

HOUSE BILL REPORT

HB 1739

As Reported by House Committee On: Appropriations

Title: An act relating to funding services within the department of general administration.

Brief Description: Funding services within the department of general administration.

Sponsors: Representatives Alexander, Sommers, Romero and Hunt; by request of Department of General Administration.

Brief History:

Committee Activity:

Appropriations: 2/19/03, 2/20/03 [DPS].

Brief Summary of Substitute Bill

- Eliminates the requirement that the Department of General Administration obtain an appropriation to purchase additional vehicles for the state motor pool or repay an appropriation for an additional vehicle purchase.
- Eliminates credits for transferring vehicles into the state motor pool.
- Creates the Commemorative Works Account to be used by the Department of General Administration for the ongoing care, maintenance, and repair of future commemorative works on the state capitol grounds. Allows the Commemorative Works Account to retain its interest earnings.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Buck, Clements, Cody, Conway, Cox, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman, Schual-Berke, Sump and Talcott.

Staff: Holly Lynde (786-7153).

Background:

The Department of General Administration (Department) is charged with a variety of duties, including fleet management and facilities services.

State Motor Pool

The state motor pool was created in 1975 within the Department to provide motor pool transportation services to state agencies. The 1,400 passenger motor vehicles in the state motor pool are driven approximately 21 million miles each year. Ten percent of the fleet is available for rental; the rest is permanently assigned to other state agencies, although the Department maintains and replaces these vehicles on a fee-for-service basis.

To replace a vehicle that is past its useful life or has been damaged beyond recovery, the Department does not need an appropriation from the Legislature. However, an appropriation is required to purchase additional vehicles. The Department charges mileage and rental fees to agencies for using motor pool vehicles. The fees range from \$12 to \$23 per day, plus between \$0.11 and \$0.21 per mile, depending on the type or class of vehicle and are designed to cover vehicle operation, depreciation, overhead, nonrecoverable collision or damage, and replacement.

When the state motor pool was created, most state agencies transferred their motor pool vehicles to the Department. When an agency transfers a vehicle to the Department, if the original agency acquired the vehicle without cost or purchased the vehicle with a general fund appropriation, the Department credits the original agency the value of the vehicle rather than purchasing the vehicle outright.

Commemorative Works on the Capitol Campus

There are currently 19 commemorative works located on the Capitol Campus. The oldest was erected in 1938; the most recent in 1999. The funding to maintain and repair these commemorative works is appropriated by the Legislature in the General Administration Services Revolving Account through Seat of Government charges.

Summary of Substitute Bill:

State Motor Pool

The requirement that the Department obtain an appropriation from the Legislature to add a vehicle to the existing motor pool fleet is eliminated. The Department will use rental and mileage fees charged to state agencies to purchase additional vehicles for the state motor pool and so will set the fees accordingly.

The Department is also no longer required to:

- credit other state agencies for vehicles transferred to the state motor pool;
- repay any appropriation for an additional vehicle purchase from the surpluses of the General Administration Services Account; or
- maintain a motor pool for state agencies located in Seattle.

Commemorative Works on the Capitol Campus

The Commemorative Works Account, a nonappropriated account, is created to fund the ongoing care, maintenance, and repair of future commemorative works on the state capitol grounds. The account retains the interest on its earnings.

Substitute Bill Compared to Original Bill:

The substitute bill clarifies that the funding in the Commemorative Works Account is solely for the purpose of maintaining any commemorative works built on the capitol campus in the future. It also clarifies that the revenues to the account are private donations or any other funds appropriated or deposited into the account.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill is a financial management effort to streamline and improve the GA's business and financial practices. It aligns the motor pool with the rest of the Department's businesses, which have shifted from an allocation method to a fee-for-service method to be market-driven and performance-based in delivering services to customers. This bill would also allow the Department to have the mechanism to receive fund from donors to provide for the ongoing maintenance of commemorative works.

Testimony Against: None.

Testified: Ron McQueen, Department of General Administration.