

2 **ESHB 2237** - S COMM AMD  
3 By Committee on Ways & Means

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that the acquisition,  
8 construction, and management of state-owned and leased facilities has  
9 a profound and long-range effect upon the delivery and cost of state  
10 programs, and that there is an increasing need for better facility  
11 planning and management to improve the effectiveness and efficiency of  
12 state facilities.

13 **Sec. 2.** RCW 43.88.030 and 1991 c 358 s 1 and 1991 c 284 s 1 are  
14 each reenacted and amended to read as follows:

15 (1) The director of financial management shall provide all agencies  
16 with a complete set of instructions for submitting biennial budget  
17 requests to the director at least three months before agency budget  
18 documents are due into the office of financial management. The  
19 director shall provide agencies that are required under RCW 44.40.070  
20 to develop comprehensive six-year program and financial plans with a  
21 complete set of instructions for submitting these program and financial  
22 plans at the same time that instructions for submitting other budget  
23 requests are provided. The budget document or documents shall consist  
24 of the governor's budget message which shall be explanatory of the  
25 budget and shall contain an outline of the proposed financial policies  
26 of the state for the ensuing fiscal period, as well as an outline of  
27 the proposed six-year financial policies where applicable, and shall  
28 describe in connection therewith the important features of the budget.  
29 The message shall set forth the reasons for salient changes from the  
30 previous fiscal period in expenditure and revenue items and shall  
31 explain any major changes in financial policy. Attached to the budget  
32 message shall be such supporting schedules, exhibits and other  
33 explanatory material in respect to both current operations and capital  
34 improvements as the governor shall deem to be useful to the  
35 legislature. The budget document or documents shall set forth a

1 proposal for expenditures in the ensuing fiscal period, or six-year  
2 period where applicable, based upon the estimated revenues as approved  
3 by the economic and revenue forecast council or upon the estimated  
4 revenues of the office of financial management for those funds,  
5 accounts, and sources for which the office of the economic and revenue  
6 forecast council does not prepare an official forecast, including those  
7 revenues anticipated to support the six-year programs and financial  
8 plans under RCW 44.40.070. In estimating revenues to support financial  
9 plans under RCW 44.40.070, the office of financial management shall  
10 rely on information and advice from the interagency revenue task force.  
11 Revenues shall be estimated for such fiscal period from the source and  
12 at the rates existing by law at the time of submission of the budget  
13 document, including the supplemental budgets submitted in the even-  
14 numbered years of a biennium. However, the estimated revenues for use  
15 in the governor's budget document may be adjusted to reflect budgetary  
16 revenue transfers and revenue estimates dependent upon budgetary  
17 assumptions of enrollments, workloads, and caseloads. All adjustments  
18 to the approved estimated revenues must be set forth in the budget  
19 document. The governor may additionally submit, as an appendix to each  
20 supplemental, biennial, or six-year agency budget or to the budget  
21 document or documents, a proposal for expenditures in the ensuing  
22 fiscal period from revenue sources derived from proposed changes in  
23 existing statutes.

24 Supplemental and biennial documents shall reflect a six-year  
25 expenditure plan consistent with estimated revenues from existing  
26 sources and at existing rates for those agencies required to submit  
27 six-year program and financial plans under RCW 44.40.070. Any  
28 additional revenue resulting from proposed changes to existing statutes  
29 shall be separately identified within the document as well as related  
30 expenditures for the six-year period.

31 The budget document or documents shall also contain:

32 (a) Revenues classified by fund and source for the immediately past  
33 fiscal period, those received or anticipated for the current fiscal  
34 period, those anticipated for the ensuing biennium, and those  
35 anticipated for the ensuing six-year period to support the six-year  
36 programs and financial plans required under RCW 44.40.070;

37 (b) The undesignated fund balance or deficit, by fund;

1 (c) Such additional information dealing with expenditures,  
2 revenues, workload, performance, and personnel as the legislature may  
3 direct by law or concurrent resolution;

4 (d) Such additional information dealing with revenues and  
5 expenditures as the governor shall deem pertinent and useful to the  
6 legislature;

7 (e) Tabulations showing expenditures classified by fund, function,  
8 activity and object;

9 (f) A delineation of each agency's activities, including those  
10 activities funded from nonbudgeted, nonappropriated sources, including  
11 funds maintained outside the state treasury; and

12 (g) Identification of all proposed direct expenditures to implement  
13 the Puget Sound water quality plan under chapter 90.70 RCW, shown by  
14 agency and in total.

