

HOUSE BILL REPORT

ESSB 6248

As of Second Reading

Title: An act relating to capital budget.

Brief Description: Concerning the capital budget.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Frockt and Honeyford; by request of Office of Financial Management).

Brief History:

Committee Activity:

None.

Brief Summary of Engrossed Substitute Bill

- Authorizes \$283 million in capital projects for the 2020 Supplemental Capital Budget, of which \$65 million is financed with state general obligation bonds.
- Includes \$131 million in authorizations for agencies and higher education institutions to enter into alternative financing contracts.
- Reduces total project costs from reappropriated projects by \$9 million.

Staff: Kelci Karl-Robinson (786-7116).

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 expenditures. During even-numbered fiscal years, the Legislature historically enacts a supplemental budget making adjustments to the two-year budget. The current 2019-21 biennium covers the period from July 1, 2019, through June 30, 2021. 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 facilities, and higher education facilities. The Capital Budget also funds a variety of environmental and natural resource projects, parks and recreational facilities, public kindergarten through grade 12 school construction, and grant

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and loan programs that support housing, public infrastructure, community service facilities, and art and historical projects. Historically, over one-half of the Capital Budget is financed by state-issued general obligation bonds, and the remaining portion is funded by dedicated accounts, trust revenue, and federal funding sources.

Summary of Bill:

A total of \$283 million is authorized for capital projects, of which \$65 million is financed through general obligation bond proceeds. An additional \$131 million is authorized in alternative financing contracts for specific projects. Total project costs from reappropriations are reduced by \$9 million.

Appropriation: This bill contains multiple appropriations. Please refer to the bill and supporting documents.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.