shall be reported biennially to the legislature by the director.)) The perpetual maintenance fund shall be comprised of a site closure account and a perpetual surveillance and maintenance account. The site closure account shall be exclusively available to reimburse, to the extent that moneys are available in the account, the site operator for its costs plus a reasonable profit as agreed by the operator and the state, or to reimburse the state licensing agency and any agencies under contract to the state licensing agency for their costs in final closure and decommissioning of the Hanford low-level radioactive waste disposal facility. If a balance remains in the account after satisfactory performance of closure and decommissioning, this balance shall be transferred to the perpetual surveillance and maintenance account. The perpetual surveillance and maintenance account shall be used exclusively by the state to meet post-closure surveillance and maintenance costs, or for otherwise satisfying surveillance and maintenance obligations. Appropriations are required to permit expenditures and payment of obligations from the site closure account and the perpetual surveillance and maintenance account. Moneys which on the effective date of this act are in the perpetual maintenance account shall be transferred to the perpetual surveillance and maintenance account. All moneys currently administered by the department of ecology for closure of the Hanford lowlevel radioactive waste disposal facility shall be transferred to the site closure account within the perpetual maintenance fund. All future moneys contributed to the perpetual maintenance fund shall be directed to the site

closure account until December 31, 1992. Thereafter receipts shall be directed to the perpetual maintenance fund as specified by the department. Moneys in the perpetual maintenance ((account)) fund shall be invested by the state investment board in the same manner as other state moneys. Any interest accruing as a result of investment shall accrue to the perpetual maintenance ((account)) fund. Additional moneys specifically appropriated by the legislature or received from any public or private source may be placed in the perpetual maintenance ((account. The perpetual maintenance account shall be used exclusively for surveillance and maintenance costs, or for otherwise satisfying surveillance and maintenance obligations)) fund;

(3) To assure maintenance of such insurance coverage by state licensees, lessees, or sublessees as will adequately, in the opinion of the director, protect the citizens of the state against nuclear accidents or incidents that may occur on privately or state-controlled nuclear facilities;

(4) To institute a user permit system and issue site use permits, consistent with regulatory practices, for generators, packagers, or brokers using the Hanford low-level radioactive waste disposal facility. The costs of administering the user permit system shall be borne by the applicants for site use permits. The site use permit fee shall be set at a level that is sufficient to fund completely the executive and legislative participation in activities related to the Northwest Interstate Compact on Low-Level Radioactive Waste Management; and

(5) To make application for or otherwise pursue any federal funds to which the state may be eligible, through the federal resource conservation and recovery act or any other federal programs, for the management, treatment or disposal, and any remedial actions, of wastes that are both radioactive and hazardous at all Hanford low-level radioactive waste disposal facilities; and

(6) To develop contingency plans for duties and options for the department and other state agencies related to the Hanford low-level radioactive waste disposal facility based on various projections of annual levels of waste disposal. These plans shall include an analysis of expected revenue to the state in various taxes and funds related to low-level radioactive waste disposal and the resulting implications that any increase or decrease in revenue may have on state agency duties or responsibilities. The initial set of plans shall be completed by October 1, 1989, and shall be updated annually. The department shall report annually on the plans and on the balances in the site closure and perpetual surveillance accounts to the energy and utilities committees of the senate and the house of representatives.

*<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 43.145 RCW to read as follows: Ch. 418

No costs shall be paid for or reimbursed by the state of Washington for the participation of other member states in the Northwest low-level waste compact for meetings of the compact held outside the state of Washington. *Sec. 3 was vetoed, see message at end of chapter.

Passed the Senate April 23, 1989.

Passed the House April 22, 1989.

Approved by the Governor May 13, 1989, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 13, 1989.

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

"I am returning herewith, without my approval as to sections I and 3, Senate Bill No. 5926 entitled:

"AN ACT Relating to low-level radioactive waste."

Section 1 would send a confusing message regarding State policy on the disposal of low-level radioactive waste. State policy on this issue, which is the same as the policy stated in the federal Low-Level Radioactive Waste Amendments Act of 1985, states that the responsibility for disposal of radioactive waste is a national obligation, to be shared by all states across the nation. I am committed to the time frame established in the federal act, providing that all states must belong to a regional compact by December 31, 1992, which relieves the three states which now have sites from having to accommodate all of the nation's low-level radioactive wastes. I also want to make it clear that Washington State is not dependent on the revenue generated from fees for the disposal of radioactive waste.

Section 3 is inappropriate because Washington is a partner in the Northwest Interstate Compact. While I do not condone unnecessary or extravagant travel, the imposition of travel restrictions on the members would be contrary to establishing mutual cooperation and respect with other states.

With the exception of sections 1 and 3, Senate Bill No. 5926 is approved."

CHAPTER 419

[Second Substitute Senate Bill No. 5658] STATE RISK MANAGEMENT PROGRAM—REVISED PROVISIONS

AN ACT Relating to risk management and the state liability account; amending RCW 4.92.130, 43.84.092, and 4.92.110; adding new sections to chapter 4.92 RCW; adding a new section to chapter 43.10 RCW; adding a new section to chapter 43.19 RCW; creating new sections; repealing RCW 4.92.140, 4.92.170, and 43.19.19366; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Sec. 1. In recent years the state of Washington has experienced significant increases in public liability claims. It is the intent of the legislature to reduce tort claim costs by restructuring Washington state's risk management program to place more accountability in state agencies, to establish an actuarially sound funding mechanism for paying legitimate claims, when they occur, and to establish an effective safety and loss control program.