

CHAPTER 274

[Senate Bill No. 472]

INDUSTRIAL INSURANCE--

PREMIUMS OF BUILDING INDUSTRY EMPLOYERS

AN ACT Relating to premiums of employers for the building and construction industry pertaining to the industrial insurance system; and amending section 51.16.050, chapter 23, Laws of 1961 and RCW 51.16.050.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 51.16.050, chapter 23, Laws of 1961 and RCW 51.16.050 are each amended to read as follows:

The premiums of employers of the building industry, which shall include all field activities in connection with the erection, alteration, repairing, or demolishing of any building or buildings or parts thereof or appurtenance thereto, adapted to residential, business, governmental, educational, or manufacturing uses, shall be computed on a base rate only ((and no merit rating credits or penalties shall be given or imposed on such employers)) but appropriate annual dividends shall be returned to such employers based upon a protective premium formula promulgated by the director which encourages accident prevention incentives: PROVIDED, That the total base rate premium shall not exceed one hundred twenty per centum of a rate necessary to assure that premiums assessed against such employers will be neither excessive nor inadequate for payment of all claims incurred by such employers.

Passed the Senate May 4, 1971.

Passed the House May 3, 1971.

Approved by the Governor May 21, 1971.

Filed in Office of Secretary of State May 21, 1971.

CHAPTER 275

[Engrossed Substitute House Bill No. 151]

BUDGET AND APPROPRIATIONS

AN ACT Relating to expenditures by state agencies for the fiscal biennium beginning July 1, 1971, and ending June 30, 1973; designating effective dates for certain appropriations; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. That a budget is hereby adopted and subject to the provisions set forth in the following sections the several amounts specified in the following sections, or so much

thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for salaries, wages and other expenses of the agencies and officers of the state and for other specified purposes for the fiscal biennium beginning July 1, 1971, and ending June 30, 1973, except as otherwise provided, out of the several funds of the state hereinafter named: PROVIDED, That no moneys appropriated to agencies or departments of the state may be used or spent for any sabbatical leaves for any employee of the state or any subdivisions receiving state appropriations, except, that sabbatical leaves may be granted if the expenditures for sabbatical leaves including replacement costs and the percentage of salary awarded the recipients shall not exceed the annual contracted salary of said recipients while in residence in any one institution

or agency and commencing in 1972-73, not more than one percent of the number of full time equivalent faculty included in the instruction and departmental research program at the four-year institutions of higher education, not more than one percent of total FTE professional staff in community colleges, and not more than one percent of total FTE certificated staff in K-12 school districts, shall be entitled to sabbatical or professional leave during an academic year period and further, all institutions of higher education shall be subject to sabbatical leave guidelines as adopted by the Council on Higher Education and as reviewed by the Legislative Budget Committee.

NEW SECTION. Sec. 2. FOR THE STATE LEGISLATURE

General Fund Appropriation

Senate Expenses and salaries of members.....	\$	3,046,530
House of Representatives Expenses and		
salaries of members.....	\$	4,105,675
Legislative Council.....	\$	400,000
Legislative Budget Committee.....	\$	434,807
Joint Committee on Education.....	\$	255,029
Joint Committee on Higher Education.....	\$	153,356
Joint Committee on Nuclear Energy.....	\$	12,650

Motor Vehicle Fund Appropriation

Joint Committee on Highways.....	\$	128,050
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NEW SECTION. Sec. 3. FOR THE PUBLIC PENSION COMMISSION

General Fund Appropriation.....	\$	93,350
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NEW SECTION. Sec. 4. FOR THE PERMANENT STATUTE

LAW COMMITTEE

General Fund Appropriation.....	\$	2,014,331
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NEW SECTION. Sec. 5. FOR THE SUPREME COURT

General Fund Appropriation: PROVIDED, That funds appropriated for the Supreme Court may be used for authorized expenses incurred in perfecting appellate review

of indigent cases but not to exceed		
\$324,686.....	\$	1,818,715
<u>NEW SECTION.</u> Sec. 6. FOR THE LAW LIBRARY		
General Fund Appropriation.....	\$	551,123
<u>NEW SECTION.</u> Sec. 7. FOR THE COURT OF APPEALS		
General Fund Appropriation.....	\$	1,803,311
<u>NEW SECTION.</u> Sec. 8. FOR THE COURT ADMINISTRATOR		
General Fund Appropriation.....	\$	258,762
General Fund Appropriation for Superior Court Judges...	\$	2,115,918
General Fund Appropriation		
Judges' Retirement Fund Contributions.....	\$	328,575
Additional Judges' Retirement Fund		
Contributions in accordance with RCW 2.12.060...	\$	144,445
<u>NEW SECTION.</u> Sec. 9. FOR THE JUDICIAL COUNCIL		
General Fund Appropriation.....	\$	93,164
<u>NEW SECTION.</u> Sec. 10. FOR THE OFFICE OF THE GOVERNOR		
General Fund Appropriation		
Executive Operations.....	\$	752,369
Investigation and Emergency Purposes--To be distributed on vouchers approved by the governor.....	\$	20,000
Extradition Expenses to carry out the provisions of RCW 10.34.030 providing for the return of fugitives when approved by the Governor (including prior claims).....	\$	50,000
Mansion Maintenance.....	\$	52,000
<u>NEW SECTION.</u> Sec. 11. FOR THE LIEUTENANT GOVERNOR		
General Fund Appropriation.....	\$	60,385
<u>NEW SECTION.</u> Sec. 12. FOR THE SECRETARY OF STATE		
General Fund Appropriation:		
PROVIDED, That expenditures should only be used for the purpose of carrying out his statutory or constitutional duties:		
PROVIDED, That \$360,038 shall be available only for initiative and referendum, voters' and candidates' pamphlet, and related legal and other advertising purposes.....	\$	1,340,878
<u>NEW SECTION.</u> Sec. 13. FOR THE STATE TREASURER		
General Fund Appropriation.....	\$	755,543
General Fund-Investment Reserve Account		
Appropriation.....	\$	620,111
Motor Vehicle Fund Appropriation.....	\$	12,476
<u>NEW SECTION.</u> Sec. 14. FOR THE STATE AUDITOR		
General Fund Appropriation		
For Operations.....	\$	2,054,949
Payment of supplies and services		

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furnished in previous biennia.....	\$	250,000
Criminal cost bills.....	\$	30,000
Motor Vehicle Fund Appropriation.....	\$	101,746
<u>NEW SECTION.</u> Sec. 15. FOR THE ATTORNEY GENERAL		
General Fund Appropriation.....	\$	1,201,934
General Legal Services Revolving Fund Appropriation....	\$	5,912,936
General Fund--Appropriation for Washington		
Organized Crime Intelligence System.....		-0-

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PROVIDED, That of the funds appropriated by this section, the sum of \$213,429 shall not be expended but shall revert instead to the treasury out of either the general fund appropriation or the legal services revolving fund appropriation, or any combination thereof at the discretion

of the attorney general: PROVIDED, FURTHER, That in no event shall the billings for legal services made to agencies, departments and institutions of higher learning during 1971-73 exceed a total of \$5,912,936.

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<u>NEW SECTION.</u> Sec. 16. FOR THE OFFICE OF PROGRAM PLANNING AND FISCAL MANAGEMENT		
General Fund Appropriation.....	\$	3,613,291
Motor Vehicle Excise Fund Appropriation.....	\$	136,585

<u>NEW SECTION.</u> Sec. 17. FOR THE DEPARTMENT OF PERSONNEL		
Personnel Service Revolving Fund Appropriation:		
PROVIDED, That \$15,000 shall be available for administration and for payment of Employees'		
Suggestion Awards.....	\$	3,214,137

<u>NEW SECTION.</u> Sec. 18. FOR THE CAPITOL COMMITTEE		
General Fund--Capital Building Construction		
Account Appropriation.....	\$	20,000
Motor Vehicle Fund Appropriation.....	\$	10,000

<u>NEW SECTION.</u> Sec. 19. FOR THE FINANCE COMMITTEE		
General Fund--Investment Reserve Account		
Appropriation.....	\$	352,770
General Fund--Water Pollution Control		
Facilities Account Appropriation.....	\$	22,700
General Fund--State Building and Higher		
Education Construction Account Appropriation.....	\$	40,200
General Fund--Outdoor Recreation Account		
Appropriation.....	\$	27,450
Motor Vehicle Fund Appropriation.....	\$	103,725
Motor Vehicle Fund--Urban Arterial		

Trust Account Appropriation.....	\$	79,975
<u>NEW SECTION.</u> Sec. 20. FOR THE DEPARTMENT OF REVENUE		
General Fund Appropriation: PROVIDED, That funds received as reimbursements pursuant to Chapter 84.41 RCW are hereby appropriated to the Department of Revenue in excess of this amount, and such funds as are contracted to be paid into the General Fund prior to June 30, 1973 may be allotted in advance of receipts.....	\$	13,218,788
<u>NEW SECTION.</u> Sec. 21. FOR THE TAX APPEALS BOARD		
V General Fund Appropriation: PROVIDED, that the operation of the board is to be considered full time, except that no salary will be paid to board members except each member will receive \$75 per day while sitting as the appeals board.....	\$	385,208
<u>NEW SECTION.</u> Sec. 22. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION		
V General Fund Appropriation: PROVIDED, That \$707,000 shall be allocated to the Division of Banking.....	\$	3,912,053
Department of General Administration Facilities and Services Revolving Fund Appropriation.....	\$	4,302,979
<u>NEW SECTION.</u> Sec. 23. FOR THE INSURANCE COMMISSIONER		
General Fund Appropriation: PROVIDED, That \$722,654 shall be available solely for the support of the Fire Safety and Regulation Program.....	\$	2,767,204
<u>NEW SECTION.</u> Sec. 24. FOR THE STATE TREASURER-		
BOND RETIREMENT AND INTEREST		
Highway Bond Retirement Fund Appropriation.....	\$	57,903,394
Public School Building Bond Redemption Fund 1955 (1965 Refunded) Appropriation.....	\$	30,525
Public School Building Bond Redemption Fund 1957 Appropriation.....	\$	9,176,200
Public School Building Bond Redemption Fund 1959 Appropriation.....	\$	4,727,900
Public School Building Bond Redemption Fund 1961 Appropriation.....	\$	7,136,495
Public School Building Bond Redemption Fund 1963 Appropriation.....	\$	8,607,673
Public School Building Bond Redemption Fund 1965 Appropriation.....	\$	2,397,812
Common School Building Bond Redemption Fund Appropriation.....	\$	5,825,445
University of Washington Bond Retirement		

Fund Appropriation.....	\$	3,550,303
Washington State University Bond Retirement		
Fund Appropriation.....	\$	2,018,335
Central Washington State College Bond		
Retirement Fund Appropriation.....	\$	484,508
Eastern Washington State College Bond		
Retirement Fund Appropriation.....	\$	548,553
Western Washington State College Bond		
Retirement Fund Appropriation.....	\$	1,121,360
Institutional Building Bond Redemption		
Fund 1957 Appropriation.....	\$	3,450,180
State Building Construction Bond Redemption		
Fund Appropriation.....	\$	8,414,555
State Building and Higher Education Construction		
Bond Redemption Fund 1965 Appropriation.....	\$	8,314,838
State Building and Higher Education Bond		
Redemption Fund 1967 Appropriation.....	\$	6,982,405
Juvenile Correctional Institutional Building		
Bond Redemption Fund Appropriation.....	\$	603,585
General Administration Bond		
Retirement Fund Appropriation.....	\$	729,336
State Building and Parking Bond		
Redemption Fund Appropriation.....	\$	2,261,380
State Building Construction Bond		
Redemption Fund 1967 Appropriation.....	\$	603,110
War Veterans' Compensation Bond		
Retirement Fund Appropriation.....	\$	3,149,180
World Fair Bond Redemption Fund Appropriation.....	\$	1,631,625
Outdoor Recreational Bond Redemption		
Fund 1963 Appropriation.....	\$	912,507
Water Pollution Control Bond Redemption		
Fund Appropriation.....	\$	2,025,000
Community College Bond Retirement Fund Appropriation...	\$	8,746,045
Outdoor Recreational Bond Redemption		
Fund 1967 Appropriation.....	\$	1,915,000
<u>NEW SECTION.</u> Sec. 25. FOR THE STATE TREASURER-		
STATE REVENUES FOR DISTRIBUTION		
General Fund Appropriation for fire insurance		
premiums tax distribution.....	\$	1,110,150
General Fund Appropriation for public utility		
district excise tax distribution.....	\$	9,787,200
General Fund Appropriation for assistance to		
those counties which receive approval by the		
Department of Revenue of a plan for		
reevaluation of all real property within the		

county: PROVIDED, That each county to receive funds must submit a plan for review by the Department of Revenue. This plan must demonstrate how the county intends to revalue all real property within the county. The Department of Revenue will, after approving such plan or plans and the amount to be allocated, certify to the State Treasurer that the county is eligible for grant assistance in carrying out the revaluation plan. The Department of Revenue will also be responsible for certifying the amounts to be disbursed by the State Treasurer on a quarterly basis and that the county is engaged in carrying out the plan and is eligible for grant assistance. The plan may provide for direct contracts between the Department of Revenue and appraisal firms, in which case necessary disbursements may be made directly to the appraisal firms, pursuant to such contracts: PROVIDED FURTHER, That this appropriation for the 1971-73 biennium shall be on the basis of paying 100% of the costs incurred during the first half of each county's approved revaluation program, as determined by the Department of Revenue on either a time basis or a cost basis, whichever is more practicable with respect to the particular county involved, and two-thirds of the costs incurred during the second

half of such program.....	\$	4,661,245
General Fund--Harbor Improvement Account Appropriation		
for harbor improvement revenue distribution.....	\$	99,118
Liquor Excise Tax Fund Appropriation for		
liquor excise tax distribution.....	\$	16,400,000
Motor Vehicle Excise Fund Appropriation for		
motor vehicle excise tax distribution.....	\$	18,140,862
Motor Vehicle Fund Appropriation for motor vehicle		
fuel tax and overload penalties distribution.....	\$	110,417,254
State School Equalization Fund Appropriation for		
Mass Transit Assistance Distribution.....	\$	6,935,900
Liquor Board Revolving Fund Appropriation		
for liquor profits distribution.....	\$	31,574,808

NEW SECTION. Sec. 26. FOR THE STATE TREASURER-
FEDERAL REVENUES FOR DISTRIBUTION

Forest Reserve Fund Appropriation for		
forest reserve fund distribution.....	\$	29,069,506
General Fund Appropriation for		
federal flood control funds distribution.....	\$	25,475
General Fund Appropriation for		
federal grazing fees distribution.....	\$	14,204
<u>NEW SECTION.</u> Sec. 27. FOR THE STATE TREASURER--		
INTEREST ON REGISTERED WARRANTS.		
Investment Reserve Account Appropriation:		
PROVIDED, That this amount shall only be		
available to pay interest on registered		
warrants that may be issued: PROVIDED,		
FURTHER, That any interest paid from this		
appropriation for any treasury fund or account		
shall be deducted from the deposit interest		
distribution that would be available for the		
particular fund or account. The funds so		
deducted shall then be credited to the		
Investment Reserve Account.....	\$	200,000
<u>NEW SECTION.</u> Sec. 28. FOR THE STATE EMPLOYEES'		
INSURANCE BOARD		
State Employees' Insurance Fund Appropriation.....	\$	29,680
<u>NEW SECTION.</u> Sec. 29. FOR THE WASHINGTON PUBLIC		
EMPLOYEES' RETIREMENT SYSTEM		
Retirement System Expense Fund Appropriation:		
PROVIDED, That \$130,480 shall be available only		
for fees paid retained investment counsel.....	\$	1,435,469
Washington Law Enforcement Officers' and Fire		
Fighters' Retirement System Fund for administration:		
PROVIDED, That \$9,000 shall be available only		
for fees paid retained investment counsel.....	\$	57,000
<u>NEW SECTION.</u> Sec. 30. FOR THE WASHINGTON LAW		
ENFORCEMENT OFFICERS' AND PIPE FIGHTERS' RETIREMENT SYSTEM		
General Fund Appropriation for payment of benefits....	\$	1,242,543
<u>NEW SECTION.</u> Sec. 31. FOR THE MUNICIPAL RESEARCH		
COUNCIL		
Motor Vehicle Excise Fund Appropriation.....	\$	460,000
<u>NEW SECTION.</u> Sec. 32. FOR THE UNIFORM LEGISLATION		
COMMISSION		
General Fund Appropriation.....	\$	7,830
<u>NEW SECTION.</u> Sec. 33. FOR THE PRESIDENTIAL		
ELECTORS		
General Fund Appropriation.....	\$	325
<u>NEW SECTION.</u> Sec. 34. FOR THE ACCOUNTANCY BOARD		
General Fund Appropriation.....	\$	187,300