15 (2) The budget document or documents shall include detailed  
16 estimates of all anticipated revenues applicable to proposed operating  
17 or capital expenditures and shall also include all proposed operating  
18 or capital expenditures. The total of beginning undesignated fund  
19 balance and estimated revenues less working capital and other reserves  
20 shall equal or exceed the total of proposed applicable expenditures.  
21 The budget document or documents shall further include:

22 (a) Interest, amortization and redemption charges on the state  
23 debt;

24 (b) Payments of all reliefs, judgments and claims;

25 (c) Other statutory expenditures;

26 (d) Expenditures incident to the operation for each agency;

27 (e) Revenues derived from agency operations;

28 (f) Expenditures and revenues shall be given in comparative form  
29 showing those incurred or received for the immediately past fiscal  
30 period and those anticipated for the current biennium and next ensuing  
31 biennium, as well as those required to support the six-year programs  
32 and financial plans required under RCW 44.40.070;

33 (g) A showing and explanation of amounts of general fund and other  
34 funds obligations for debt service and any transfers of moneys that  
35 otherwise would have been available for appropriation;

36 (h) Common school expenditures on a fiscal-year basis;

37 (i) A showing, by agency, of the value and purpose of financing  
38 contracts for the lease/purchase or acquisition of personal or real  
39 property for the current and ensuing fiscal periods.

1 (3) A separate capital budget document or schedule shall be  
2 submitted that will contain the following:

3 (a) A ~~((capital plan consisting of proposed capital spending for at~~  
4 ~~least four fiscal periods succeeding the next fiscal period))~~ statement  
5 setting forth a long-range facilities plan for the state that  
6 identifies and includes the highest priority needs within affordable  
7 spending levels;

8 (b) A capital program consisting of proposed capital projects for  
9 ~~((at least))~~ the next biennium and the two ((fiscal periods)) biennia  
10 succeeding the next ((fiscal period)) biennium consistent with the  
11 long-range facilities plan. Insomuch as is practical, and recognizing  
12 emergent needs, the capital program shall reflect the priorities,  
13 projects, and spending levels proposed in previously submitted capital  
14 budget documents in order to provide a reliable long-range planning  
15 tool for the legislature and state agencies;

16 (c) A capital plan consisting of proposed capital spending for at  
17 least four ~~((fiscal periods))~~ biennia succeeding the next ~~((fiscal~~  
18 ~~period))~~ biennium;

19 (d) A statement of the reason or purpose for a project;

20 (e) Verification that a project is consistent with the provisions  
21 set forth in chapter 36.70A RCW;

22 (f) A statement about the proposed site, size, and estimated life  
23 of the project, if applicable;

24 (g) Estimated total project cost;

25 (h) For major projects valued over five million dollars, estimated  
26 costs for the following project components: Acquisition, consultant  
27 services, construction, equipment, project management, and other costs  
28 included as part of the project. Project component costs shall be  
29 displayed in a standard format defined by the office of financial  
30 management to allow comparisons between projects;

31 (i) Estimated total project cost for each phase of the project as  
32 defined by the office of financial management;

33 ~~((i))~~ (j) Estimated ensuing biennium costs;

34 ~~((j))~~ (k) Estimated costs beyond the ensuing biennium;

35 ~~((k))~~ (l) Estimated construction start and completion dates;

36 ~~((l))~~ (m) Source and type of funds proposed;

37 ~~((m))~~ (n) Estimated ongoing operating budget costs or savings  
38 resulting from the project, including staffing and maintenance costs;

1        (o) Such other information bearing upon capital projects as the  
2 governor deems to be useful;

3        ~~((n))~~ (p) Standard terms, including a standard and uniform  
4 definition of maintenance for all capital projects;

5        ~~((o))~~ (q) Such other information as the legislature may direct by  
6 law or concurrent resolution.

7        For purposes of this subsection (3), the term "capital project"  
8 shall be defined subsequent to the analysis, findings, and  
9 recommendations of a joint committee comprised of representatives from  
10 the house capital appropriations committee, senate ways and means  
11 committee, legislative transportation committee, legislative evaluation  
12 and accountability program committee, and office of financial  
13 management.

14        (4) No change affecting the comparability of agency or program  
15 information relating to expenditures, revenues, workload, performance  
16 and personnel shall be made in the format of any budget document or  
17 report presented to the legislature under this section or RCW  
18 43.88.160(1) relative to the format of the budget document or report  
19 which was presented to the previous regular session of the legislature  
20 during an odd-numbered year without prior legislative concurrence.  
21 Prior legislative concurrence shall consist of (a) a favorable majority  
22 vote on the proposal by the standing committees on ways and means of  
23 both houses if the legislature is in session or (b) a favorable  
24 majority vote on the proposal by members of the legislative evaluation  
25 and accountability program committee if the legislature is not in  
26 session.

