

with approved agencies or organizations to provide extended sheltered employment to any disabled individual who meets the conditions of the bill. Additionally, the bill mandates the Division to provide \$250 per year "to the sheltered workshop for each disabled person" in its employ.

I veto this bill reluctantly as I am in agreement with the intentions which underly it, i.e., to assist in the provision of services to individuals employed or eligible for employment in sheltered workshops. I believe that the sheltered workshops within this State offer a vitally necessary service to handicapped individuals. I also understand that it is becoming increasingly difficult to financially sustain the segment of the workshop population for whom the rehabilitation process is a lengthy one.

However, there is no funding in the FY 1980 budget for this purpose and federal regulations preclude the Division of Vocational Rehabilitation from expanding any federal funds in the manner required by the bill. Therefore, if approved, House Bill 578 would mandate the State to expend, as of FY 1981, 100% State funds on a program without the benefit of the multiplying effect of any matching federal dollars.

I am exceedingly reluctant to approve mandatory funding provisions, even for admittedly worthwhile programs; unless satisfied that there is no reasonable alternative; the fiscal precedent which such provisions establish are potentially ruinous. In this instance, I am not satisfied that there is no reasonable alternative. Therefore, instead of approving a mandatory funding measure which would be implemented prior to FY 1981, I am instructing my Office of the Coordination of Services for the Handicapped, with the full cooperation of all appropriate executive branch agencies, to investigate the availability of alternative sources of federal assistance to the workshops and recommend an appropriate level and usage of State funds for my consideration for inclusion in the FY 1981 budget.

For these reasons, I have decided to veto House Bill 578.

Sincerely,
Harry Hughes
Governor