<u>NEW SECTION.</u> Sec. 35. FOR THE ATHLETIC COMMISSION	
General Fund Appropriation.....	\$ 26,391
<u>NEW SECTION.</u> Sec. 36. FOR THE CEMETERY BOARD	
V General Fund for Cemetery Account Appropriation:	
PROVIDED, That \$17,000 shall be available solely for legal services provided by the Attorney General.....	\$ 40,247
<u>NEW SECTION.</u> Sec. 37. FOR THE HORSE RACING COMMISSION	
Racing Commission Fund Appropriation: PROVIDED, That if there are more than 364 racing days during the 1971-73 biennium, the Governor is hereby authorized to allocate such additional funds as may be required.....	\$ 1,027,362
<u>NEW SECTION.</u> Sec. 38. FOR THE LIQUOR CONTROL BOARD	
Liquor Board Revolving Fund Appropriation.....	\$ 25,206,532
<u>NEW SECTION.</u> Sec. 39. FOR THE PHARMACY BOARD	
General Fund Appropriation: PROVIDED, That if chapter ..., Laws of 1971 (House Bill 411 or ESSSB 146) be adopted by the Legislature this amount shall be increased to appropriate the additional income generated for the activities of the board.....	\$ 204,201
<u>NEW SECTION.</u> Sec. 40. FOR THE UTILITIES AND TRANSPORTATION COMMISSION	
Public Service Revolving Fund Appropriation.....	\$ 5,225,629
<u>NEW SECTION.</u> Sec. 41. FOR THE BOARD FOR VOLUNTEER FIREMEN	
Volunteer Firemen's Relief and Pension Fund Appropriation.....	\$ 46,574
<u>NEW SECTION.</u> Sec. 42. FOR THE LAW ENFORCEMENT OFFICERS' TRAINING COMMISSION	
General Fund Appropriation.....	\$ 163,391
<u>NEW SECTION.</u> Sec. 43. FOR THE DEPARTMENT OF CIVIL DEFENSE	
General Fund Appropriation.....	\$ 887,718
<u>NEW SECTION.</u> Sec. 44. FOR THE MILITARY DEPARTMENT	
General Fund Appropriation.....	\$ 2,097,108
Armory Fund Appropriation.....	\$ 978,201
<u>NEW SECTION.</u> Sec. 45. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--OFFICE OF THE SECRETARY	
General Fund Appropriation.....	\$ 940,222
DEPARTMENT OF SOCIAL AND HEALTH SERVICES	
VETERANS' SERVICES	

General Fund Appropriation..... \$ 782,000

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DIVISION OF HEALTH

General Fund Appropriation: PROVIDED, That the Secretary of the Department of Social and Health Services is authorized to allocate up to \$300,000 from state sources for support of local Kidney Centers: PROVIDED, That not more than \$852,840 shall be provided for support of county tuberculosis programs during this biennium: PROVIDED FURTHER, That notwithstanding the provisions of RCW 66.08.180, that during the 1971-73 biennium the allocations to the University of Washington and Washington State University shall be reduced by \$300,000 and \$200,000 respectively and these additional funds transferred to the general fund for use by the Division of Health, Department of Social and Health Services, to carry out the purposes of RCW 70.96.040 as now or hereafter amended..... \$ 22,550,959

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DIVISION OF INSTITUTIONS

General Fund Appropriation: PROVIDED, That inter-program transfers may be made among the amounts listed below to the extent that the workload of any such program exceeds or is less than the estimates contained within the budget..... \$ 170,298,664

Headquarters: PROVIDED, That not more than \$250,000 of this appropriation shall be used for maintenance and utilities expense for Olympic Center during the 1971-73 biennium..... \$ 5,502,752

Juvenile Rehabilitation:

PROVIDED, That it is the intent that the facilities at Port Worden shall continue to serve its residents to June 30, 1973..... \$ 29,729,049

Adult Corrections..... \$ 31,783,885

Mental Health: PROVIDED, That \$9,799,304 shall be utilized to continue operation of Northern State Hospital: PROVIDED, That the

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Department of Social and Health Services shall study alternate uses of Northern State Hospital and submit its findings, conclusions and recommendations to the Forty-third

Legislature..... \$ 48,343,198

Developmental Disabilities: PROVIDED, That \$50,000 be added to the budget for Rainer School to provide 10 additional

"guest-admission" beds..... \$ 50,028,458

Veterans' Homes..... \$ 4,911,322

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
DIVISION OF PUBLIC ASSISTANCE

General Fund Appropriation..... \$ 717,044,526

The Department of Social and Health Services is hereby directed to administer the programs for which funds are herein appropriated in such a manner as to strictly comply with the existing statutes relating to public assistance, to adjust assistance payments if necessary, and to effect all economies possible in the administration of such programs during the 1971-73 biennium: PROVIDED, That of the total amount appropriated herein \$368,834,568 shall be the state share, and \$348,209,958 shall be the federal share: PROVIDED, That not more than \$96,000,000 shall be expended for administration during the 1971-73 biennium, of which \$651,596 shall be employed exclusively for the purpose of funding 20 additional quality control reviewers and supporting costs: PROVIDED, That the Department of Social and Health Services shall make not more than \$1,082,200 available to the University of Washington for the payment of physicians services and fees at King County Hospital: PROVIDED, That of this appropriation \$3,235,881 of which \$1,620,713 shall be in state funds shall be used exclusively for the purpose of increasing payment rates to Class I Nursing Homes at \$11.12 and Class II Nursing Homes at \$8.69 and Intermediate Care Facilities at \$6.58 for the 1971-73 biennium: PROVIDED, That the Department of Social and Health Services shall under no circumstances

fail to pay said payment rates without the prior approval of the Legislative Budget Committee: PROVIDED, That responsibility for fraud investigation and referral shall be centralized in a single administrative unit

which shall be directly responsible to an Assistant Secretary of the Department of Social and Health Services: PROVIDED, That

the Department shall investigate the practices employed by the State of Oregon for possible use in Washington: PROVIDED, That up to \$1,300,916 shall be available for indigent burials limited to the cost of a standard cremation and \$250,000 of the total public assistance appropriation shall be employed to assist in funding the costs of indigent burials where there are religious objections to cremation: PROVIDED, That a person referred to and accepted by the Division of Vocational Rehabilitation for rehabilitation under an approved plan, which plan includes maintenance payments, shall not be eligible to receive general assistance: PROVIDED, That the amount paid from this appropriation to or on behalf of a recipient in a nursing home or a hospital for clothing and personal incidentals shall not exceed fifty percent of the amount which would be paid to such recipient if he were living in his own home: PROVIDED, That the Division of Public Assistance in conjunction with the Office of Program Planning and Fiscal Management and in cooperation with the Department of Highways, the Planning and Community Affairs Agency, the Department of Commerce and Economic Development and such other state agencies as it is deemed necessary develop and present to the legislature prior to January 1, 1972 a detailed master plan including methods of implementing and financing the plan which will provide employment for at least 1,000 public assistance recipients in community-based work training programs: PROVIDED, That \$2,836,778

in state funds shall be utilized solely for the purpose of financing the revised medical

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plan for medical only recipients if the United States Department of Health, Education, and Welfare does not waive its rules and regulations relative to this plan: PROVIDED, That of this appropriation \$14,058,000 shall be utilized exclusively for the purposes of supplementing the money grant to recipients whose special circumstances create hardships due to the imposition of the simplification procedures or the flexible maximum and the division shall determine at the state level when individual cases warrant exceptions and adjustments in the calculation of their money grants and particular attention shall be given to those recipients in the old age assistance, aid-to-families with dependent children-regular and general continuing assistance categories; except that if federal law prohibits the granting of such exceptions, the funds may be employed to partially update grants with emphasis upon those recipients in the old age assistance, aid to families with dependent children-regular, and general continuing assistance categories or as necessary to meet the costs of case loads which exceed current estimates: PROVIDED,

That notwithstanding the provisions of section 97 of this act federal matching funds received in the month of July, 1971, may be credited to the 1969-1971 biennium to the extent necessary to fund expenditures for the 1969-1971 biennium: PROVIDED, That the Dental Profession, through its nonprofit corporation of participating dentists, continue to serve as the fiscal intermediary of the dental program at a maximum administration fee of 4.22% of moneys expended (2.32% of moneys expended to be available from moneys appropriated for dental care) with services to be performed detailed in contract form for the biennium commencing July 1, 1971, and ending June 30, 1973: PROVIDED FURTHER, That during the biennium a comparative study, by a mutually agreed, outside agency, be made of the total true costs that would be experienced

if the department furnished the same services presently performed by the fiscal intermediary expressed as a percentage of moneys expended. The study to be financed equally by the dental fiscal intermediary and the department, and a report of the study to be made to the 1973 Legislature: PROVIDED, That it is the intent of the Legislature that the Department of Social and Health Services continue to communicate with the Pharmacists' Welfare Advisory Council, particularly in the desire to increase the use of generic and other less expensive drugs in the formulary and in the area of peer review and utilization, in order to cut down any abuses and overprescribing in the drug program and thus achieve saving: PROVIDED FURTHER, That the Department of Social and Health Services shall not implement a bid program to contract for nursing home drugs in any locality where it is agreed in writing between local suppliers and the department within 30 days after preliminary departmental approval of a bid program that such local suppliers will supply all drugs included in the bid program at equal or lower prices: PROVIDED FURTHER, That any bid program shall be viewed as a pilot program for one biennium in one county only, to determine the costs of same and to determine what if any savings can be made: PROVIDED, That if any part of this act shall be found to be in conflict with Federal requirements which are a prescribed condition to the allocation of Federal funds to the State, such conflicting part of this act is hereby declared to be inoperative solely to the extent of such conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules and regulations under this act shall meet Federal requirements which are a necessary condition to the receipt of Federal funds by the State:

PROVIDED, That of this amount \$500,000 or so much thereof as shall be necessary shall be utilized to establish demonstration projects

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providing twenty-four hour day care services: PROVIDED, That the Secretary of the Division of Public Assistance shall select for a two year term three (3) public assistance recipients to serve in an advisory capacity to the State Public Assistance Advisory Commission. The three people must be selected from a list of ten (10) names submitted by the Washington State Welfare Rights Organization, two (2) of whom will be from Western Washington and one (1) of whom must be from Eastern Washington: PROVIDED FURTHER, That said advisory commission group shall meet at least six (6) times per year, and the three (3) recipients selected shall receive actual expenses as provided for in RCW 43.03.050 and 43.03.060 for such meetings.

General Fund Appropriation: PROVIDED, That this appropriation shall be used exclusively for the purpose of designing and, within the time and funding limitation imposed by this appropriation, implementing additional automatic computer procedures related to determining and reviewing recipient eligibility so as to avoid those occurrences of error and system inefficiencies found to exist within the current manual system by Touche Ross and Company as reported to the Legislative Budget Committee in their December 1970 report: PROVIDED FURTHER, That the secretary of the Department of Social and Health Services shall delineate actions taken pursuant to this appropriation and results obtained in a report to the Legislative Budget Committee no later than January 31, 1972: PROVIDED FURTHER, That this appropriation shall be for the period up to

January 31, 1972..... \$ 150,000

General Fund Appropriation for urban, racial, and rural disadvantaged: PROVIDED, That these funds are to be allocated to the Superintendent of Public Instruction for reallocation to local school districts for programs which meet the guidelines established by the Department of Social and Health

Services to maximize federal matching funds and in accordance with educational guidelines to be established by the Superintendent of Public Instruction and that not more than \$2,351,314 shall be from state funds: PROVIDED, That up to, but not to exceed \$350,000 may be utilized to fund the Supplementary Education and Cultural Enrichment Program where related to efforts of this urban, racial, and rural disadvantaged program:

PROVIDED FURTHER, That none of the funds appropriated herein shall be distributed for use in transporting any child whose parents or guardian have, in writing, informed the State Superintendent that they have an objection to having their child so transported.

..... \$ 9,405,314

General Fund Appropriation for medical services and supplies including adjustment of hospital costs not in excess of the unexpended balance of the 1969-1971 appropriation or allotment for this purpose..... \$ 4,000,000

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
DIVISION OF VOCATIONAL REHABILITATION

General Fund Appropriation: PROVIDED, That not more than \$3,976,245 is from state sources: PROVIDED, That it is the intent of the Legislature that special attention be given to clients referred by the Division of Public Assistance and that payments for maintenance by the Division of Vocational Rehabilitation to these clients are specifically authorized: PROVIDED, That it is the intent of the Legislature that emphasis be given to a cooperative use of resources between the Division of Vocational Rehabilitation, the Division of Institutions, the Department of Labor and Industries and the Department of Employment Security: PROVIDED FURTHER, That not more than \$198,000 from state sources shall be available for services in connection with maintenance and operation of programs for artificial kidney centers and kidney transplants..... \$ 19,209,578

General Fund Appropriation for medical services

and supplies including adjustments of hospital costs not in excess of the unexpended balance of the 1969-71 appropriation or allotment for this purpose..... \$ 25,000

NEW SECTION. Sec. 46. FOR THE OFFICE OF ECONOMIC OPPORTUNITY

General Fund Appropriation: PROVIDED, That \$870,000 shall be available for support or supplementation of Head Start projects approved for Federal Funds..... \$ 3,391,753

NEW SECTION. Sec. 47. FOR THE PLANNING AND COMMUNITY AFFAIRS AGENCY

General Fund Appropriation: PROVIDED, That the Legislative Budget Committee shall conduct a quarterly review of the priorities and funding levels being set by the State Committee on Law and Justice: PROVIDED, FURTHER, That \$100,000 shall be made available to municipal narcotics and drug divisions of law enforcement agencies of municipal governments..... \$ 25,085,260

NEW SECTION. Sec. 48. FOR THE BOARD AGAINST DISCRIMINATION

General Fund Appropriation..... \$ 830,923

NEW SECTION. Sec. 49. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Accident Fund Appropriation..... \$ 978,723
 Medical Aid Fund Appropriation..... \$ 978,723

NEW SECTION. Sec. 50. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund Appropriation..... \$ 2,149,257

General Fund--Electrical License Account Appropriation..... \$ 1,988,936

General Fund--Industrial Relations Account Appropriation..... \$ 191,341

Accident Fund Appropriation..... \$ 11,215,499
 Medical Aid Fund Appropriation..... \$ 13,748,479

NEW SECTION. Sec. 51. FOR THE BOARD OF PRISON TERMS AND PAROLES

General Fund Appropriation..... \$ 633,488

NEW SECTION. Sec. 52. FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund Appropriation..... \$ 9,584,612

