

SENATE BILL REPORT

SB 5472

AS REPORTED BY COMMITTEE ON GOVERNMENTAL OPERATIONS,  
FEBRUARY 19, 1991

**Brief Description:** Modifying the department of general administration's duties regarding excess receipts from building rent.

**SPONSORS:** Senators McCaslin and Madsen; by request of Department of General Administration.

**SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS**

**Majority Report:** That Substitute Senate Bill No. 5472 be substituted therefor, and the substitute bill do pass.

Signed by Senators McCaslin, Chairman; Roach, Vice Chairman; Madsen, and Matson.

**Staff:** Martin Lovinger (786-7443)

**Hearing Dates:** February 14, 1991; February 19, 1991

**BACKGROUND:**

Currently the Director of General Administration (GA) assesses a charge against all state occupants or users for payment of a proportion of costs of operating the building or facilities. Billing is required to be adjusted at intervals not to exceed six months to reflect any change in actual costs relative to whatever estimates may have been made for budget purposes. GA has requested an amendment eliminating the required adjustment to reflect actual costs. GA seeks to have the disposition of funds received by GA under this law changed. Under their desired change GA would return to the treasury any amount received in excess of actual costs which equals 5 percent or less of the biennial appropriation for GA for this fund. The returned money would be held in the treasury in this fund. When the amount in excess of costs is greater than 5 percent, that portion greater than 5 percent would be returned to the agencies which paid it on a pro rata basis.

**SUMMARY:**

The adjustment of billings at six-month intervals to reflect changes in actual costs relative to budget estimates is eliminated. The Director of General Administration shall return to the treasury at the close of each biennium, any amount billed, which does not exceed 5 percent of the biennial appropriation, in excess of actual costs.

**EFFECT OF PROPOSED SUBSTITUTE:**

The adjustment of billings at six-month intervals is eliminated. GA shall determine at the end of the biennium any amount billed in excess of costs. If the amount of excess is 5 percent or less of the biennial appropriation for the facilities and services revolving fund, then it would be retained in that fund. Any amount in excess of 5 percent would be returned pro rata to the funds which paid into the GA facilities and services revolving fund.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

Making one adjustment at the end of the biennium is more accurate since it reflects actual costs. The proposed change is also more efficient and cost effective because it involves one accounting instead of eight quarterly adjustments. The amount of money involved based on past experience is less than 1 percent, even though the bill authorizes GA to retain up to 5 percent of the biennial facilities and services revolving fund appropriation.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Mark Feldhausen, Department of General Administration