
Capital Budget Committee

HB 1075

Brief Description: Concerning the capital budget.

Sponsors: Representative Tharinger; by request of Office of Financial Management.

Brief Summary of Bill

- Authorizes new appropriations of \$4.2 billion and reappropriations of \$2.8 billion for capital projects in the 2017-19 fiscal biennium.
- Authorizes state agencies to enter into alternative financing contracts totaling \$135 million.
- Authorizes new appropriations of \$8.1 million and reduces reappropriations by \$8.9 million in the 2015-17 fiscal biennium.

Hearing Date: 1/13/17

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 Capital 2015-17 Budget covers the period from July 1, 2015 through June 30, 2017.

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

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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 \$4.2 billion, of which \$2.4 billion is financed with state general obligation bonds. It authorizes state agencies to enter into a variety of alternative financing contracts totaling \$135 million. It also authorizes reappropriations totaling \$2.8 billion for uncompleted projects approved in prior biennia.

The 2017 Supplemental budget has a net increase in new appropriations of \$8.1 million dollars. It also reduces reappropriations by \$8.9 million dollars.

Appropriation: The sum of \$4.2 billion in new appropriations and \$2.8 billion in reappropriations in the 2017-19 biennium and the sum of \$8.1 million in new appropriations and a reduction of \$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.