Unemployment Compensation Administration Fund Appropriation..... \$ 34,588,744

Administrative Contingency Fund Appropriation..... \$ 200,000

NEW SECTION. Sec. 53. FOR THE OCEANOGRAPHIC COMMISSION OF WASHINGTON
 General Fund Appropriation..... \$ 106,088

NEW SECTION. Sec. 54. FOR THE DEPARTMENT OF ECOLOGY
 General Fund Appropriation..... \$ 10,470,025

General Fund--Reclamation Revolving Account
 Appropriation: PROVIDED, That \$200,000 shall be used to carry out the purposes of the Water Resources Act of 1971, Chapter ... (EHB 394), Laws of 1971, 1st ex. sess..... \$ 520,156

Basic Data Fund Appropriation..... \$ 160,714
 General Fund--Water Pollution Control Facilities
 Account Appropriation..... \$ 5,581,969

NEW SECTION. Sec. 55. FOR THE POLLUTION CONTROL HEARINGS BOARD
 General Fund Appropriation..... \$ 137,370

NEW SECTION. Sec. 56. FOR THE THERMAL POWER PLANT SITE EVALUATION COUNCIL
 General Fund Appropriation..... \$ 103,167

NEW SECTION. Sec. 57. FOR THE PARKS AND RECREATION COMMISSION

General Fund Appropriation: PROVIDED, That \$47,000 shall be used to re-open and operate Chief Kamiakum (\$35,000) and Pend Oreille (\$12,000) state parks..... \$ 10,721,646

Motor Vehicle Fund Appropriation for maintenance of vehicular roads, highways and bridges within the state parks..... \$ 862,335

NEW SECTION. Sec. 58. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION
 General Fund--Outdoor Recreation Account Appropriation: PROVIDED, That not to exceed \$558,108 will be used for administrative expenses: PROVIDED, That funds herein appropriated may be used for the improvement or construction of swimming pools..... \$ 16,373,642

NEW SECTION. Sec. 59. FOR THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
 General Fund Appropriation: PROVIDED, That the department of commerce and economic development shall provide necessary administrative assistance to the oceanographic commission and the thermal power plant site evaluation council: PROVIDED FURTHER, That

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the following sums shall be allocated for operation of tourist information centers during the 1971-73 biennium in Blaine (\$6,250), Oroville (\$6,250), Spokane (\$6,250), Clarkston (\$6,250) and Megler (\$6,250), during the months of June, July, August, and in September through Labor Day; the sum of \$25,000 shall be allocated for the continued operation of the Vancouver Tourist Information Center during the entire biennium.

..... \$ 2,152,975
 Motor Vehicle Fund Appropriation--For
 Tourist Promotion..... \$ 285,525

NEW SECTION. Sec. 60. FOR THE DEPARTMENT

OF FISHERIES

General Fund Appropriations:

- (1) General operations: PROVIDED, That priority in available funding shall be given to maintaining and increasing hatchery program fish production..... \$ 9,320,696
- (2) Patrol and Law Enforcement..... \$ 1,261,047
- (3) Stream Improvement..... \$ 925,958
- (4) Fisheries Advisory Committee..... \$ 4,000

General Fund--Lewis River Hatchery

Account Appropriation..... \$ 26,640

NEW SECTION. Sec. 61. FOR THE DEPARTMENT

OF GAME

Game Fund Appropriation..... \$ 17,417,164

NEW SECTION. Sec. 62. FOR THE DEPARTMENT

OF NATURAL RESOURCES

General Fund Appropriation..... \$ 8,819,860

General Fund Appropriation--Emergency Fire Suppression costs: PROVIDED, That the funds hereby appropriated shall be allocated and transferred to the Contingency Forest Fire Suppression account appropriation only as actually needed for purposes of paying emergency forest fire suppression costs..... \$ 575,000

General Fund--Contingency Forest Fire

Suppression Account Appropriation..... \$ 1,000,000

General Fund--Forest Development

Account Appropriation..... \$ 2,616,188

General Fund--Resource Management Cost

Account Appropriation..... \$ 15,126,517

NEW SECTION. Sec. 63. FOR THE DEPARTMENT OF

AGRICULTURE

General Fund Appropriation.....	\$	4,482,222
General Fund Appropriation--for Predator Control.....	\$	25,000
General Fund--Expenses of implementing Chapter ..., Laws of 1971, 1st ex. sess. (SSB No. 446): PROVIDED, That not to exceed \$50,000 of this amount shall be allocated from General Fund-State resources.....	\$	100,000
General Fund--Commercial Feed Account Appropriation....	\$	175,391
General Fund--Commission Merchants Account Appropriation.....	\$	100,508
General Fund--Fgg Inspection Account Appropriation....	\$	258,123
General Fund--Feeds and Fertilizer Account Appropriation.....	\$	8,386
General Fund--Agricultural Mineral and Lime Account Appropriation.....	\$	179,980
General Fund--Nursery Inspection Account Appropriation.....	\$	130,828
General Fund--Seed Account Appropriation.....	\$	306,721
Grain and Hay Inspection Fund Appropriation.....	\$	2,701,010
<u>NEW SECTION.</u> Sec. 64. FOR THE AERONAUTICS COMMISSION		
General Fund--Aircraft Search and Rescue, Safety and Education Account Appropriation.....	\$	47,790
General Fund--Aeronautics Account Appropriation.....	\$	574,442
<u>NEW SECTION.</u> Sec. 65. FOR THE BOARD OF PILOTAGE COMMISSIONERS		
General Fund--Puget Sound Pilotage Account Appropriation.....	\$	7,832
<u>NEW SECTION.</u> Sec. 66. FOR THE WASHINGTON STATE PATROL		
Motor Vehicle Fund Appropriation.....	\$	35,876,830
General Fund Appropriation.....	\$	2,668,434
<u>NEW SECTION.</u> Sec. 67. FOR THE VEHICLE EQUIPMENT SAFETY COMMISSION		
Motor Vehicle Fund Appropriation.....	\$	5,700
<u>NEW SECTION.</u> Sec. 68. FOR THE TRAFFIC SAFETY COMMISSION		
Highway Safety Fund Appropriation.....	\$	2,536,095
<u>NEW SECTION.</u> Sec. 69. FOR THE DEPARTMENT OF MOTOR VEHICLES		
General Fund Appropriation.....	\$	2,901,729
General Fund Appropriation for State Board of Chiropractic Examiners and the Chiropractic Disciplinary Board...	\$	19,000
General Fund--Architect's License		

Account Appropriation.....	\$	94,439
General Fund--Commercial Automobile		
Driver Training Schools Account Appropriation.....	\$	3,052
General Fund--Optician's Account Appropriation.....	\$	3,210
General Fund--Optometry Account Appropriation.....	\$	17,121
General Fund--Professional		
Engineer's Account Appropriation.....	\$	197,552
General Fund--Real Estate		
Commission Account Appropriation.....	\$	1,122,564
General Fund--Sanitarians' Licensing		
Account Appropriation.....	\$	8,604
General Fund--Board of		
Psychological Examiners' Account Appropriation.....	\$	7,551
Highway Safety Fund Appropriation.....	\$	12,382,054
Motor Vehicle Fund Appropriation.....	\$	9,626,369

NEW SECTION. Sec. 70. FOR THE UNIVERSITY OF WASHINGTON

V General Fund Appropriation: PROVIDED, That not more than \$1,630,390 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60 percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates assumed in the governor's budget: PROVIDED, That \$385,000 of this appropriation shall be used only to develop and implement new and innovative educational programs in undergraduate education in the following areas: (1) off-campus work-study or off-campus project-study courses; (2) interdisciplinary courses; (3) tutorial study courses; or (4) other experimental programs.

These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education, the Council for Higher Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of the legislature in January, 1973: PROVIDED FURTHER, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to the fee waiver program: PROVIDED, That of this amount \$60,000 or so much thereof as shall be necessary shall be employed exclusively for the purpose of maintaining the 1969-71 expenditure level for the Institute of Forest Products: PROVIDED, That the University of Washington shall expend from any funds that

may be available to it the sum of \$650,000 for a medical family practice program, including not less than \$250,000 to be expended at off-campus locations: PROVIDED FURTHER, That the increase in tuition and fees shall be phased over a two year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the 1970-71

academic year.....	\$ 124,037,518
Accident Fund Appropriation.....	\$ 351,000
Medical Aid Fund Appropriation.....	\$ 351,000
General Fund Appropriation for the continuing operation of Harborview Medical Center as a teaching resource for the University of Washington.....	\$ 4,700,000

NEW SECTION. Sec. 71. FOR THE WASHINGTON STATE UNIVERSITY

V General Fund appropriation: PROVIDED, That not

<p>more than \$627,049 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60 percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates assumed in the governor's budget:</p>
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PROVIDED, That \$155,000 of this appropriation shall be used only to develop and implement new and innovative educational programs in undergraduate education in the following areas: (1) off-campus work-study or off-campus project-study courses; (2) interdisciplinary courses; (3) tutorial study

courses; or (4) other experimental programs. These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education, the Council on Higher Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of the legislature in January, 1973: PROVIDED, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED FURTHER, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to the fee waiver program: PROVIDED FURTHER, That the increase in tuition and fees shall be phased over a two year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the 1970-71 academic year: PROVIDED FURTHER, That

\$3,625,000, in addition to the other amounts included in this appropriation, shall be made available for the following purposes:
 \$2,250,000 for Agricultural Research,
 \$1,125,000 for Cooperative Extension Services,
 and
 \$250,000 for Engineering Research..... \$ 67,825,960

NEW SECTION. Sec. 72. FOR THE EASTERN WASHINGTON STATE COLLEGE

V General Fund Appropriation: PROVIDED, That not more than \$295,920 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60 percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates assumed in the governor's budget:

PROVIDED, That \$70,000 of this appropriation shall be used only to develop and implement new and innovative educational programs in undergraduate education in the following areas: (1) off-campus work-study or off-campus project-study courses; (2) interdisciplinary courses; (3) tutorial study courses; or (4) other experimental programs. These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall

recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education, the Council on Higher Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of the legislature in January, 1973: PROVIDED, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED FURTHER, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to the fee waiver program: PROVIDED FURTHER, That the increase in tuition and fees shall be phased over a two year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the 1970-71

academic year..... \$ 18,520,069

NEW SECTION. Sec. 73. FOR THE CENTRAL WASHINGTON STATE

COLLEGE

General Fund Appropriation: PROVIDED, That not more than \$322,522 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60

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percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates assumed in the governor's budget:

PROVIDED, That \$75,000 of this appropriation shall be used only to develop and implement new and innovative educational programs in undergraduate education in the following areas: (1) off-campus work-study or off-campus project-study courses; (2) interdisciplinary courses; (3) tutorial study courses; or (4) other experimental programs. These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education, and Council on Higher

Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of the legislature in January, 1973: PROVIDED, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED FURTHER, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to the fee waiver program: PROVIDED FURTHER, That the increase in tuition and fees shall be phased over a two year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the 1970-71

academic year..... \$ 20,508,354

NEW SECTION. Sec. 74. FOR THE EVERGREEN STATE COLLEGE

General Fund Appropriation:

PROVIDED, That not more than \$399,900 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60 percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates

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assumed in the governor's budget: PROVIDED, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED FURTHER, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to

the fee waiver program..... \$ 8,536,102

NEW SECTION. Sec. 75. FOR THE WESTERN WASHINGTON STATE COLLEGE

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General Fund Appropriation: PROVIDED, That not more than \$407,273 is to be allocated on or before January 1, 1972, for the 1972-73 fiscal year, as certified by the Governor as meeting the requirements thereof, and approved by a 60 percent majority of the Legislative Budget Committee, with the allocation taking into account the difference between the number of full time equivalent students at the various instructional levels projected in the executive budget and the latest fall quarter 1971 enrollment estimates as prepared by the Office of Program Planning and Fiscal Management, and using as a basis for the calculations the faculty staffing formula of the Instruction and Departmental Research Program; however, this provision will not apply if the latest fall quarter 1971 enrollment estimates for the year following (1972-73) confirm the enrollment estimates assumed in the governor's budget: PROVIDED, That \$100,000 of this appropriation shall be used only to develop and implement new and innovative educational programs in undergraduate education in the following areas: (1) off-campus work-study or off-campus project-study courses; (2)

interdisciplinary courses; (3) tutorial study courses; or (4) other experimental programs. These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education, the Council on Higher Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of the legislature in January, 1973: PROVIDED, That tuition, operating, and services and activities fees in whole or in part, comprising three percent of total tuition, operating, and services and activities fees which would have been collected except for waiver in 1971-72, and three percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED FURTHER, That each institution of higher education shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which shall detail all pertinent information relative to the fee waiver program: PROVIDED FURTHER, That the increase in tuition and fees shall be phased over a two year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the

1970-71

academic year..... \$ 23,586,047

NEW SECTION. Sec. 76. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION (Including Board of Education)

General Fund Appropriation: Office of the Superintendent of Public Instruction and Board of Education, including \$150,000 for the Pacific Science Center: PROVIDED, That not less than \$157,462 shall be exclusively available for drug education: PROVIDED FURTHER, That this amount includes federal Civil Rights Grants of \$171,859, Civil Defense Grants of \$68,895 and

Follow-Through Grants of \$15,787..... \$ 5,508,476

General Fund Appropriation For General Apportionment: PROVIDED, That the weighting schedule to be used in computing the apportionment of funds for each district for 1971-73 shall be based on the following factors: Each full time equivalent student enrolled---1.0; Each full time equivalent student, grades 7-12, an added--.3; Each full time equivalent student enrolled in vocational education in grades 9-12 when excess costs are documented for the class and where the class is approved by the state Superintendent, an added--1.0: PROVIDED, That for the 1971-73 biennium the present method of determining excess costs shall be continued subject to review upon completion of a study of vocational education as provided for in Senate Concurrent Resolution No. 2, which study includes defining excess cost of all vocational education programs; Each identified culturally disadvantaged child receiving an approved program, an added--.1. The factor established by the Superintendent of Public Instruction for use in the 1969-71 biennium designed to reimburse each district for costs resulting from staff education and experience greater than the minimum in the average salary schedule in use by Washington school districts shall be used. For school districts enrolling fewer than 250 students in grades 9-12, for nonhigh districts judged remote and necessary

by the State Board of Education and which enroll fewer than 100 students, and for small school plants which are judged remote and necessary within school districts by the state board of education shall be in accordance with the weighting factors used during the 1970-71 school year: PROVIDED, That all school districts judged remote and necessary for school apportionment purposes during the 1970-71 school year shall be considered remote and necessary for school apportionment purposes throughout the 1971-73 biennium unless their enrollment exceeds 250 students in grades 9-12 or for nonhigh districts unless their enrollment exceeds 100 students: PROVIDED, That a school district formed after July 1, 1971 and which formerly consisted of one or more school districts qualifying during the preceding school year for additional weighting under the "remote and necessary" provision or "fewer than 250 students in grades 9-12" provision shall receive for a period of four years following consolidation such additional weighting as accrued to the qualifying district or districts for the school year preceding consolidation. Full time equivalent students residing on tax exempt property (Chapter 130, Laws of 1969), an added---.25; Full time equivalent students in an approved interdistrict cooperative program (Chapter 130, Laws of 1969), an added---.25: PROVIDED, That not to exceed \$400,000 is included for use by the Superintendent for School District emergencies: PROVIDED, That not to exceed \$11,788,569 is included for the five vocational-technical institutes: PROVIDED, That not to exceed \$272,800 is included for adult education in vocational-technical institutes: PROVIDED, That no portion of these funds shall be allocated to a school district which expends or anticipates expending, moneys in excess of their certified budget or budget extensions thereto as filed with the Office of the Superintendent of Public Instruction and Board

of Education: PROVIDED, That a subsequent special or regular session of the legislature may modify the appropriation as a result of economic or demographic changes which affect the total number of students to be served or the availability of local finances: PROVIDED, That for purposes of distributing general fund appropriations for general apportionment, through the school equalization formula, the amount of adjusted local property tax revenues computed for any school district shall not exceed the amount of the revenues that would be produced using the indicated ratio used by the district in the previous year by more than five percent.....

