

HOUSE BILL REPORT

HB 2950

*As Reported By House Committee on:
Capital Facilities & Financing*

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

Brief Description: Changing the authorization for general obligation bonds.

Sponsor(s): 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.

**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 Substitute Bill: Chapter 31, Laws of 1991 (the 1991 bond bill) is amended to increase the amount of bond authorization by \$167 million to finance the 1992 supplemental capital budget. Of the total increased bond

authority, \$124 million is transferred into the state building construction account, \$135.5 million into the common school reimbursable construction account, \$5.2 million into the data processing construction account, and \$800 thousand into the Washington State dairy products commission projects account.

The bond authorization for \$98.6 million in higher education tuition reimbursable bonds is deleted. The funding for these capital projects is transferred to the state building construction account in the 1992 supplemental capital budget. 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 of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: None.

Testimony Against: None.

Witnesses: None present.