



STATE OF WASHINGTON
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May 13, 2021

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 4, 5, 6, and 7, Second Substitute Senate Bill No. 5368 entitled:

“AN ACT Relating to encouraging rural economic development.”

Section 4 of this bill would allow the Public Works Board (Board) to award funding for broadband infrastructure to cities, towns, and counties found to be in noncompliance with the growth management act (GMA). Current law prohibits any funding distributed by the Board to go to a GMA noncompliant jurisdiction unless that funding is necessary to address a public health need or substantial environmental degradation. The new exception provided here does not rise to the same level of urgency established in current law. In addition, an underpinning of the GMA has been that GMA noncompliant jurisdictions are unable to access various forms of infrastructure funding. Broadband is critical infrastructure comparable to roads, bridges, and water systems, and should be treated the same before the Board.

Section 5 prohibits the Community Economic Revitalization Board (CERB) from considering compliance with the GMA as a factor in awarding broadband funding to counties, cities, and towns. CERB does not currently consider the GMA in making funding decisions. This new prohibition is unnecessary.

Section 6 prohibits the Utilities and Transportation Commission (UTC) from considering compliance with the GMA as a factor in awarding broadband funding to counties, cities, and towns. The only funding that the UTC distributes for broadband is the Universal Service Fund (USF). Local governments are not eligible applicants to that program. The USF awards subsidies to small, private telecommunications providers. This new prohibition is also unnecessary.

Section 7 prohibits the Department of Commerce from considering compliance with the GMA as a factor in awarding broadband funding to counties, cities, and towns. Commerce is not currently bound to any consideration of GMA compliance in its decision-making regarding broadband projects. The agency has appropriate autonomy to consider the individual merits and relative benefits of each application for broadband funding. Retaining a high-level of discretion within the agency is desirable to ensure the best and highest use of scarce resources.

For these reasons I have vetoed Sections 4, 5, 6, and 7 of Second Substitute Senate Bill No. 5368.

With the exception of Sections 4, 5, 6, and 7, Second Substitute Senate Bill No. 5368 is approved.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jay Inslee", is written over a faint, circular watermark or seal.

Jay Inslee
Governor