\$ 491,438,718

General Fund Appropriation for Maintenance of Previously Mandated Salary Increases:

PROVIDED, That it is the intent of the Legislature that this sum is to be made available to the Superintendent of Public Instruction to be allocated for the school years 1971-72 and 1972-73 to local school districts to be employed exclusively for the purpose of maintaining previously granted salary increases to all certificated and classified personnel who received salary increases during the 1969-71 biennium and such funds shall be distributed during 1971-72 and 1972-73 on the basis of each district's average 1968-69 average certificated salary level and average classified salary level improved by the average increase granted from state funds in 1969-70 and improved by the additional average increase granted from state funds in 1970-71 in order to fund the maintenance of the improved level throughout 1971-73: PROVIDED FURTHER, That the Superintendent of Public Instruction shall establish rules and regulations to carry out the intent of the Legislature for the distribution of the funds contained in this appropriation including that the calculations shall be made utilizing only average base salaries exclusive of extra stipends.....

\$ 91,982,074

General Fund Appropriation for state matching of

federal food service funds, as required by
P.L. 91-248 and for continuation of salary
increases granted from state funds during 1969-71. \$ 2,444,000

General Fund Appropriation for state contributions
to participating school districts to fund employee
health benefits: PROVIDED, That these funds shall be
distributed to those participating districts on an
equal amount per staff full time equivalent:
PROVIDED FURTHER, That the distribution for the
first two months of the 1971-73 biennium shall
continue on the level of distribution during the
1970-71 school year..... \$ 5,907,078

General Fund Appropriation of two mills of property
tax to be distributed in accordance with
chapter 216, Laws of 1969 ex. sess., as amended.... \$ 80,907,000

General Fund Appropriation of state forest funds to
be distributed..... \$ 750,000

General Fund Appropriation for allocation to
Intermediate School Districts..... \$ 1,457,506

General Fund Appropriation:

Supplementary Education and Cultural
Enrichment..... \$ 600,000

State Institutions..... \$ 5,388,162

Distribution to counties for school districts:

Handicapped Children-Excess Costs: PROVIDED,
That \$5,023,718 shall be utilized to aid only
that category of handicapped children who are
identified as being totally unserved (first
priority) in the joint report of the
Superintendent and the Division of Institutions,
December 4, 1970: PROVIDED, That of this
appropriation \$391,698 or so much thereof
as shall be necessary shall be utilized for
the support of the Cerebral Palsy Center..... \$ 50,986,732

Elementary and Secondary Education Act of 1965, of
which \$2,329,086 is for administration..... \$ 37,480,086

To carry out the provisions of Public Law 85-864
(National Defense Education Act of 1958),
of which \$60,409 is for administration..... \$ 1,500,409

Education of Indian Children, of which
\$120,071 is for administration..... \$ 2,100,071

Adult Basic Education, of which \$98,421 is
for administration..... \$ 773,421

School Lunch and School Milk Programs, of which
\$78,737 is for administration..... \$ 12,778,737

Grants to Teachers of the Handicapped, of which
 \$35,432 is for administration..... \$ 250,432
 Staff Development, of which \$36,431 is for
 administration..... \$ 586,431
 Assistance to Blind Students (RCW 28B.10.215)..... \$ 5,000
 Environmental Education: PROVIDED, That \$40,000
 is earmarked for environmental education in
 Northwest Washington in conjunction with
 Western Washington State College..... \$ 220,000
 Gifted Program..... \$ 330,000

General Fund--Traffic Safety Education Account
 Appropriation, of which \$346,185 is for
 administration..... \$ 7,438,885

NEW SECTION. Sec. 77. FOR THE STATE BOARD FOR COMMUNITY
 COLLEGE EDUCATION

General Fund Appropriation: For administrative
 expenses of the Board: PROVIDED, That
 \$740,670 shall be available exclusively for
 the minority affairs programs of the State
 Board of which \$542,670 shall be from state
 funds and \$198,000 from federal funds. Such
 programs shall be developed through a process
 that insures that all minority groups are
 represented and included in the planning of
 such programs..... \$ 1,946,386

V For Distribution to the Community Colleges in
 accordance with Chapter 28B.50 RCW: PROVIDED,
 That not more than \$3,129,620 is to be
 allocated to the State Board on or before
 January 1, 1972, for the 1972-73 fiscal year
 for distribution to the community colleges, as
 certified by the Governor as meeting the
 requirements thereof, and approved by a sixty
 percent majority of the Legislative Budget
 Committee, with the allocation to be based on
 the findings of the staff of the Legislative
 Budget Committee as to the appropriate
 weighting factor to be used in computing
 faculty staffing requirements for the
 vocational-technical enrollments as opposed to
 a factor of 1.0 for academic transfer
 enrollments, such study to be based on the
 definitions and procedures outlined by the
 Council on Higher Education: PROVIDED, That
 it is the intent of the Legislature that of

the 4,118 additional full time equivalent students budgeted to be served in fall quarter 1971 as compared to fall quarter 1970, and of the 4,706 additional full time equivalent students budgeted to be served in fall quarter 1972 as compared to fall quarter 1971, not less than two-thirds shall be enrolled in courses classified as "occupational" by the state board; however, this provision shall not apply to those community college districts which have public vocational-technical institutes located within their district boundaries: PROVIDED, That \$422,500 of this appropriation shall be administered by the State Board and used only to develop and implement new and innovative educational programs in the following areas: (1) off-campus work-study or off-campus project-study courses; (2) interdisciplinary courses; (3) tutorial study courses; or (4) other experimental or innovative academic and vocational programs. These programs shall be designed to provide a more meaningful educational experience, a fuller understanding of the practical application of educational concepts, the development of new techniques for instruction of a larger number of students without unnecessary capital construction and shall recognize that the same period of time may not be necessary for each student to complete an undergraduate educational program. These funds shall be spent on additional programs and shall not be substituted to fund any present such programs and shall be used only for projects developed through participation by both students and faculty. A report of progress in implementing this proviso including specific information on the new programs developed with these or any other funds, shall be submitted to the Legislative Budget Committee, the Interim Committee for Higher Education and the Council on Higher Education and the Governor prior to any special session of the legislature convening in January, 1972, and the regular session of

the legislature in January, 1973: PROVIDED, That \$1,479,764 shall be available to the State Board for Community College Education of which \$1,396,781 is contained in this appropriation and \$82,983 shall be provided to the Olympia School District to complete 1970-71 school year obligations and the \$1,396,781 is to be used exclusively to finance vocational education programs and courses, defined as a planned series of learning experiences, the specific objective of which is to prepare persons to enter, continue or upgrade themselves in gainful employment, including the work of the home, in occupations not requiring a baccalaureate or higher degree, operated at the Olympia Vocational Technical Institute and distributed on the basis of the reimbursement factor utilized by the State Superintendent of Public Instruction for distribution of state funds to the vocational-technical institutes per full-time equivalent student (900 clock hours accumulated attendance per year): PROVIDED, That tuition and fees, in whole or in part, comprising two percent of total tuition and fees, incidental, and special fees which would have been collected except for waiver in 1971-72, and two percent in 1972-73, shall be waived for needy and economically disadvantaged students: PROVIDED, That an additional one percent of total tuition and fees, incidental, and special fees shall be waived each year for students enrolled in courses leading to the obtaining of a high school certificate: PROVIDED FURTHER, That the State Board for Community Colleges shall submit an annual report to the Council on Higher Education in accordance with a format specified by the Council which, in addition to showing the exact percentage waived, shall provide other information, to include but not limited to the number and amount of waiver for nonresident students: PROVIDED, That it is the intent of the legislature that the traditional open door policy of community

colleges be maintained for all students in 1971-73; however, if it is determined to be impossible to serve all applicants, that equal priority be given to the following programs (as defined in the rules and regulations of the state board for community college education): occupational preparatory, occupational supplementary, academic transfer, and academic basic education; and that in order to implement the aforementioned priorities, that all programs defined by the state board as "academic general education"

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and "community service" either be discontinued, or continued on the basis that fees be charged for these courses at a level commensurate with the direct instructional costs plus all supporting costs: PROVIDED, FURTHER, That not more than \$352,500 shall be available during 1971-72 and 1972-73 to maintain as nearly as possible the 1970-71 allocations at Grays Harbor Community College, Centralia Community College, Wenatchee Valley Community College, Yakima Valley Community College,

and Big Bend Community College..... \$ 115,474,731

NEW SECTION. Sec. 78. FOR THE WESTERN INTERSTATE

COMMISSION FOR HIGHER EDUCATION

General Fund Appropriation..... \$ 45,000

NEW SECTION. Sec. 79. FOR THE COMPACT FOR EDUCATION

General Fund Appropriation: PROVIDED, That \$1,500

shall be available exclusively for travel and

expenses of the commissioners..... \$ 22,500

NEW SECTION. Sec. 80. FOR THE COUNCIL ON HIGHER

EDUCATION

General Fund Appropriation: PROVIDED, That \$1,700,000

of this appropriation shall be used to aid Washington

residents attending private institutions of

higher education on a full-time basis: PROVIDED

FURTHER, That \$1,376,700 shall be used for the

purposes of the state student financial aid

program authorized by RCW 28B.10.800 through

28B.10.824..... \$ 3,752,738

NEW SECTION. Sec. 81. FOR THE COORDINATING

COUNCIL FOR OCCUPATIONAL EDUCATION AND ADVISORY COUNCIL

FOR OCCUPATIONAL EDUCATION

General Fund Appropriation: PROVIDED, That during each of the 1971-72 fiscal year and the 1972-73 fiscal year the same number of training hours for volunteer firemen shall be continued as were conducted during the 1970-71 fiscal year..... \$ 17,651,384

NEW SECTION. Sec. 82. FOR THE TEACHERS'

RETIREMENT SYSTEM

Teachers' Retirement Fund Appropriation: PROVIDED, That \$135,000 shall be available only for fees paid retained investment counsel..... \$ 968,774

NEW SECTION. Sec. 83. FOR THE HIGHER

EDUCATION PERSONNEL BOARD

Higher Education Personnel Board Service Fund Appropriation..... \$ 509,744

NEW SECTION. Sec. 84. FOR THE STATE LIBRARY

General Fund Appropriation..... \$ 4,724,390

NEW SECTION. Sec. 85. FOR THE ARTS COMMISSION

General Fund Appropriation: PROVIDED, That not more than \$120,000 shall be from state sources..... \$ 415,000

NEW SECTION. Sec. 86. FOR THE WASHINGTON

STATE HISTORICAL SOCIETY

General Fund Appropriation..... \$ 264,750

NEW SECTION. Sec. 87. FOR THE EASTERN

WASHINGTON STATE HISTORICAL SOCIETY

General Fund Appropriation: PROVIDED, That \$50,000 of this appropriation shall be allocated to the Pacific Northwest Indian Center in Spokane..... \$ 221,074

NEW SECTION. Sec. 88. FOR THE STATE CAPITOL

HISTORICAL ASSOCIATION

General Fund Appropriation: PROVIDED, That \$5,000 shall be a reappropriation for the George W. Bush Exhibit..... \$ 175,342

General Fund--State Capitol Historical Association

Museum Account Appropriation..... \$ 40,000

NEW SECTION. Sec. 89. FOR THE GOVERNOR-SPECIAL

APPROPRIATIONS

General Fund Appropriation:

Governor's Emergency, to be allocated for the carrying on of the critically necessary work of any agency: PROVIDED, That \$450,000 may be allotted by the Governor for surveys and installations..... \$ 980,000

V- To be distributed by the Governor on a pro rata basis to state agencies on the

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basis of the proportion of their salaries
and wages paid from general funds that

are reduced by virtue of the application
of section 108 which requires that state
agencies absorb the general fund portion
of the contribution to the public employees

retirement system as required by law..... \$ 5,150,000

Interstate Nuclear Compact..... \$ 20,000

Advisory Commission on Intergovernmental Relations. \$ 2,000

Council of State Government..... \$ 56,360

For support of data processing activities to be
allocated after consultation with the Data

Processing Advisory Committee..... \$ 48,000

For payment of unemployment compensation to
state employees pursuant to chapter 3, Laws of
1971..... \$ 1,080,000

For additional state contribution to employees
health insurance to be allotted to those
agencies whose employees are all or in part
within the present system of the State
Personnel Board, institutions of higher
education and local school districts as
provided by law: PROVIDED, That payments from
these funds shall be utilized to provide up to
\$15 per state employee per month, up to \$15
per certificated and classified school
employee per month of which up to \$10 shall be
from state funds and up to \$5 shall be from
local school district funds and up to \$15 per
month per employee of the state institutions
of higher education.

General Fund Appropriation..... \$ 9,410,096

General Fund--Commercial Feed Account Appropriation.. \$ 916

General Fund--Commission Merchants Account

Appropriation..... \$ 734

General Fund--Egg Inspection Account Appropriation... \$ 2,054

General Fund--Electrical License Account

Appropriation..... \$ 11,376

General Fund--Feed and Fertilizer Account

Appropriation..... \$ 56

General Fund--Fertilizer, Agricultural Mineral and

Lime Account Appropriation..... \$ 1,284

General Fund--Forest Development Account

Appropriation..... \$ 16,350

General Fund--Investment Reserve Account

Appropriation.....	\$	9,036
General Fund--Lewis River Hatchery Account		
Appropriation.....	\$	158
General Fund--Nursery Inspection Account		
Appropriation.....	\$	1,174
General Fund--Reclamation Revolving Account		
Appropriation.....	\$	1,270
General Fund--Seed Account Appropriation.....		
General Fund--Aeronautics Account Appropriation.....	\$	2,348
General Fund--Search and Rescue Account Appropriation	\$	1,330
General Fund--Resources Management Cost		116
Account Appropriation.....	\$	94,948
General Fund--Traffic Safety Education Account		
Appropriation.....	\$	1,137
General Fund--Outdoor Recreation Account		
Appropriation.....	\$	2,816
Game Fund Appropriation.....	\$	112,488
Grain and Hay Inspection Fund Appropriation.....	\$	23,488
Motor Vehicle Fund Appropriation.....	\$	125,000
Public Service Revolving Fund Appropriation.....	\$	28,552
Armories Fund Appropriation.....	\$	4,442
Insurance Companies Peimbursement Fund		
Appropriation.....	\$	1,196
Horse Racing Commission Fund Appropriation.....	\$	1,200
Unclaimed Personal Property Fund Appropriation.....	\$	634
General Legal Services Revolving Fund		
Appropriation.....	\$	29,330
Department of Personnel Service Fund Appropriation...	\$	15,467
Higher Education Personnel Board Service Fund		
Appropriation.....	\$	1,904
Liquor Board Revolving Fund Appropriation.....	\$	192,644
Retirement System Expense Fund Appropriation.....	\$	7,916
Accident Fund Appropriation.....	\$	7,500
Medical Aid Fund Appropriation.....	\$	101,040
Teachers' Retirement Fund Appropriation.....	\$	4,600
Volunteer Firemen's Relief and Pension Fund		
Appropriation.....	\$	318

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NEW SECTION. Sec. 90. FOR THE STATE TEACHERS' RETIREMENT SYSTEM FUND:

