

FINAL BILL REPORT

ESHB 1430

C 31 L 91 E1
Synopsis As Enacted

Brief Description: Issuing general obligation and revenue bonds.

By House Committee on Capital Facilities & Financing
(originally sponsored by Representative H. Sommers; by request of Governor Gardner).

House Committee on Capital Facilities & Financing
Senate Committee on Ways & Means

Background: The state of Washington periodically issues general obligation bonds to finance capital construction projects throughout the state. The specific legislative approval of a capital project is contained in the capital appropriations act. Those appropriations requiring state bonding depend on legislation authorizing the sale of bonds. Bond authorization legislation requires a 60 percent majority vote in both houses of the Legislature.

Summary of Bill: The State Finance Committee is authorized to issue \$1,095,000,000 in state general obligation bonds to finance new construction and other state projects contained in the 1991-93 capital budget. The bonds are supported by the full faith and credit of the state. Of the total bond authority, \$15 million is transferred into the Energy Efficiency Construction Account to make loans for energy efficiency projects. \$3 million is transferred to the Energy Efficiency Services Account to promote and administer energy efficiency projects. The loans and administrative costs are to be repaid by the energy savings resulting from the projects.

\$120 million is transferred into the Common School Reimbursable Construction Account, a new account created in the state treasury. The debt service for these bonds are to be paid from the state property tax dedicated for the support of schools. \$98.6 million is transferred into the Higher Education Reimbursable Construction Account, a new account created in the state treasury. The debt service for these bonds are to be paid from student tuition fees. \$2.4 million is transferred into the Wildlife Reimbursable Construction Account, a new account created in the state treasury. Debt service on these bonds is to be paid from

the State Wildlife Fund. The debt payments for these five accounts are exempted from the statutory debt limit.

The 1990 bond bill is amended so that the \$40 million of bonds for school construction projects are reimbursable from the state property tax and therefor outside the statutory debt limit.

The statutes for the state property tax and the State Wildlife Fund are amended to allow for the payment of principal and interest on bonds.

The Department of General Administration (GA), in cooperation with the Office of Financial Management, must develop a plan for rental changes to occupants of state buildings. The plan must be submitted to the House Capital Facilities and Financing Committee and the Senate Ways and Means Committee by December 1, 1991. GA must establish a parking fee for state owned and leased property consistent with legislative intent to reduce state subsidization of parking.

Votes on Final Passage:

House	88	10	
Senate	34	12	(Senate amended)

First Special Session

House	71	22
Senate	35	12

Effective: July 11, 1991