

# HOUSE BILL REPORT

## ESHB 2921

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### As Amended by the Senate

**Title:** An act relating to fiscal matters.

**Brief Description:** Making 2010 supplemental operating appropriations.

**Sponsors:** House Committee on Ways & Means (originally sponsored by Representatives Linville, Darneille, Ericks, Pettigrew, Probst, Haigh, Sullivan, Kelley and Wallace).

**Brief History:**

**Committee Activity:**

Ways & Means: 1/19/10, 1/20/10 [DPS].

**Floor Activity:**

Passed House: 1/22/10, 77-19.

Passed Senate: 2/9/10, 45-3.

<p><b>Brief Summary of Engrossed Substitute Bill</b></p> <ul style="list-style-type: none"><li>• Makes changes to the 2009-11 biennial operating budget.</li></ul>
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### HOUSE COMMITTEE ON WAYS & MEANS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 20 members: Representatives Linville, Chair; Ericks, Vice Chair; Sullivan, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Cody, Conway, Darneille, Haigh, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Ross, Schmick and Seaquist.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Chandler and Hinkle.

**Staff:** Charlie Gavigan (786-7340).

**Background:**

The state government operates on a fiscal biennium that begins July 1 of each odd-numbered year. The 2009-11 biennial operating budget appropriated \$31.4 billion from the State

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*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.*

General Fund and two other accounts, referred to as Near General Fund-State. The total budgeted amount, which includes state and federal funds, is \$58.7 billion.

**Summary of Engrossed Substitute Bill:**

Appropriations are modified for the 2009-11 biennium. Near General Fund-State appropriations are reduced by \$45.4 million. Total budgeted funds decrease by \$54.8 million.

State agencies are prohibited, except for a number of exemptions, from creating new positions and filling vacant positions, from entering into personal service contracts, from purchasing equipment over \$5,000, and from paying for out-of-state travel for the remainder of the biennium. An exception process is established for critically necessary work of an agency when approved by the director of the Office of Financial Management for non-judicial and non-legislative agencies, the Chief Justice of the Supreme Court for judicial agencies, and the Secretary of the Senate and Chief Clerk of the House of Representatives for legislative agencies. Authorized exceptions must be published electronically at least quarterly on the state fiscal website.

The provisions prohibiting hiring, personal service contracts, equipment purchases over \$5,000, and out-of-state travel, with a number of exemptions, along with the exception process, take effect thirty days after the effective date of the act.

**EFFECT OF SENATE AMENDMENT(S):**

The Senate adopted two amendments from W&M and one floor amendment.

- Exempts the commodity commissions and agricultural inspection programs from the limitations on new hires, personal services contracts, equipment purchases, and out-of-state travel and training.
- Exempts the Joint Transportation Committee from the restrictions on personal services contracts.
- Authorizes the director of the Office of Financial Management to appoint a designee for purposes of approving exceptions to the limitations on new employee hires, personal services contracts, equipment purchases, and out-of-state travel and training.

**Appropriation:** Please see the bill.

**Fiscal Note:** Not requested.

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

**Staff Summary of Public Testimony:**

Please refer to the January 19, 2010 hearing recording.

**Persons Testifying:** (In support with concerns) Dan Speigle, Office of the Secretary of State.

(Opposed) Mo McBroom, Washington Environmental Council; and Bill Robinson, The Nature Conservancy.

**Persons Signed In To Testify But Not Testifying:** None.