

HOUSE BILL REPORT

ESSB 5086

As of Second Reading

Title: An act relating to the capital budget.

Brief Description: Concerning the capital budget.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Honeyford and Frockt; by request of Office of Financial Management).

Brief History:

Committee Activity:

None.

Brief Summary of Engrossed Substitute Bill

- Authorizes new appropriations of \$3.99 billion, of which \$2.54 billion is financed with state general obligation bonds, and reappropriations of \$2.7 billion for capital projects in the 2017-19 fiscal biennium.
- Authorizes state agencies to enter into alternative financing contracts totaling \$171 million.
- Reduces new appropriations by \$870,000 and reduces reappropriations by \$8.9 million in the 2015-17 fiscal biennium.

Staff: Melissa Palmer (786-7388).

Background:

Washington operates on a biennial budget cycle. The Legislature authorizes expenditures for capital needs in the State Omnibus Capital Appropriations Act (Capital Budget) for a two-year period, and authorizes bond sales through passage of a bond bill associated with the Capital Budget to fund a portion of these expenditures. Historically, over half of the Capital Budget is financed by these state-issued general obligation bonds, and the balance is funded by dedicated accounts, trust revenue, and federal funding sources. The primary two-year budget is passed in the odd-numbered years, and a supplemental budget making adjustments to the two-year budget is often passed during the even-numbered years. The current 2015–17 Capital Budget covers the period from July 1, 2015 through June 30, 2017. The 2017–2019 Capital Budget covers the period from July 1, 2017 through June 30, 2019.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Capital Budget includes appropriations for the acquisition, construction, and repair of capital assets such as state office buildings, prisons, juvenile rehabilitation centers, residential habilitation centers, mental health facilities, military readiness centers, and higher education facilities. The Capital Budget also funds a variety of environmental and natural resource projects, parks and recreational facilities, public K-12 school construction, and grant and loan programs that support housing, public infrastructure, community service facilities, and art and historical projects.

Summary of Bill:

The 2017–19 Capital Budget authorizes new appropriations totaling \$3.99 billion, of which \$2.54 billion is financed with state general obligation bonds. It authorizes state agencies to enter into a variety of alternative financing contracts totaling \$171 million. It also authorizes reappropriations totaling \$2.7 billion for uncompleted projects approved in prior biennia. The 2017 Supplemental Budget has a net decrease in new appropriations of \$870,000. It also reduces reappropriations by \$8.9 million.

Appropriation: The sum of \$3.99 billion in new appropriations and \$2.7 billion in reappropriations in the 2017-19 biennium and reduces \$870,000 million in appropriations and reduces \$8.9 million in reappropriations in the 2015-17 biennium.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.