PROVIDED, That the State Teachers' Retirement System shall use interest earnings on accumulated state contributions and the amount appropriated by this section to pay pensions due for the 1971-73 biennium. Funds appropriated by this section shall be used

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only to the extent that interest earnings on accumulated state contributions are not sufficient to make pension payments and to pay the state's share of the system's operating costs under Chapter 41.32 RCW. For the 1971-73 biennium, the state shall not be required to appropriate funds for the "normal contribution" nor for the "unfunded liability contribution" required by RCW 41.32.401. The board of trustees shall determine pension payments, interest earning on accumulated state contributions, and the portion of funds appropriated by this section necessary for each quarter, and shall notify the state treasurer of the transfers necessary from the general fund to the teachers' retirement fund in accordance with RCW 41.32.401: PROVIDED FURTHER, That this section shall not affect member contributions under Chapter 41.32 RCW:

General Fund Appropriation..... \$ 20,000,000

NEW SECTION. Sec. 91. FOR THE WASHINGTON LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM FUND:

PROVIDED, That the Washington Law Enforcement Officers' and Fire Fighters' Retirement System Retirement Board shall use interest earnings on accumulated contributions and the amount appropriated by this section to pay pensions due for the 1971-73 biennium. Funds appropriated by this section shall be used only to the extent that interest earnings are not sufficient to make required pension and refund payments under Chapter 41.26 RCW. For the 1971-73 biennium, the state shall not be required to appropriate funds for the current service liability nor for the prior service liability required by RCW 41.26.080(3). The Retirement Board shall determine pension payments, refunds, interest earnings, and the portion of the funds appropriated by this section necessary for each quarter and shall notify the state treasurer of the amounts to be transferred from the general fund to the Washington law enforcement officers' and fire fighters' retirement system fund: PROVIDED

FURTHER, That this section shall not affect employee and employer contributions under RCW 41.26.080 nor any contributions made by employers for administrative costs of the system:

General Fund Appropriation..... \$ 1,357,457

NEW SECTION. Sec. 92. FOR THE STATE

TREASURER-TRANSFERS

General Fund--Investment Reserve Account Appropriation for Transfer to the General Fund on or before June 29, 1973 pursuant to Chapter 50, Laws of 1969..... \$ 5,000,000

Motor Vehicle Fund Appropriation:

For transfer to the Tort Claims Revolving Fund for claims paid on the behalf of the Department of Highways and the Washington State Patrol during the period July 1, 1971 through June 30, 1973..... \$ 1,300,000

NEW SECTION. Sec. 93. FOR THE STATE

TREASURER-TRANSFER

Motor Vehicle Fund Appropriation:

For transfer to the Tort Claims Revolving Fund for claims paid on the behalf of the Department of Highways and the Washington State Patrol during the period July 1, 1969 through June 30, 1971, the effective date of this section is the effective date of this act..... \$ 756,500

NEW SECTION. Sec. 94. The word "agency" used herein means and includes every state government office, officer, each institution, whether educational, correctional, or other, and every department, division, board and commission, except as otherwise provided in this act.

The phrase "agencies headed by elective officials" used herein shall mean those executive offices or departments of the state which are directly supervised, administered, or controlled by the governor, lieutenant governor, secretary of state, treasurer, auditor, attorney general, superintendent of public instruction, commissioner of public lands, or insurance commissioner, but it shall not include those boards, commissions, or committees on which one or more of the above-named officials serve.

NEW SECTION. Sec. 95. In order to carry out the provisions of these appropriations and the state budget, the director of the office of program planning and fiscal management with the approval of the governor, may:

- (1) Allot all of any portion of the funds herein appropriated or included in the state budget, to the various agencies by such periods as he shall determine and may place any funds not so allotted

in reserve available for subsequent allotment: PROVIDED, That the director of the office of program planning and fiscal management shall not alter allotment requests filed with him, nor shall he place in reserve any funds, for the following: Washington State Apple Advertising Commission; Washington State Fruit Commission, Washington Dairy Products Commission or any agricultural commodity commission created under the provisions of Chapter 15.66 RCW; the legislative branch of state government including the legislative council, the legislative budget committee, the statute law committee, and any legislative interim committee; or the judicial branch of state government: PROVIDED, That the director of the office of program planning and fiscal management may alter the allotment requests of state colleges and universities in the following cases: (a) When necessary to reflect legislative intent as set forth in the executive budget as accepted or modified by the legislature in the Senate or House Journals or in any formal communication from the Legislative Budget Committee; (b) When necessary to limit total state expenditures to available revenues as required by RCW 43.88.110(2); (c) When an agency proposes the expenditure of a resource not disclosed in the budget request submitted to the Governor and Legislature: PROVIDED, HOWEVER, That the aggregate of allotments for any agency shall not exceed the total of applicable appropriations and local funds available to the agency concerned. It shall be unlawful for any officer or employee to incur obligations in excess of approved allotments or to incur a deficiency and any obligation so made shall be deemed invalid. Nothing in this section or in chapter 328, Laws of 1959, shall prevent revision of any allotment when necessary to prevent the making of expenditures under appropriations in this act in excess of available revenues.

(2) Issue rules and regulations to establish uniform standards and business practices throughout the state service, including regulation of travel by officers and employees and the conditions under which per diem shall be paid, so as to improve efficiency and conserve funds.

(3) Prescribe procedures and forms to carry out the above.

(4) Allot funds from appropriations in this act in advance of July 1, 1971; for the sole purpose of authorizing agencies to order goods, supplies, or services for delivery after July 1, 1971: PROVIDED, That no expenditures may be made from the appropriations contained in this act, except as otherwise provided, until after July 1, 1971.

NEW SECTION. Sec. 96. The Legislative Budget Committee shall review the methods and procedures used by the state's colleges, universities, community colleges, and the state board for community college education in determining and reporting student enrollments to

the office of program planning and fiscal management and the council on higher education. The Legislative Budget Committee shall also, each fiscal year, make periodic field audits of the accuracy of such procedures and information.

NEW SECTION. Sec. 97. For the public four-year colleges and universities and community colleges, it is the intent of the legislature that the minimum average weekly faculty classroom contact hours beginning academic year 1971-72 equal the following:

State Universities	10
State Colleges	12
Community Colleges	15

It is further the intent of the legislature that the average weekly faculty classroom contact hours for all faculty at the rank of assistant professor and above shall be increased by at least five percent between academic year 1970-71 and 1972-73 at each state university, state college, and community college. It shall be the responsibility of the Council on Higher Education to develop uniform definitions and guidelines to carry out the provisions of this section and to report during the interim to the Legislative Budget Committee on the status of its report. The Council shall submit a comprehensive report to the 1973 session of the legislature concerning the implementation of these provisions on faculty classroom contact hours.

NEW SECTION. Sec. 98. Any receipts from federal sources, gifts or grants, or other sources in excess of those estimated in the budget may be received by the governor and deposited in the state treasury or other depository provided by law. Any proposal to expend moneys from an appropriated fund or account in excess of appropriations provided by law, based on the receipt of unanticipated revenues, shall be submitted to the state legislature, if it is in session, or to the legislative budget committee during the interim between legislative sessions. The legislative budget committee may authorize the expenditure of unanticipated receipts during the legislative interim arising from federal sources, gifts or grants, by a majority of the members of the committee. Whenever possible, unanticipated federal or other revenues which were not anticipated by the governor's budget or in the appropriations enacted by the legislature shall be used to support regular agency programs instead of using funds appropriated from state taxes or similar revenue sources.

NEW SECTION. Sec. 99. In the event that receipts shall be less than those estimated in the budget from any source expenditures shall be limited to the amount received and allotments made as provided in section 95. Receipts for purposes of this section shall include amounts realized within one calendar month following the

close of a fiscal period and applicable to expenditures of that period. The amount of such payment shall be credited to and shall be treated for all purposes as having been collected during the fiscal period.

NEW SECTION. Sec. 100. Agencies are authorized to make refunds of erroneous or excessive payments and in the case of other refunds, which may be provided by law, without express appropriation therefor.

NEW SECTION. Sec. 101. Whenever allocations are made from the governor's emergency appropriation to an agency which is financed by other than general fund moneys, the director of the office of program planning and fiscal management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance such agency. No appropriations shall be necessary to effect such repayment.

NEW SECTION. Sec. 102. In addition to the amounts appropriated in this act for revenue for distribution and bond retirement and interest, and interest on registered warrants, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made in accordance with law.

NEW SECTION. Sec. 103. Amounts received by an agency as reimbursements pursuant to RCW 43.09.210 shall be considered as returned loans of materials supplied or services rendered. Such amounts may be expended as a part of the original appropriation of the fund to which it belongs, without further or additional appropriation, subject to conditions and procedures prescribed by the director of the office of program planning and fiscal management which shall provide for determination of full costs, disclosure of such reimbursements in the governor's budget, maximum interagency usage of data processing equipment and services and such restrictions as will promote more economical operations of state government without incurring continuing costs beyond those reimbursed.

NEW SECTION. Sec. 104. In order to obtain maximum interagency use of aircraft, the Aeronautics Commission, in accordance with RCW 43.09.210 and chapter 39.34 RCW is hereby authorized to lease, purchase or otherwise acquire suitable aircraft which shall be utilized for the purposes of the Aeronautics Commission and also by other state agencies which have a need for an aircraft to carry out agency assigned responsibilities: PROVIDED, That the Aeronautics Commission is further authorized to enter into contractual agreements with other state agencies in order to acquire aircraft, establish rental rates for aircraft under their control, provide pilot services, aircraft maintenance and make such other provisions as necessary to provide aircraft and related services for

multi-agency use: PROVIDED FURTHER, That in order to achieve economy in the use of the appropriations contained within this act no state agency may purchase an aircraft or enter into a flying service or aircraft rental contract without first seeking such service from the Aeronautics Commission and without prior approval of the director of the office of program planning and fiscal management.

NEW SECTION. Sec. 105. All Contract personal services contracts except those for medical and health care and such other contracts which the director of the office of program planning and fiscal management may exempt after consultation with the Legislative Budget Committee shall be filed with the Office of Program Planning and Fiscal Management and the Legislative Budget Committee prior to obligating any portion of the appropriations approved in this act.

NEW SECTION. Sec. 106. Within the rules and regulations of the Department of Personnel, as applicable, in the filling of vacant positions and in the filling of new positions of employment in state government, including the four-year institutions of higher learning and the community colleges and positions in the offices of elective officials, preference shall be given, where necessary, to nonwhite and Mexican-American applicants in order to attain the same minority employment ratio in each agency as obtains in the population of the state at large.

V NEW SECTION. Sec. 107. It is the intent of the Legislature that no salary increase be granted in the same job classification to any individual in the employ of the state whose salary is funded by the provisions of this act, including those individuals employed by the six units of higher education, those employed by elected officials or those employed by the community colleges throughout the 1971-73 fiscal period.

NEW SECTION. Sec. 108. Each state agency, from its general fund appropriation, shall transmit each month to the Washington public employees' retirement system the amount of its total monthly expenditures for salaries and wages as required by law for employees covered by the Washington public employees' retirement system, such amount to constitute the employer contribution during the 1971-73 biennium: PROVIDED, That in order to comply with the provisions of this section the following appropriations from the following funds and accounts, or such amounts as are required by law, are hereby appropriated for the 1971-73 employer portion of the public employees' retirement system contributions:

- (1) FOR THE JOINT COMMITTEE ON HIGHWAYS
- Motor Vehicle Fund Appropriation.....\$ 1,850
- (2) FOR THE OFFICE OF ECONOMIC OPPORTUNITY
- General Fund--Federal Appropriation.....\$ 37,540
- (3) FOR THE STATE TREASURER

Investment Reserve Account Appropriation.....\$	21,699
Motor Vehicle Fund Appropriation.....\$	520
(4) FOR THE ATTORNEY GENERAL	
Legal Services Revolving Fund Appropriation.....\$	287,770
(5) FOR THE OFFICE OF PROGRAM PLANNING AND FISCAL MANAGEMENT	
Motor Vehicle Excise Appropriation.....\$	6,046
General Fund--Federal Appropriation.....\$	1,993
(6) FOR THE PLANNING AND COMMUNITY AFFAIRS AGENCY	
General Fund--Federal Appropriation.....\$	33,302
(7) FOR THE DEPARTMENT OF PERSONNEL	
Department of Personnel Service Revolving Fund Appropriation.....\$	123,618
(8) FOR THE FINANCE COMMITTEE	
Investment Reserve Account Appropriation.....\$	26,005
(9) FOR THE DEPARTMENT OF GENERAL ADMINISTRATION	
General Administration Facilities and Services Revolving Fund Appropriation.....\$	163,985
(10) FOR THE AERONAUTICS COMMISSION	
Aeronautics Account Appropriation.....\$	11,660
Search and Rescue Account Appropriation.....\$	1,112
(11) FOR THE HORSE RACING COMMISSION	
Horse Race Commission Fund Appropriation.....\$	5,074
(12) FOR THE INDUSTRIAL INSURANCE APPEALS BOARD	
Accident Fund Appropriation.....\$	37,169
Medical Aid Fund Appropriation.....\$	37,475
(13) FOR THE LIQUOR CONTROL BOARD	
Liquor Board Revolving Fund Appropriation.....\$	976,901
(14) FOR THE PUGET SOUND PILOTAGE COMMISSION	
Puget Sound Pilotage Account Appropriation.....\$	168
(15) FOR THE UTILITIES AND TRANSPORTATION COMMISSION	
Public Service Revolving Fund Appropriation.....\$	218,860
(16) FOR THE BOARD FOR VOLUNTEER FIREMEN	
Volunteer Firemen Relief and Pension Fund Appropriation.....\$	1,920
(17) FOR THE STATE PATROL	
Motor Vehicle Fund Appropriation.....\$	424,245
(18) FOR THE TRAFFIC SAFETY COMMISSION	
Highway Safety Fund Appropriation.....\$	3,968
(19) FOR THE DEPARTMENT OF CIVIL DEFENSE	
General Fund--Federal Appropriation.....\$	20,454
(20) FOR THE DEPARTMENT OF LABOR AND INDUSTRIES	
General Fund--Federal Appropriation.....\$	1,332
Electrical License Account Appropriation.....\$	92,469

Industrial Relations Account Appropriation.....	\$	8,659
Accident Fund Appropriation.....	\$	162,238
Medical Aid Fund Appropriation.....	\$	616,462
(21) FOR THE DEPARTMENT OF MOTOR VEHICLES		
Architects License Account Appropriation.....	\$	2,657
Commercial Automobile Driver Training School Account Appropriation.....	\$	19
Opticians Account Appropriation.....	\$	58
Optometry Account Appropriation.....	\$	347
Professional Engineers Account Appropriation.....	\$	6,244
Real Estate Commission Account Appropriation.....	\$	31,050
Sanitarian's Licensing Account Appropriation.....	\$	141
State Board of Psychological Examiners Account Appropriation.....	\$	149
Highway Safety Fund Appropriation.....	\$	506,596
Motor Vehicle Fund Appropriation.....	\$	299,681
(22) FOR THE MILITARY DEPARTMENT		
Armory Fund Appropriation.....	\$	26,949
(23) FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES		
General Fund--Federal Appropriation.....	\$	18,501
(24) FOR THE VETERANS' REHABILITATION DIVISION		
General Fund--Federal Appropriation.....	\$	29,986
(25) FOR THE DIVISION OF PUBLIC ASSISTANCE		
General Fund--Federal Appropriation.....	\$	3,233,838
(26) FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION		
General Fund--Federal Appropriation.....	\$	48,375
Traffic Safety Account Appropriation.....	\$	2,763
(27) FOR THE DIVISION OF VOCATIONAL EDUCATION		
General Fund--Federal Appropriation.....	\$	44,839
(28) FOR THE DIVISION OF VOCATIONAL REHABILITATION		
General Fund--Federal Appropriation.....	\$	264,862
(29) FOR THE UNIVERSITY OF WASHINGTON		
General Local Fund Appropriation.....	\$	1,300,372
(30) FOR THE WASHINGTON STATE UNIVERSITY		
General Local Fund Appropriation.....	\$	25,312
(31) FOR THE EASTERN WASHINGTON STATE COLLEGE		
General Local Fund Appropriation.....	\$	2,169
(32) FOR THE CENTRAL WASHINGTON STATE COLLEGE		
General Local Fund Appropriation.....	\$	2,788
(33) FOR THE WESTERN WASHINGTON STATE COLLEGE		
General Local Fund Appropriation.....	\$	2,594
(34) FOR THE STATE LIBRARY		
General Fund--Federal Appropriation.....	\$	28,853

