

HOUSE BILL REPORT

ESSB 6095

As Passed House - Amended:
February 27, 2018

Title: An act relating to the capital budget.

Brief Description: Concerning the supplemental capital budget.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Frockt, Mullet, Liias, Keiser and Saldaña; by request of Office of Financial Management).

Brief History:

Committee Activity:

None.

Floor Activity:

Passed House - Amended: 2/27/18, 95-3.

Brief Summary of Engrossed Substitute Bill
(As Amended by House)

- Authorizes new appropriations totaling \$376.8 million, including alternative financing.
- \$208.1 million of the new appropriations are financed with state general obligation bonds.
- Authorizes state agencies to enter into alternative financing contracts totaling \$64.6 million.

Staff: Melissa Palmer (786-7388).

Background:

Washington operates on a biennial budget cycle. During odd-numbered fiscal years, the Legislature historically authorizes expenditures for capital needs in the 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

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expenditures. 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, recreational facilities, and public schools.

Historically, over one-half of the Capital Budget is financed by these state-issued general obligation bonds, and the remaining portion is funded by dedicated accounts, trust revenue, and federal funding sources. During even-numbered fiscal years, the Legislature historically enacts a supplemental budget making adjustments to the two-year budget. The Legislature did not authorize a Capital Budget or bond sales during the 2017 Legislative Session. In January 2018, during the 2018 Legislative Session, the Legislature authorized \$2.93 billion in general obligation bonds and appropriated \$4.2 billion in total funds for a 2017-19 biennial Capital Budget, of which \$2.72 billion is financed through general obligation bond proceeds. The current 2017-19 biennium covers the period from July 1, 2017, through June 30, 2019.

Summary of Bill:

The bill as amended by the House authorizes a 2018 Supplemental Capital Budget that includes new appropriations totaling \$376.8 million, of which \$208.1 million is financed with state general obligation bonds. It authorizes state agencies to enter into a variety of alternative financing contracts totaling \$64.6 million. It amends provisions in the enacted 2017-2019 Capital Budget, including reports due dates.

Appropriation: The sum of \$376.8 million.

Fiscal Note: Not requested.

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