

HOUSE BILL REPORT

HB 1497

As Reported by House Committee On: Capital Budget

Title: An act relating to the capital budget.

Brief Description: Adopting a 2011-2013 capital budget.

Sponsors: Representatives Dunshee and Warnick; by request of Governor Gregoire.

Brief History:

Committee Activity:

Capital Budget: 1/27/11, 2/1/11, 4/5/11, 4/12/11 [DPS].

Brief Summary of Substitute Bill

- The 2011-13 Capital Budget authorizes \$3.1 billion in new capital projects, of which \$1.4 billion are financed with new state general obligation bonds.
- The 2011 Supplemental Capital Budget reduces 2009-11 capital budget appropriations by \$33.3 million.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Warnick, Ranking Minority Member; Zeiger, Assistant Ranking Minority Member; Asay, Jinkins, Lytton, Moeller, Pearson, Smith and Tharinger.

Staff: Susan Howson (786-7142).

Background:

The programs and agencies of state government are funded on a two-year basis, with each biennium beginning on July 1 of each odd-numbered year. 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

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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.

The sources of funding for the Capital Budget primarily are state general obligation bonds, trust revenues, and dedicated fees and taxes.

Summary of Substitute Bill:

The 2011-13 Capital Budget authorizes \$3.1 billion in new capital projects, of which \$1.4 billion are financed with new state general obligation bonds. Reappropriations of \$2.4 billion are authorized for projects approved in prior biennia. State agencies are also authorized to enter into a variety of alternative financing contracts. The 2011 Supplemental Capital Budget reduces 2009-11 capital budget appropriations by \$33.3 million.

Substitute Bill Compared to Original Bill:

The substitute bill changes the appropriation and funding sources for various capital projects and programs.

Appropriation: The sum of \$3.1 billion in new appropriations and \$2.4 billion in reappropriations.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately, except for sections 7023 through 7026, relating to higher education facility maintenance, which take effect July 1, 2011, section 7032, relating to the general revenue, which takes effect June 30, 2013, and section 7035, relating to the public works assistance account, which takes effect June 30, 2011.

Staff Summary of Public Testimony:

Please refer to the January 27, 2011, February 1, 2011, and April 5, 2011, recordings of the Public Hearing.

Persons Testifying: (In support of PSHB 1497) Gerry Alexander, Washington State Supreme Court; Jerri Honeyford, Washington Trust for Historic Preservation; Bobby Moore, Village Green Foundation; Leslie Owen, Safeplace; Julie Garver, The Evergreen State College; Steve Dupont, Central Washington University; Eric Erler, Capital Land Trust and Washington Association of Land Trusts; Wayne Marrion, Rocky Mountain Elk Foundation; Lori Flemm, Lacey Parks and Recreation Department; Paul Purcell, Beacon Development; Chris Pegg, Longview Housing Authority; Brian Thane, Washington Farmworker Housing Trust; Lance Moorehouse, King County Parent Coalition and Arc of King County; Michael

Moran, Second Harvest; Jan Navarre, Provail; Sandi Swarthout, School Construction Funding Project; Hugh Ewart, Seattle Children's Hospital; Bill Robinson, The Nature Conservancy; Seth Dawson, Washington Community Action Partnership; Chris Mulich, Washington State University; Doug Levy, Recreational Boating Association of Washington; Cliff Webster, Northwest Marine Trade Association; Scott Sigmon, Coastal Conservation Association; Josephine Tamayo Murray, Catholic Community Services; Dan Steele, Washington Association of School Administrators; Tom Siegel, Bethel School District; Hillary Stern, Casa Latina; Gordon Beck, Office of Superintendent of Public Instruction; Ashley Probart, Association of Washington Cities; Stan Bowman, American Institute of Architects Washington Council; Rick Slunaker, Associated General Contractors of Washington; Terry Tilton, Washington State Building and Construction Trades Council; Joe Gruber, Seattle University District Food Bank; Cindy Zehnder, Lewis County Public Utility District; Steve Lindstrom, Smoking Water District Coalition; Michael Transue, Tacoma-Pierce County Chamber of Commerce; and Ray Toleacher, Prosser School District.

(In support of original bill) Nick Federici, Low Income Housing Alliance; Paul Purcell, Becan Development Group; Brien Thane, Washington Farmworker Housing Trust; Kim Herman, Washington State Housing and Finance Commission; Jacob Jackson, Pierce County Skills Center; Steve Gorcester, Association of Washington Cities; Bill Robinson, The Nature Conservancy; Mo MicBroom, Washington Environmental Council; Connie Brown, Tacoma Pierce County Affordable Housing Consortium; Cliff Webster, Northwest Marine Trade Association; Rick Slunaker, Association of General Contractors of Washington; Harry Hoffman, Seattle-King County Housing Development Consortium; Marty Brown, Office of Financial Management; Tim Yeomans, Meridian School District; Rich Hadley, Greater Spokane Incorporated; Brad Pope, Group Health; Lee Harper, Betsy Davis, and Les Bolton, Heritage Capital Projects Fund; John Hurley, The Evergreen State College; Terry Willis, Chehalis Basin Flood Authority; Laura Foulter, Lewis County Public Utility District; Michael Moran, Second Harvest; and Jim Cahill, Puget Sound Partnership.

(In support with concerns on original bill) Dan Steele, Washington Association of School Administrators; Marie Sullivan, Washington State School Director's Association; Mitch Denning, Alliance of Educational Associations; Gordon Beck, Office of Superintendent of Public Instruction; Greg Brown, Spokane School District; and Ben Ramirez, Sara Garza, Stacy Locke, and Jordan Lerhman, Yakima School District.

(With concerns on PSHB 1497) Margaret Shepart, University of Washington; Sherry Burkey, Western Washington University; and David Buri, Eastern Washington University.

(With concerns on original bill) Sean Eagan, Port of Tacoma; Johan Hellman, Washington Public Ports Association; Gary Hanson, Rocky Mountain Elk Foundation; Ray Towrey, Ephrata Washington Recreation and Parks Association; Robert Schmid; Jeri Honeyford, Heritage Capital Projects Fund and Washington Trust for Historic Preservation; Sherry Burkey, Western Washington University; Margaret Shepard, University of Washington; and Steve Dupont, Central Washington University.

(Opposed to PSHB 1497) Dwight Gee, Building for the Arts; Claudia Stelle, Coyote Central; Wayne Gilham, Tacoma Musical Playhouse; Greg Robinson, Bainbridge Art Museum; and Cathryn Vandenbrink, Artspace.

(Opposed to original bill) James Rasmusson, Duwamish River Cleanup Coalition; Chris Moore and Phil Johnson, Washington Trust for Historic Preservation; Valerie Steele; David Mitchell, Olympic College; Wayne Doty, State Board for Community and Technical Colleges; Chris Mulick, Washington State University; and Ryan Betz, Boys and Girls Club of America.

(Commented on PSHB 1497) Paul Locke and Charlie Earl, State Board for Community and Technical Colleges.

(Commented on original bill) Tom Seigel, Bethel School District; Mary Pontarolo, Safe Place; Jon Tunheim, Thurston County Prosecuting Attorney; Zachery Carstensen, Jewish Federation of Greater Seattle; and David Buri, Eastern Washington University.

(Other on original bill) Seth Dawson, Washington State Coalition for the Homeless.

Persons Signed In To Testify But Not Testifying: None.