General Fund--Local Appropriation.....\$	15,253
(35) FOR THE DEPARTMENT OF HIGHWAYS	
Motor Vehicle Fund Appropriation.....\$	2,530,393
(36) FOR THE COUNTY ROADS ADMINISTRATION BOARD	
Motor Vehicle Fund Appropriation.....\$	4,906
(37) FOR THE DEPARTMENT OF ECOLOGY	
General Fund--Federal Appropriation.....\$	21,600
Reclamation Account Appropriation.....\$	11,046
Basic Data Fund Appropriation.....\$	9,286
(38) FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION	
Outdoor Recreation Account Appropriation.....\$	19,721
(39) FOR THE DEPARTMENT OF FISHERIES	
General Fund--Federal Appropriation.....\$	99,344
(40) FOR THE DEPARTMENT OF GAME	
Game Fund Appropriation.....\$	644,339
(41) FOR THE DEPARTMENT OF NATURAL RESOURCES	
Forest Development Account Appropriation.....\$	103,802
Resources Management Cost Account Appropriation.....\$	447,891
(42) FOR THE DEPARTMENT OF AGRICULTURE	
General Fund--Federal Appropriation.....\$	39,525
Commercial Feed Account Appropriation.....\$	5,610
Commission Merchants Account Appropriation.....\$	4,644
Egg Inspection Account Appropriation.....\$	11,400
Feeds and Fertilizer Account Appropriation.....\$	414
Agriculture, Mineral and Lime Account Appropriation....\$	7,920
Nursery Inspection Account Appropriation.....\$	6,072
Seed Account Appropriation.....\$	12,720
Grain and Hay Inspection Fund Appropriation.....\$	132,090
(43) FOR THE EMPLOYMENT SECURITY DEPARTMENT	
Unemployment Compensation Administration Fund Appropriation.....\$	2,312,538

NEW SECTION. Sec. 109.

It is the intention of the legislature that the expenditure of funds for out of state travel by state employees in executive branch agencies be held to a minimum level consistent with economy, frugality and effectiveness in state government. No funds from appropriations to executive branch agencies made by this act shall be expended for out of state travel costs or related per diem expense of state employees other than elected state officials in executive branch agencies without the prior written approval of the Director of the Office of Program Planning and Fiscal Management or his designee. The Director of the Office of Program Planning and Fiscal Management, or his designee, shall grant such approval only on his finding that the proposed travel is consistent with the economic, efficient and effective

V- management of state agencies and programs. For the purposes of this section, "out-of-state travel" does not include travel between the State of Washington and the contiguous states of Idaho and Oregon. Each state agency shall submit a monthly report to the Office of Program Planning and Fiscal Management of each out-of-state trip which has occurred during the previous month, including the name of the traveler, the destination, the period of absence from the state, the cost of the trip from state, federal, or other funds, and the specific benefit to the state which justified the trip. The Director of the Office of Program Planning and Fiscal Management shall submit this information, together with any comments he believes appropriate with regard to out-of-state travel to the 1973 session of the legislature, through the Legislative Budget Committee.

NEW SECTION. Sec. 110. There is appropriated to the public school building bond redemption fund of 1965 established by RCW 28A.47.777 from the common school construction fund established by Article IX, section 3 of the Washington Constitution for the biennium ending June 30, 1973, the sum of six hundred five thousand one hundred and ninety-four dollars: PROVIDED, That the sum appropriated shall come only from that portion of the common school construction fund derived from interest on the permanent common school fund during the 1971-73 biennium.

NEW SECTION. Sec. 111. There is appropriated to the state parks and recreation commission from the general fund, for the biennium ending June 30, 1973, the sum of one million three hundred twenty-two thousand nine hundred sixty-eight dollars: PROVIDED, That the sum appropriated shall be used by the commission either for the payment of rentals to the department of natural resources as may be required by law for the use of state trust lands withdrawn for state park purposes or for the acquisition of such lands: PROVIDED, FURTHER, That the sum appropriated by this section shall be in addition to all other moneys appropriated to the state parks and recreation commission during the 1971-73 biennium. Any rent or acquisition payments on such park lands received by the department of natural resources during the 1971-73 beinnium shall be deposited to the applicable trust land account without any deduction by the department of natural resources for management or other purposes.

V- NEW SECTION. Sec. 112. It is the intent of the legislature that no state funds appropriated in this act shall be used to finance summer or interim student internships in state government.

NEW SECTION. Sec. 113. It is the intent of the legislature that no funds from any appropriation contained in this act shall be used to pay yearly merit increments resulting from employee longcivity during the 1971-73 biennium for those employees whose salary computed on an annual basis as of July 1, 1971 exceeds \$15,000 per annum.

NEW SECTION. Sec. 114. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 115. 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.

Passed the House May 10, 1971.

Passed the Senate May 10, 1971.

Approved by the Governor May 21, 1971, with the exception of certain items which are vetoed.

Filed in Office of Secretary of State May 21, 1971.

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

"... In my Budget Message to the Washington State Legislature 130 days ago, I acknowledged the difficult decisions which were included in the Budget and asked that we set aside partisan differences in order so that we might meet the fiscal crisis which is affecting all of the people of this state. In my Budget Message, I asked the legislature to avoid the fiscal extremes of placing an untimely additional burden on the taxpayers of this state or of unmindfully reducing the budgets to the point where the agencies could not properly carry out their basic responsibilities. We now have before us the record of the 41st Session of the Legislature and the record is clear that the Washington State Legislature has proposed a Budget which is out of balance by \$22 million, does not adequately support some programs, is wasteful in other instances, and in other areas is drafted in such a faulty manner that the intent of the Legislature cannot be carried out by the language included in the bill.

Veto
Message

To some extent, it is possible to repair the Budget through the use of the executive veto power and I intend to use it on 33 occasions in this appropriations bill, as a means of removing some of the more onerous and faulty sections of the bill. I would like to make it clear that it is with a good deal of reluctance that I use the executive veto power on this or any piece of legislation. However, the legislative budget process clearly did not function adequately or in the best interests of the state. In reviewing various requests to veto sections of this bill, I have attempted to be responsive to the citizens of this

state, both from the standpoint of what I have selected to veto and by rejecting other veto proposals.

Veto
Message

I believe it is also appropriate to comment in this veto message upon those areas in the Budget which are faulty, yet cannot be repaired through the use of executive veto power. I cannot, for example, restore an adequate level of funding to the Department of Ecology. I requested a Budget for the Department which I considered to be the minimum level necessary to maintain the state's current position with respect to environmental protection. I am convinced that the severely reduced Budget proposed by the legislature will reduce the department's ability to review and approve in a timely manner the plans and designs of waste treatment plants for existing and new industries coming into this state. There is, further, the very real and potential problem that backlogging of plans for review or reduced pollution control efforts on the part of the state may cause the federal environmental protection agency to pre-empt some of the state programs and remove the reasonable buffer of an informed and concerned state agency between local governments and state industries and replace them with a governmental unit which is less sensitive to local issues and problems. I am sure neither of these results is desired by those who have slashed unknowingly at the department Budget. In addition, the Legislature enacted eight bills placing new burdens of substantial impact on the department, with no additional appropriation, representing a questionable approach to the environmental protection of the state's resources.

The Governor's Budget for the Treatment Center for Women at Purdy amounted to \$3,285,769 for the two-year period, of which \$250,000 would be federal L.E.A.A. funds for excellence in treatment and \$761,246 would be revenue received from the federal government and other states for the housing of individuals not capable of being placed within their own treatment system.

The appropriation bill contains only enough funds to staff administration, food services, janitorial services and custody positions; thus, precluding the provision of such treatment personnel as counselors, teachers, nursing staff, recreation leaders, staffing of the work and training release facility and similar services which are necessary to provide a treatment rather than a custodial program.

It should be further pointed out that the staff reduction included in the appropriation bill will not only reduce the program to the level of a caretaker operation but could eliminate the transfer of prisoners from federal and other states and jurisdictions to this facility and reduce to some extent the \$761,246 in anticipated revenue. Initial negotiations with other states and the federal government indicated that the primary reason they were interested in transferring female prisoners to this state was the availability of a treatment program for women which is simply not available in their jurisdiction. In addition, the probability of acquiring the federal L.E.A.A. grant of \$250,000 for excellence in treatment could be lost given the lack of treatment personnel. Thus, the reduction in funding may be more than offset by loss of anticipated revenue.

Veto
Message

The \$10 million reduction from the austere level of state aid to higher education which I proposed may well result in a deterioration in the quality of higher education in this state which has taken years to develop. It is equally unfortunate that the legislature did not accept, as I had proposed, the amount of tuition and fees which could be waived for needy students, particularly when they accepted the proposed increase in student tuition and fees. The result of legislative action in this area can be measured by the number of needy students from families who cannot afford to pay the higher costs and are effectively precluded from receiving a higher education in this state.

For the second consecutive biennium, certain members of the legislature in a Conference Committee have taken it upon themselves to make arbitrary changes in the Budget for the Department of Fisheries, and by placing them in line item appropriations, there by prevented use of adequate funding in Fisheries management activities, which have resulted in the large increases in fish yields.

Refusal of the legislature to act responsibly on the proposal to close several state institutions also deserves comment.

At the beginning of the legislative session, I sent each legislator a detailed position paper which concluded, based on the current and future downward trends in average daily population at the three mental hospitals, that

substantial savings could be made through the closure of Northern State Hospital. The arguments presented at that time are still valid. In response to this proposal, the legislature has included an amount of funds which are inadequate to match the provision that the Hospital is to remain in operation for the entire biennium, and has made a vague suggestion in the Budget for study of alternative uses for the facility. Such action is hardly a responsible counterproposal to such a clear issue and I intend to seek additional funding or some other course of action from the 1972 Special Session of the Legislature.

Veto
Message

With respect to Fort Worden, the \$2,500,000 Budget proposed for the continued operation of this facility is not only unnecessary, the Budget is such that it would be necessary to operate this facility with so few treatment staff that it would become a warehouse operation with little or no treatment program for the 75 youths unfortunate enough to be assigned to the facility. More importantly, Fort Worden is not needed in the juvenile rehabilitation program given the ample capacity in our other institutions and any attempt to keep it open simply means that we are reducing our efficiency at a time when our economy demands cost effectiveness in our programs. The annual cost per resident of \$16,666 at Fort Worden as proposed by the legislature is a shockingly high amount and exceeds by eight times the cost of caring for these juveniles in the juvenile probation subsidy program. Because the treatment program and economic issues are so clearly evident in the case of Fort Worden, I have vetoed the provision requiring operation of the facility for two years.

Finally, I would like to comment on one of the most serious and deficient areas in the Budget--the inadequate amount of funds provided to allow the state to maintain a \$365 per pupil guarantee. The legislature failed to provide the additional state funds necessary to allow the state to maintain a \$365 per pupil guarantee. Primarily because of enactment of property tax relief and failure to enact other proposed legislation used to balance the Budget, the legislature should have provided approximately \$15.3 million in additional state general fund appropriation to the Superintendent of Public Instruction. Unless this additional amount is added to the Budget by the 1972 Legislature for distribution to local school districts, it will be necessary

to reduce the per pupil guarantee from \$365 to approximately \$350 during the 1972-73 fiscal year.

Veto
Message

Of the \$22 million by which the Budget is out of balance, \$15 million is a result of the problem of inadequate funding to maintain support to local school districts. The only method by which I can attempt to assure that funds necessary to adequately finance the schools will be available is by vetoing the \$20 million General Fund appropriation to the Teachers' Retirement System. I am making this veto with the full assurance that it will not in any way hinder the payment of pensions to retired teachers.

No one can be sure whether revenue will exceed or fall below revenue estimates made for the 1971 Legislative Session. Should sufficient revenue in excess of present estimates appear to be available when the 1972 Session convenes, they will have the option to utilize it to resolve the K-12 shortage and solve other problems in the Budget, and eliminate the impact of this veto. Should revenue be below estimates, the problem of further reduction or tax increase will be more manageable because of this veto.

The specific items which I have vetoed are as follows:

1. Higher Education

I have vetoed a specific limitation on sabbatical leaves at our colleges and universities.

The one percent of faculty restriction contained in Section One is simply a punitive measure which ignores the constructive benefits a properly administered sabbatical leave program contributes to the education process. The remaining language in the bill provides that expenditures for sabbatical leaves must be incurred on a "break even" basis in that the replacement cost and the percentage of salary awarded to the recipient of a sabbatical leave cannot exceed the annual contracted salary of the recipient of the leave. Consequently, the further limitation to one percent of professional staff produces no real monetary savings. In addition, the Council on Higher Education has recently developed through guidelines which have been reviewed by the Legislative Budget Committee which will insure that the operation of the sabbatical or professional leave program is

properly supervised in institutions of higher education in the State of Washington. Prior to any further restrictions, those guidelines should have an opportunity to be used and reviewed for adequacy after some experience has been gained.

Veto
Message

2. Secretary of State

On page 3, line 23, I have vetoed the following proviso:

"PROVIDED, That expenditures should only be used for the purpose of carrying out his statutory or constitutional duties." The provision is a gratuitous insult applied to no other elected official and was included solely to limit the discretionary powers of a separately elected official who has, through his dedication, contributed efforts beyond those required by statute, particularly in identifying problems of youth, racial minorities and urban areas. The citizens of the State of Washington are fortunate to have concerned elected officials willing to personally devote additional time and energy to public service rather than sit back and do no more than is statutorily required. Unless such a provision is included for all officials, which would represent a step backward from responsive government, I will not approve it for a single elected official.

3. Attorney General

On page 4, I have vetoed the appropriation on lines 12 and 13, as follows:

"General Fund--Appropriation for
Washington Organized Crime
Intelligence System----- -0-"

The effect of a zero appropriation for the Organized Crime Intelligence System is to forbid the continuation beyond July 1, 1971, of the Washington Organized Crime Intelligence System for which the Attorney General has received \$99,925 in federal funds and which are matched by "in kind" contributions by his office.

The project is designed to provide the state's governmental and criminal justice agencies information necessary to combat organized crime. Its policies are

governed by a committee of eleven members, the chairman of which is the prosecuting attorney of Snohomish County, two of the members of which are from professions outside of law enforcement, while the other nine members, including the Attorney General, are either directly or indirectly connected with law enforcement as a profession.

Veto
Message

Organized crime, as the very name implies, is a form of criminal activity which transcends normal jurisdictional boundaries, both those which separate the multitude of local governments within the state and those which separate the various criminal justice disciplines. It is systematic, continuous, based on corruption and thrives in the jurisdictional maze caused by fragmented, localized criminal justice agencies. Some central point of reference is obviously necessary to successfully prevent it. The Organized Crime Intelligence System hopes to supply just such a point. It consists of a central index file, a program of training conferences, and a small staff to provide investigatory and technical assistance to local criminal justice agencies.

