

# HOUSE BILL REPORT

## ESHB 2950

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*As Passed Legislature*

**Title:** An act relating to state general obligation bonds and related accounts.

**Brief Description:** Changing the authorization for general obligation bonds.

**Sponsor(s):** By House Committee on Capital Facilities & Financing (originally sponsored by Representatives Rasmussen and H. Sommers; by request of Office of Financial Management).

**Brief History:**

Reported by House Committee on:  
Capital Facilities & Financing, February 19, 1992, DPS;  
Passed Legislature.

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**HOUSE COMMITTEE ON  
CAPITAL FACILITIES & FINANCING**

**Majority Report:** *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 9 members: Representatives H. Sommers, Chair; Rasmussen, Vice Chair; Braddock; Fraser; Heavey; Jacobsen; Ogden; Peery; and Wang.

**Minority Report:** *Do not pass.* Signed by 6 members: Representatives Schmidt, Ranking Minority Member; Neher, Assistant Ranking Minority Member; Beck; Brough; Casada; and Silver.

**Staff:** Bill Robinson (786-7140).

**Background:** The state of Washington periodically issues general obligation bonds to finance capital construction projects throughout the state. The specific legislative approval of a capital project is contained in the capital appropriation act. Those appropriations requiring state bonding depend on legislation authorizing the sale of bonds. Bond authorization legislation requires a 60 percent majority vote in both the House of Representatives and the Senate.

**Summary of Bill:** Chapter 31, Laws of 1991 (the 1991 bond bill) is amended to increase the amount of bond

authorization by \$189 million to finance the 1992 supplemental capital budget. Of the total increased bond authority, \$48 million is transferred into the state building construction account, \$135.5 million into the common school reimbursable construction account, \$3.2 million into the data processing construction account, and \$900 thousand into the Washington State dairy products commission projects account.

If Senate Bill 6285 becomes law and changes the disposition of higher education operating fees from the general fund to another account, the debt service on the 1991 higher education bonds will be paid proportionally from the University of Washington operating fee account, the Washington State University operating fee account, and the Central Washington University operating fee account. The authorization for \$2.4 million from the wildlife reimbursable construction account is deleted.

The data processing building construction account and the Washington State dairy products commission facility account are created as appropriated accounts to fund capital projects. The Office of Financial Management must certify that the Washington State Dairy Products Commission has sufficient revenues in its operating fund to pay debt service prior to the issuance of bonds. The two accounts may retain all interest earnings.

The water pollution control revolving fund, the public facilities construction loan revolving account, and the Washington State development loan fund are changed from non-appropriated funds to appropriated funds.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** None.

**Testimony Against:** None.

**Witnesses:** None.