

HOUSE BILL REPORT

HB 2809

As Reported by House Committee On: Capital Budget

Title: An act relating to efficiency updates for capital budget appropriations allocated for public art.

Brief Description: Concerning efficiency updates for capital budget appropriations allocated for public art.

Sponsors: Representatives Tharinger, Doglio, Peterson, McBride and Van Werven.

Brief History:

Committee Activity:

Capital Budget: 1/23/18, 1/30/18 [DPS].

Brief Summary of Substitute Bill

- Authorizes higher education institutions and state agencies to use up to 10 percent of the art allocation during the design phase.
- Codifies provisions regarding art acquisition, lapsing of funds, annual reporting, and amounts that may be expended for maintaining existing art; and removes the language from the capital budget.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Tharinger, Chair; Doglio, Vice Chair; Peterson, Vice Chair; DeBolt, Ranking Minority Member; Eslick, Macri, Morris, Reeves, Riccelli, Ryu, Sells, Steele and Stonier.

Minority Report: Do not pass. Signed by 2 members: Representatives Dye and Kraft.

Minority Report: Without recommendation. Signed by 1 member: Representative Walsh.

Staff: Melissa Palmer (786-7388).

Background:

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 Legislature established the Art in Public Places Program, administered by the Washington State Arts Commission (Commission) in 1974. Artwork acquisition is funded through Washington's Omnibus Capital Appropriations Act (Capital Budget) using a formula of one-half of 1 percent of the state's portion of construction for new buildings. This includes art allocations for construction of K-12 public schools, higher education institutions, and state agencies. Higher education institutions also receive one-half of 1 percent for renovation projects exceeding \$200,000. These artworks become part of the State Art Collection. The State Art Collection includes over 4,600 works. The Commission initiated 50 and closed 32 art projects during the 2015-17 biennium.

The capital budget includes specific provisions related to art allocations including the parameters for amounts expended on direct acquisitions, the lapsing of art allocations, and an annual report. The 2015-17 Capital Budget specified at least 85 percent of the funds expended by the Commission must be for the direct acquisition of works of art. The Commission was authorized to use \$100,000 of the amount appropriated to conserve or maintain existing pieces of state art. Additionally during the 2015-17 biennium, higher education institutions were authorized to work with the Commission to expend up to 10 percent of the projected art allocation for a project during the design phase. Art allocations that are not expended within the ensuing two biennia are to lapse.

Summary of Substitute Bill:

Higher education institutions and state agencies that receive funding in the capital budget are permitted to expend up to 10 percent of the projected art allocation during the design phase. The one-half of 1 percent must be adjusted downward by the amount expended during the design phase.

At least 85 percent of the money spent by the Commission must be used on direct acquisition of works of art, and art allocations lapse if not expended within two biennia after the funds are allocated. The Commission is permitted to use up to \$200,000 of the amount expended to conserve or maintain existing pieces of the state art collection. The Commission is required to report annually to the Office of Financial Management and fiscal committees of the Legislature regarding the projects commissioned, partner agencies, artwork costs, administrative costs, collection care costs, funding sources, and project status.

The 2015-17 and 2017-19 Capital Budget language is amended to remove the provisions that are codified, and instead a cross-reference to the new codified section is added.

Substitute Bill Compared to Original Bill:

The substitute bill amends the enacted 2017-19 Capital Budget to remove proviso language related to art allocations and reporting requirements, and instead it cross-references the section of the substitute bill where similar provisions are codified. The substitute bill amends the most recent version of the higher education statute related to using 10 percent of the art allocation during design.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This legislation takes what has historically been a proviso in the capital budget and codifies it. Allowing higher education institutions and state agencies to use 10 percent of the art allocation during design enables better integration of the art and is more efficient. Public buildings are often substantially designed by the time the artist is selected and the art work fabricated. This can lead to change orders to accommodate the installation of the art. It is cheaper to incorporate this in the beginning of the project. The state can save money and shorten the timeframe of getting the artwork in place. The Legislature has set the precedent by allowing higher education institutions to do this through budget provisos.

(Opposed) None.

Persons Testifying: Representative Tharinger, prime sponsor; Doug Levy, Western States Arts Federation and Humanities Washington; and Karen Hanan, Washington State Arts Commission.

Persons Signed In To Testify But Not Testifying: None.