In the short life of the system, a great deal has been accomplished with these rather minimal tools at no loss to local autonomy or interference with individual rights of privacy. Carefully drafted rules, debated over a number of months, safeguard against possible abuses with regard to the use of any information which may be obtained by the system. In addition, the three staff investigators, two hired directly as a result of the program, have provided vital assistance to the staff of both the federal and county grand juries now in session in Seattle in connection with their investigations of organized crime. Training sessions, attended by more than 70 personnel from local law enforcement agencies throughout the state, have had a marked impact on cooperation between those various agencies in dealing with organized crime. We hope that the success of the project will result in a control of organized crime without infringing upon the rights and responsibilities of local law enforcement agencies; in fact, it was representatives of those agencies who initially requested the creation of the system.

In order that this provision not interfere with the improvement of law enforcement capabilities in the war

against crime in the State of Washington, I have vetoed this restrictive appropriation.

Veto
Message

4. Attorney General

On page 4, I have vetoed the proviso on lines 21-26 as follows:

"PROVIDED FURTHER, That in no event shall the billings for legal services made to agencies, departments and institutions of higher learning during 1971-73 exceed a total of \$5,912,936."

The effect of the second proviso is to render ineffective Section 5 of Senate Bill 648, which established a revolving fund for legal services. That section gives a needed degree of flexibility to state agencies which have unforeseen demands for legal services, allowing them to reallocate additional funds for legal services with the approval of the Office of Program Planning and Fiscal Management. The proviso would specify only the amount of funds which would be spent for legal services and no other service, thus, prohibiting either the agency or the Office of Program Planning and Fiscal Management from making transfers in budgeted items for additional legal services which are necessary and which were not foreseen at the time the Budget was prepared. The proviso will not result in any savings and could cause the state to provide inadequate legal services thereby endangering state funds. Consequently, I have vetoed this proviso.

5. Tax Appeals Board

On page 5, line 28, I have vetoed the following proviso:

"PROVIDED, That the operation of the board is to be considered full time, except that no salary will be paid to board members except each member will receive \$75 per day while sitting at the Appeals Board."

The workload of the Tax Appeals Board has increased to the point that the Board must begin full time operations or risk serious delays in reviewing property tax appeals. To meet the massive backlog, and also to insure that taxpayers

will be granted timely hearings, the Board was placed on a full time basis beginning April 1, 1971.

Veto
Message

At the same time that the Board began full time operations, the members were placed on a salary rather than a per diem basis. This was done for several reasons including:

1. At the present time, RCW 82.03.050 permits the Governor to determine whether or not the Board should be operated on a full time basis. The section, however, limits compensation to \$10,000 per fiscal year if the Board members are paid on a per diem basis. The proviso in the Appropriations Act requires the continuation of the payment on a per diem basis, which has the net effect of limiting payment to Board members to \$10,000 per year which would place the Board back on a part-time operational basis.
2. Because of the extremely heavy workload, the members are required to meet on a full time basis. At the present per diem rate of \$75 per day plus expenses of \$15, the members would be paid \$23,400 if they met 260 days per year. Little or no savings would be achieved if Board members were paid on a per diem basis for full time operation.
3. Board members paid on a per diem basis do have the option becoming members of the retirement system but they do not earn annual or sick leave. If the Board is working full time, yet being compensated on a part time basis, members would be treated quite differently from other boards such as the Liquor Control Board and Utility and Transportation Commission members.

In summary, the principal objections to paying members on a per diem basis, as set forth in the proviso are: (1) regardless of the method of payment, the workload requires full time operation of the Board; (2) no monetary savings will result from compensation for a full time Board or a per diem basis; (3) payment on a per diem basis subjects members to inequitable treatment because they cannot earn annual or sick leave as other officers and employees can; and, (4) in view of the compensation limitations in RCW 82.03.050, it would be impossible to operate the Board on a full time basis.

6. Department of General Administration

On page 6, line two, I have vetoed the following proviso:

Veto
Message

"PROVIDED, That \$707,000 shall be allocated to the Division of Banking."

Under the state's Budget and Accounting Act, RCW 43.88, the Governor is responsible for reducing agency expenditures so as not to exceed revenues available in a fiscal period. It is clear that if this proviso were allowed to remain and if it were necessary to reduce expenditures commensurate with a decline in forecasted revenues, it would be necessary for other divisions within the Department of General Administration to absorb the additional savings which would have otherwise been assigned to this division. The potential opportunity for such preferential treatment as presented in the proviso is simply inconsistent with sound administrative procedures.

7. The Cemetery Board

Veto on page 11, line 4, the words "General Fund for."

The funds for operating the Cemetery Board are provided from a special account entitled Cemetery Account. The removal of the words "General Fund for" is intended to correct a drafting error in the bill and to clarify the source of funding for this agency.

8. Department of Social and Health Services - Division of Institutions

On page 13, beginning on line 13, I have vetoed the proviso which states:

"PROVIDED, That it is the intent that the facilities at Fort Worden shall continue to serve it [s] residents to June 30, 1973."

As I indicated in my earlier comments, given the surplus capacity in other state juvenile institutions, the strong need to restore at a future legislative session the proper funding level of the Juvenile Probation Subsidy Program so as to continue to adequately support this innovative treatment program and the shockingly high cost per

resident if Fort Worden were continued in operation, I am vetoing the proviso which would require the state to continue operation of the Fort Worden facility and I have instructed the Secretary of the Department of Social and Health Services to prepare a plan for the orderly phase-out of this facility. In addition, and in order to assist the community of Port Townsend to attract new business to replace the lost state jobs, I have instructed the Director of the Department of Commerce and Economic Development to take positive steps to assist the community to provide other employment opportunities for residents of that community.

Veto
Message

9. Department of Social and Health Services - Division of Institutions

On page 13, beginning on line 21, I have vetoed the proviso dealing with Northern State Hospital.

The legislature has provided \$9.8 million to continue operation of Northern State Hospital for the entire 1971-73 biennium. Based upon a fiscal analysis, it has been determined that the \$9.8 million appropriation is inadequate to fund the operation of Northern State Hospital and provide the proper level of care for patients in that facility. I therefore, am vetoing the provisos which allocate \$9.8 million to operate Northern State Hospital and require the Department of Social and Health Services to study alternative uses of the facility and submit its findings to the 43rd Session of the Legislature and am directing the Secretary of the Department of Social and Health Services to continue to operate Northern State Hospital at a level of expenditure which will insure proper patient care and to further submit to the 1972 Special Session of the Legislature, alternative plans for the use of the Northern State Hospital facilities and for providing the necessary mental health care to residents of that area together with a supplemental budget request which would provide the funds necessary to properly operate the Hospital for the entire 1971-73 biennium.

10. Department of Social and Health Services - Public Assistance

On page 15, line 8, I have vetoed that portion of the language of a proviso designating internal agency management structure. The department and I share the desire that fraud

investigations be centralized in a single administrative unit. While that portion of the proviso is unnecessary, I have not vetoed it. However, the additional requirement that it "shall be directly responsible to an Assistant Secretary of the Department" imposes unnecessary constraints on the Department at a time when they are in the process of organizing to provide optimum services in all the areas of their responsibility. To direct this organizational assignment, out of context, is undesirable. Therefore, a veto of that language, "which shall be directly responsible to an Assistant Secretary of the Department of Social and Health Services:" will retain the legislative intent to centralize the fraud investigation and referral activities but allow the Secretary to place this activity in its appropriate organizational setting.

11. Department of Social and Health Services - Public Assistance

On page 16, line 12, I have vetoed a proviso restricting the use of certain appropriated funds.

The proviso appropriating \$2,836,778 for state funds to finance the "medical-only" program if the United States Department of Health, Education and Welfare does not provide a waiver to the State must be eliminated so that these funds can be utilized to achieve the flexibility necessary to correct other program deficiencies that are inherent in this Budget.

We believe that the United States Department of Health, Education and Welfare should eventually grant the waiver. However, if this is not the case, there are several options for financing the revised medical plan open to the state while this proviso is directed toward only one of those options.

12. Department of Social and Health Services - Public Assistance

On page 16, line 18, I have vetoed a proviso limiting the use of certain appropriated funds.

The appropriation of \$14,058,000 restricted to the purpose of supplying money grants to certain categories of

assistance recipients creates several very difficult problems for the Department. Provision for State Office exceptions on individual cases, aside from being a serious administrative problem, violates State Law under RCW 74.08.040 and violates HEW program regulations 20-7, Title 45, Chapter 11, Part 233.20 (a) (2) (V). Difference in standards within programs as proposed for AFDC-Regular versus AFDC-Employable cases is prohibited unless it can be demonstrated that bona fide differences in requirements actually exist (HEW Handbook IV 4324.28).

Veto
Message

Additionally, the kinds of exceptions envisioned by this proviso would negate much of our efforts toward simplified program standards. Again, simplification is an essential part of our plan to reduce error and fraud in the public assistance system and the savings that I have mentioned previously cannot be attained if this proviso were to remain.

The \$16.8 million contained in the immediately preceding section and this one will be held for additional caseload, or other grant problems. Veto of the restrictions will allow the department to provide the best possible response to legislative intent without jeopardizing our ability to simplify or creating problems with federal compliance.

13. Department of Social and Health Services - Public Assistance

On page 19, beginning on line 3, I have vetoed a proviso relating to day care service.

The proviso establishing demonstration projects providing 24 hour day care services is proposed at a time when the legislature failed to provide adequate funds for on going day care services. However, because I believe that the Department should engage in innovative projects to improve child care services as an adjunct to the goal of providing employment opportunities to all persons who are public assistance recipients, I have instructed the Department to, within means available, engage in selective research projects including a 24-hour day care service project as well as to make improvements in all child care programs.

A veto of the proviso will allow the use of the funds contained in it to help continue ongoing day care services and provide some funds for demonstration projects of the kind intended in the proviso.

14. Department of Social and Health Services

On page 19, beginning on line 7, I have vetoed a proviso establishing an advisory group to the State Public Assistance Advisory Commission. It is inconsistent with SHB 417 which abolished the Public Assistance Advisory Commission as well as other advisory groups to the Department of Social and Health Services and allows the Department to appoint new advisory groups as necessary to carry out the realigned responsibilities of the Department. I have been assured by the department that they plan to include recipients in advisory committees that will conform to the reorganized structure of the department and I have directed the Secretary to assure that adequate recipient representation is provided.

15. Department of Social and Health Services - Public Assistance

On page 20, beginning on line 28, I have vetoed a proviso prohibiting certain uses of Urban, Racial and Rural Disadvantaged appropriation funds.

In the first instance, I have been advised by a number of legislators that the proviso in question was not in the draft copies of the appropriation nor the explanatory material made available to legislators on May 7 and which most legislators reviewed over the weekend prior to the vote on the Budget on May 10. While I am uncertain as to exactly how the proviso became inserted into the final conference version of the report, I am certain that many legislators were not aware of its existence when they voted on the Budget.

Secondly, the Superintendent of Public Instruction and the State Board of Education, as well as a number of local school district superintendents have urged me to veto the proviso because of its possible impact on the total school transportation system in this state.

One of the reasons the Urban, Racial and Rural

Disadvantaged student program was shifted to the Department of Social and Health Services was to allow the state to obtain federal matching funds as a means of paying for the cost of the program. I am gravely concerned that if the proviso were allowed to remain, it would conflict with the recent United States Supreme Court decision giving school boards the discretion of bussing to desegregate schools and could result in total inability to use the appropriation to obtain federal matching funds. This would result in the need to provide additional state tax resources to make up for those federal resources which would be lost because of the conflict.

Veto
Message

Finally, I believe this decision should be left to local school districts who best know their own needs and problems. For these reasons, I have vetoed the proviso.

16. Planning and Community Affairs Agency

On page 22, beginning on line 15, I have vetoed the phrase "of law enforcement agencies of municipal governments."

I am vetoing those words of the proviso which would allocate the additional \$100,000 to meet the problems of drug abuse solely to law enforcement agencies.

The need for additional assistance to many drug abuse programs is evident. These funds will be withheld until the second year of the biennium to be utilized as newly required state matching funds for federal law and justice grants. Flexibility should be maintained to assure that they can be used to meet the highest priority local programs, whether they be in the prevention, rehabilitation or enforcement area, and which will satisfy the federal matching requirements. The vetoed language does not assure that flexibility.

17. Parks and Recreation Commission

On page 23, beginning on line 32, I have vetoed the proviso requiring reopening of two specific parks.

Because of the decline in revenues below estimates and in order to maintain a balance between revenues and

expenditures during 1970, each state agency was requested to reduce expenditures. In order to meet the assigned savings goal, the Parks and Recreation Commission ceased operating five state parks. Given the need for continuing austerity, funds were not included in the budget for the Commission to resume operating these five parks during the 1971-73 biennium. The 1971 Legislature not only reduced the total amount of funds available for operating parks by \$193,898, the Legislature, through the proviso, would divert an additional \$47,000 from operating funds for other parks, to reopen two of the five parks which were closed. Given the critical shortage of funds for park operations, I am vetoing the proviso which would reopen two of the closed parks at the expense of closing or reducing the operations of parks in other parts of the state. In addition, I am requesting the Parks and Recreation Commission to work with other units of government to determine if they could assist in providing needed recreational facilities by reopening, even on a limited basis, parks in their jurisdiction.

18. Department of Commerce and Economic Development

On page 24, beginning on line 20, I have vetoed a proviso requiring use of general funds to operate certain tourist information centers.

The 1971 Legislature directed that 50% of the cost of the Tourism Promotion Program be financed from the Motor Vehicle Fund. In addition, the Legislature directed through the proviso that the state continue to operate five tourist information centers in the state. The purpose of this veto is to allow for the operation of these tourist information centers, but from the Motor Vehicle Fund appropriation rather than the General Fund appropriation as would be required by the proviso directing the agency to continue operating tourist information centers. Because each of the five tourist information centers is located adjacent to an interstate highway, the majority, if not all, of tourists who stop to seek information at these centers are motorists. It seems more appropriate that the operating costs of these centers, because of their relationship to highway travel, be financed from the Motor Vehicle Fund rather than the General Fund appropriation.

19. Colleges and Universities

I have vetoed similar provisos contained in the appropriations act for each of the state colleges and universities, as follows:

Veto
Message

- a. University of Washington, page 27, line 28 to page 28, line 15;
- b. Washington State University, page 30, line 20 to page 31, line 7;
- c. Eastern Washington State College, page 33, line 3 to 23;
- d. Central Washington State College, page 35, line 13 to 33;
- e. The Evergreen State College, page 37, line 22 to page 38, line 9;
- f. Western Washington State College, line 27, to page 39, line 14.

Each proviso would set aside a portion of the operating funds for the college to be held in a reserve status until such time as it can be determined whether or not the number of students actually enrolled during fall of 1971 and forecasted to be enrolled during fall of 1972 are consistent with the number of students for which funds were provided for in the Budget. I wish to make it clear that while I am vetoing this proviso, I endorse the concept of reserving funds as expressed by the proviso until a more accurate determination of enrollment can be made. However, I believe the redistribution of funds between schools is a significant decision which should be made by the entire Legislature, unless timing makes that impossible. Inasmuch as the Legislature will meet in special session in January, 1972, only a few days after the date specified in the proviso, we will have an opportunity to bring this and other fiscal matters before the whole Legislature. Consequently, there is no reason for this procedure to remain in effect. Pursuant to the provisions of Senate Bill 208, (Ch. 40, Laws of 1971, Ex. Sess.) the legislative intent is clear, I concur with it, and will direct the colleges and universities to place the sums contained in the vetoed provisos into reserve. In the event I am satisfied that the criteria relating to enrollment estimates have been met, the funds will be allocated. Otherwise, the entire Legislature will be requested to redistribute these amounts among the schools, or to other programs.

