

HOUSE BILL REPORT

HB 2394

As Reported By House Committee On: Appropriations

Title: An act relating to consolidating the operating funding structure of the department of general administration.

Brief Description: Consolidating general administration funds and accounts.

Sponsors: Representatives Alexander, D. Schmidt, H. Sommers, Gardner, Doumit, Lambert and Thompson; by request of Department of General Administration.

Brief History:

Committee Activity:

Appropriations: 1/28/98, 2/3/98 [DPS].

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 30 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Parlette; Poulsen; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

Staff: Joe Hauth (786-7271).

Background: The Department of General Administration (GA) provides a variety of services to state agencies including: engineering and architectural services; maintaining capitol facilities; leasing property; procuring goods and services; processing mail; operating the state motor pool; managing insurance claims against the state; and distributing food commodities. The department operates several internal service funds that generate revenues through rates or fees for services. The department conducts most of its operations through the following appropriated and non-appropriated accounts:

- The motor transport account, used for operating the motor transport division, including salaries and wages, administrative expenses, overhead, the cost of replacement vehicles, and any other expenses;

- The general administration management fund, used for paying all costs incurred by the department in operating real estate for state agencies;
- The facilities and services revolving fund, used for providing services, equipment, and supplies to state agencies;
- The central stores revolving fund, used for purchasing and selling supplies to state agencies, and paying salaries and other costs related to operating central stores;
- The surplus property purchase revolving fund, used for acquiring federal surplus property for resale to eligible donees, including state agencies, local governments and others; and
- The risk management account, used for operating the state's self-insurance program.

Summary of Substitute Bill: The general administration services account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. The department must use the account for all activities previously budgeted and accounted for in the motor transport account, the general administration management fund, the facilities and services revolving fund, the central stores revolving fund, the surplus property purchase revolving fund, and the risk management account.

The director of the Office of Financial Management must approve any change in the method of calculating charges for services provided in the general administration services account that were previously provided through the general administration facilities and services revolving fund.

A \$50,000 per biennium limit to cover unusual or unexpected expenses connected with space occupancy that cannot be directly charged to any specific state agency is removed. The director of GA no longer has to transfer surplus moneys in the general administration management fund to the general fund.

Several provisions authorizing the creation, deposit, or disbursement of moneys from the surplus property revolving fund and the central stores revolving fund are repealed.

Substitute Bill Compared to Original Bill: The substitute clarifies that the account is a nonappropriated account created in the custody of the state treasurer, rather than in the state treasury. Only the director or director's designee may authorize expenditures from the account.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect July 1, 1999.

Testimony For: Consolidating funds within the department will reduce paperwork and reporting requirements without a loss of accountability.

Testimony Against: None.

Testified: Rep. Gary Alexander (prime sponsor); and Ron McQueen, Department of General Administration.