20. Colleges and Universities

Veto
Message

The budgets of five of the colleges and universities contain a proviso which states, "That the increase in tuition and fees shall be phased over a two-year period of time or until a degree is granted to those out-of-state students enrolled during spring quarter of the 1970-71 academic year."

The language of these provisos may be somewhat unclear. While I have not vetoed any portion of the language, I wish to clarify it by indicating what I believe to be clear legislative intent, based upon revenue assumptions contained in the Budget, and communications with legislative committees. It is intended that the increase in tuition for out-of-state (non-resident) students be phased in two steps with approximately one-half the increase in the 1971-72 academic year, and the entire increase to the maximum level established by the 1972-73 academic year. The qualifying language "or until a degree is granted" was intended to shorten the period of phasing for a non-resident student who completes a degree program, and chooses to begin another, and was not intended to lengthen the period of phasing for non-resident students who take more than two years to complete a degree program.

21. Community Colleges

I have vetoed a proviso contained in the appropriation to the community colleges on page 47, line 8, which limits the allocation of certain funds for the second year of the biennium, based on a study of vocational education weighting formulas.

During the 1971 Legislative Session, information was presented indicating that the weighting which provides 1.5 times the funding for costs of vocational technical enrollment than for academic transfer enrollment did not accurately reflect the actual cost to the community college system. As a result, \$3,129,620 representing the cost of additional weighting was placed into a contingent status for allocation by the Governor, by January 1, 1972, subject to approval of the Legislative Budget Committee, based upon a staff study by the Legislative Budget Committee, utilizing procedures and definitions specified by the Council on Higher Education. Based upon my allotment authority, I will direct

the community college system to place this amount into reserve, pending further allocation. My reasons for vetoing this section are similar to the veto of provisions in the budgets of the four-year colleges and universities. I concur with the need for the study, and believe the procedures established by the study are appropriate. If the study shows that the weighting assumed by the Legislature is appropriate, I will allocate the funds. Because the time for allocation is nearly coincident to the 1972 Special Session, if the study indicates that some alternation should be made in the allocation weighting, I will propose a redistribution of funds for the approval of the entire legislature.

Veto
Message

22. Community Colleges

On page 50, beginning on line 29, I have vetoed the words "academic general education and."

The general purpose of the proviso is to establish a higher priority for academic transfer, vocational training courses, and adult basic education, than for lower priority courses in allocating available funds and student spaces. If insufficient spaces are available to serve all students, the proviso requires that "academic general education" and "community service" courses either be discontinued, or continued on a self-supported basis.

The "academic general education" category includes courses which are generally remedial in nature and are not specifically designed for students who will transfer to a four-year institution, for students who want to complete high school, or for adults who want a basic education. These courses do, however, serve to develop the competencies of individuals so that they may effectively participate in future academic transfer courses and perhaps even more importantly assist individuals in gaining the skills necessary so that they may participate in the vocational technical occupational programs of the community colleges. Many of these individuals are referred under such state programs as Vocational Rehabilitation and WIN (Work Incentive, administered by the Department of Employment Security). A listing of the courses shows such titles as elementary algebra, human relations, writing skills development, basic mathematics, fundamental of business mathematics, patterns of writing, English fundamentals, and

effective studies. To eliminate such courses from the community college curriculum or to require that they be supported entirely by the students is to strike at the heart of the program desperately needed by those citizens of the state who have only the community colleges to serve their educational needs; consequently, at the request of both the Council on Higher Education and the State Board for Community Colleges, I am vetoing their inclusion in the category of programs to be either discontinued or made self-supporting. However, I have approved the remainder of the proviso as it relates to "community service" programs.

Veto
Message

It is clear that some courses identified as "academic general education" more properly fit within the "community service" designation, and that this designation varies from college to college. While the answer to this is not to immediately require that all "academic general education" courses be treated as "community service" courses, I will specifically ask the Community College Board to control any redesignation of courses now categorized as "community service" and to provide necessary recommendations and information to the Council on Higher Education to meet the requirements of HCR 7 and to assure that uniform standards for categorizing courses on a uniform basis at all schools is achieved by the 1972 Legislative Session.

23. Special Appropriations

On page 53, line 7, I have vetoed the wording which would require me to distribute the funds provided to partially compensate for the employer contributions to the Public Employees' Retirement Fund. While the funds may ultimately be distributed on a pro rata basis, further time is needed to determine whether special problems exist requiring some other method of distribution. My veto of this section is designed to provide flexibility to distribute the funds in the most desirable manner after we have had the opportunity for further analysis.

24. Teachers' Retirement System

On page 55, beginning on line 25, I have vetoed the entire section appropriating \$20 million for contributions to the Teachers' Retirement System.

The Budget as passed by the 1971 Legislature is in excess of \$22 million out of balance. A preliminary analysis indicates that of this amount, approximately \$15 million is needed to maintain the state \$365 per pupil guarantee for students in kindergarten through the twelfth grade during the 1972-73 fiscal year. It is equally clear that unless the 1972 Special Session of the Legislature adds approximately \$15 million to the Common School Apportionment appropriation, local school districts will either have to reduce the quality of their education programs or increase special levies to supplement the inadequate amount of state funds provided in the Appropriations bill. Because I do not believe it is desirable to reduce the quality of education and because I am opposed to increasing special levies to make up for an inadequate amount of state support, I am vetoing the General Fund appropriation of \$20 million and will ask the 1972 Special Session of the Legislature to make a supplemental appropriation to the Superintendent of Public Instruction to assure that the \$365 per pupil guarantee can be maintained for both years of the 1971-73 biennium. I would like to point out that by vetoing the appropriation to the Teachers' Retirement Fund, it is with complete assurance that pensions payments to retired teachers will be made.

Veto
Message

I recognize that the veto of the appropriation to the Teachers' Retirement System also deletes state funds used to pay one-half of the administrative cost of the system. The appropriation for administration has been left intact. In order to meet the formula for payment of administrative costs contemplated by RCW 41.32.410 and insure that the members of the system will not have to bear an inequitable share of the administrative costs, funds from my emergency fund appropriation will be made available to pay one-half of administrative costs until a supplemental appropriation can be provided by the 1972 Legislature.

25. Unanticipated Receipts

On page 60, line 26, I have vetoed a portion of the section dealing with unanticipated receipts.

During the 1971-73 biennium, the state will receive into its general and other funds from which the Legislature makes appropriations, over \$900 million in federal matching grants and contracts. These funds represent a major source

of support to Public Assistance and other Human Resources programs, public school through education grants, highway construction, and many other programs of state government. Each state agency in their budget request clearly identifies the amount and the purpose of each federal grant that is anticipated to be received by the agency during the biennium. Because the federal appropriations are for only a one-year duration, whereas the state budget is for a two-year period, it is necessary for each agency to estimate the amount of federal funds they will receive. During the course of the biennium as federal appropriations are established, all agencies go through a procedure of reducing or increasing their estimate of federal revenues to reflect final federal grant allocations. Section 109 in its present form would require each state agency to receive the approval of the Legislature, if it is in session, or the Legislative Budget Committee, if the Legislature is not in session, in the event that federal grants are in excess of the amounts anticipated in the budget.

It is clear that the Legislature wants to assure that whenever not specifically precluded by the terms or the nature of the grant the receiving state agency will utilize federal grant funds in excess of amounts estimated in the Budget to support regular state programs, so as to save state tax funds. I am in full agreement with the desirability of using any available federal funds in lieu of state tax resources and have approved that portion of the section which places this requirement on state agencies.

However, the requirement that approval of either the Legislature or the Legislative Budget Committee must be obtained prior to expenditure is unworkable. While I am in agreement with the fundamental principle of government that the Legislature appropriate all funds to be expended, the State of Washington is at a distinct disadvantage compared to those states who have a full time Legislature responding to changes in federal laws, new federal programs or changes in the amount of federal revenues to be allocated to state programs. In order for this state to be able to respond to changing federal conditions, it must have a mechanism whereby federal funds can be utilized in a timely manner. Such a procedure already exists as set forth in RCW 43.79.250-.280 which designates the Governor as the state's agent to receive and deposit in the Treasury, federal funds not anticipated in

the Budget and further allows him to authorize the expenditure of these funds. It is, in essence, this procedure which the state has been following since 1945. The process of determining whether a particular grant is in excess of those estimated in the budget, requiring compliance with this provision is a time consuming process and would result in large numbers of small grants or contract charges being processed through the Legislative Budget Committee. Normal federal allocations to the Department of Public Assistance, which may be in excess of earlier estimates, because of frequent changes in federal regulations and, which must be expended immediately to avoid cash flow problems, could be delayed unnecessarily by requiring committee approval. I see no compelling need to involve a legislative interim committee in the routine bookkeeping task of adjusting revenue estimates to final federal grant allocations and the potential delays and administrative burdens seem highly desirable. Therefore, I have vetoed a portion of Section 98 requiring such prior approval.

Veto
Message

I have approved the provision in Section 47 which requires quarterly review by the Legislative Budget Committee of allocations of the Law and Justice Committee, which represents the most significant new federal program. I have also directed the Office of Program Planning and Fiscal Management to develop improved information for both the 1972 and 1973 Session of the Legislature on new federal programs, and I believe these two procedures will provide more meaningful information to the Legislature than the controls in Section 98.

26. Salaries

On page 63, line 16, I have vetoed Section 107 which was intended by the Legislature to preclude those state employees who are not under the jurisdiction of either the State Department of Personnel or the Higher Education Personnel Board from receiving a salary increase as long as they remain in the same job classification. Employees which would presumably be affected by this section include college and university faculty members and employees exempt from Civil Service status in state agencies. Based upon informal advice from the Attorney General, it is clear that the language of the section is so defective as to accomplish the exact opposite of that intended by the Legislature. The

essence of the advice from the Attorney General is that the only state employees in a job classification are those employees in the classified service, as classified by the Department of Personnel or the Higher Education Personnel Board and that faculty members and exempt personnel are not in the category which can be construed to be a job classification. If the section were allowed to remain, it would result in the withholding of regular merit salary increases to employees in the classified service, a result specifically rejected by vote in the Senate, while not prohibiting a salary increase for non-classified personnel.

Veto
Message

Because this section so clearly has the opposite effect from that intended and because it is so discriminatory in its application to some employees and not others and finally because if implemented, it would create chaos in salary administration for classified employees, I am vetoing the entire section.

27. Travel

On page 67, line 29, I have vetoed a portion of the section which establishes procedure dealing with out-of-state travel.

While I concur with the legislative intent of Section 109 to reduce the amount of state funds expended for out-of-state travel, I do not concur with the Legislature's intent to apply these restrictions to executive branch agencies or the method expressed in the section for controlling out-of-state travel. I believe it is equally desirable to reduce the out-of-state travel for all agencies of state government and not just those agencies which are part of the executive branch of government. The control procedure set forth in the act would require the Director of the Office of Program Planning and Fiscal Management to become unduly preoccupied in reviewing and approving each request for out-of-state travel to the extent that it will be necessary to sacrifice more important and economically beneficial activities. From another standpoint, it is an absurdity to expect someone from the Budget Office to determine the priority of individual trips related to scholarly and research pursuits in our colleges and universities. I expect each agency head to manage the internal affairs of the agency for which he is responsible,

and to take the steps necessary to reduce the amount of out-of-state travel in his agency so that it is unnecessary to establish a centralized approval procedure. I have allowed to remain in this section the requirement that each agency submit a monthly out-of-state travel report to the Office of Program Planning and Fiscal Management which will be forwarded to the 1973 Session of the Legislature and the Legislative Budget Committee. I believe that by making agency heads responsible for the control of out-of-state travel and by allowing the reporting requirements to remain in the section, agency heads will be able to achieve a more effective utilization of out-of-state travel than could possibly be achieved through a centralized control procedure.

Veto
Message

28. Internships

I have vetoed Section 112 which prohibits expenditure of state funds for student internships in state government. The Legislature during the past session utilized a large number of student interns. The Conference Committee which dealt with the Budget inserted this proviso which had been in no other version of the Budget, and it was not discussed on the Floor. Apparently, the members of the Conference Committee take the position that what is good for the Legislature is not good for the Executive Branch. I do not agree. Intern programs have played an essential role in the entire educational process, providing relevant experience for the student with substantial return to the state at minimal state cost. Work study programs, which play a growingly important role in educational programs would be eliminated. While emphasis is placed on opportunities which can be funded entirely with non-state funds, in many instances some state participation is essential. For example, the state participates in a program with the American Industrial Development Council and the Economic Development Administration to train an American Indian for subsequent work in industrial development on Indian Reservations. The state is required to pay one-half of the salary of the intern, receives valuable service from him during his period with state government, and will receive substantial long-term benefit from his training. This proviso would require breaching our commitment to the participants in this program without completing it. Additionally, it would require breaching a commitment with other interns already hired, with little financial savings. This proviso represents unwise

policy, inserted at the last minute by the Conference Committee, and has therefore been vetoed.

Veto
Message

29. Salaries

I have vetoed Section 113, which was intended by the Legislature to preclude the payment of salary increases to those state employees paid from appropriated funds who earn in excess of \$15,000 a year. Based upon informal advice received from the Attorney General, it is clear that this section, like Section 107, has some effects which were not anticipated by the Legislature. In essence, this section would not apply uniformly to all state employees. For example, employees paid from such non-appropriated funds as the Central Stores Revolving Fund, the Printing Revolving Fund, Horticultural District Funds, Agricultural Local Funds, Commodity Commission Funds, Farm Revolving Fund, all college and university Local Plant Funds, all college and university grant and contract funds, Washington State Historical Association Local Museum Fund, the Eastern Washington Historical Society Local Museum Fund, the Forest Insect Disease Control Fund, the Clark-McNary Fund, the Forest Assessment Fund, the Log Patrol Revolving Fund, the State Forest Nursery Fund, the Slash Clearance Fund, and the Forest Access Revolving Fund would not be affected because these employees are not paid from funds contained in this bill.

While there are sufficient technical errors alone in the section to warrant its veto, I am equally concerned about the effect that the section would have on the quality of leadership in state government if such a section were allowed to remain. During the past six years, this administration has diligently worked to attract fresh leadership, people with innovative ideas who are willing to make the effort necessary to make state government more responsive to the public. This fresh leadership has resulted in a whole new way of caring for those who are retarded, for those who are affected with mental illness, for those juveniles and adults who have violated the law. It has resulted in increasing relevance in the instructional programs of the state colleges and universities. It has resulted in more vigorous efforts to clean up this state's air and water. I believe the citizens of this state can be justifiably proud of these and the many other changes which this new leadership has accomplished in response to an era marked by unprecedented

economic growth and an equally unprecedented decline in employment and by social disorder and unrest. I am simply unwilling to follow the legislative suggestion that we reward the hard work and dedication of these employees by limiting their opportunity to continue to receive any merit adjustments which other employees would continue to receive.

Veto
Message

Therefore, I have vetoed Section 113 in its entirety.

With the exception of the items described above, the remainder of the bill is approved."

CHAPTER 276
[Substitute House Bill No. 152]
CAPITAL BUDGET

AN ACT Adopting the capital budget; making appropriations for capital improvements; authorizing certain projects; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. That a capital budget is hereby adopted and subject to provisions hereinafter set forth the several amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for capital projects during the period ending June 30, 1973, out of the several funds hereinafter named:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

	Reappro-	From the	From the
	priations	Fund Designated	General Fund
Acquire land and buildings, repair buildings, provide drainage facilities, relocation of utilities, other improvements, East Capitol Site			
General Fund		876,096	
Remodel and repair Capitol buildings, offices and			