27        **Sec. 3.** RCW 43.88A.020 and 1979 c 151 s 146 are each amended to  
28 read as follows:

29        The office of financial management shall, in cooperation with  
30 appropriate legislative committees and legislative staff, establish a  
31 procedure for the provision of fiscal notes on the expected impact of  
32 bills and resolutions which increase or decrease or tend to increase or  
33 decrease state government revenues or expenditures. Such fiscal notes  
34 shall indicate by fiscal year the impact for the remainder of the  
35 biennium in which the bill or resolution will first take effect as well  
36 as a cumulative forecast of the fiscal impact for the succeeding four  
37 fiscal years. Fiscal notes shall separately identify the fiscal  
38 impacts on the operating and capital budgets. Estimates of fiscal

1 impacts shall be calculated using the procedures contained in the  
2 fiscal note instructions issued by the office of financial management.

3 In establishing the fiscal impact called for pursuant to this  
4 chapter, the office of financial management shall coordinate the  
5 development of fiscal notes with all state agencies affected.

6 **Sec. 4.** RCW 43.88.032 and 1989 c 311 s 1 are each amended to read  
7 as follows:

8 (1) Annual ongoing or routine maintenance costs shall be programmed  
9 in the operating budget rather than in the capital budget.

10 (2) All debt-financed pass-through money to local governments shall  
11 be programmed and separately identified in the (~~capital~~) budget  
12 document.

13 **Sec. 5.** RCW 43.88.110 and 1991 sp.s. c 32 s 27 and 1991 c 358 s 2  
14 are each reenacted and amended to read as follows:

15 This section sets forth the expenditure programs and the allotment  
16 and reserve procedures to be followed by the executive branch for  
17 public funds.

18 (1) Allotments of an appropriation for any fiscal period shall  
19 conform to the terms, limits, or conditions of the appropriation.

20 (2) The director of financial management shall provide all agencies  
21 with a complete set of operating and capital instructions for preparing  
22 a statement of proposed expenditures at least thirty days before the  
23 beginning of a fiscal period. The set of instructions need not include  
24 specific appropriation amounts for the agency.

25 (3) Within forty-five days after the beginning of the fiscal period  
26 or within forty-five days after the governor signs the omnibus biennial  
27 appropriations act, whichever is later, all agencies shall submit to  
28 the governor a statement of proposed expenditures at such times and in  
29 such form as may be required by the governor.

30 (4) The office of financial management shall develop a method for  
31 monitoring capital appropriations and expenditures that will capture at  
32 least the following elements:

33 (a) Appropriations made for capital projects including  
34 transportation projects;

35 (b) Estimates of total project costs including past, current,  
36 ensuing, and future biennial costs;

37 (c) Comparisons of actual costs to estimated costs;

1 (d) Comparisons of estimated construction start and completion  
2 dates with actual dates;

3 (e) Documentation of fund shifts between projects.

4 This data may be incorporated into the existing accounting system  
5 or into a separate project management system, as deemed appropriate by  
6 the office of financial management.

7 (5) The office of financial management, prior to approving  
8 allotments for major capital construction projects valued over five  
9 million dollars, shall institute procedures for reviewing such projects  
10 at the predesign stage that will reduce long-term costs and increase  
11 facility efficiency. The procedures shall include, but not be limited  
12 to, the following elements:

13 (a) Evaluation of facility program requirements and consistency  
14 with long-range plans;

15 (b) Utilization of a system of cost, quality, and performance  
16 standards to compare major capital construction projects; and

17 (c) A requirement to incorporate value-engineering analysis and  
18 constructability review into the project schedule.

19 (6) No expenditure may be incurred or obligation entered into for  
20 such major capital construction projects including, without exception,  
21 land acquisition, site development, predesign, design, construction,  
22 and equipment acquisition and installation, until the allotment of the  
23 funds to be expended has been approved by the office of financial  
24 management. This limitation does not prohibit the continuation of  
25 expenditures and obligations into the succeeding biennium for projects  
26 for which allotments have been approved in the immediate prior  
27 biennium.

28 (7) If at any time during the fiscal period the governor projects  
29 a cash deficit in a particular fund or account as defined by RCW  
30 43.88.050, the governor shall make across-the-board reductions in  
31 allotments for that particular fund or account so as to prevent a cash  
32 deficit, unless the legislature has directed the liquidation of the  
33 cash deficit over one or more fiscal periods. Except for the  
34 legislative and judicial branches and other agencies headed by elective  
35 officials, the governor shall review the statement of proposed  
36 operating expenditures for reasonableness and conformance with  
37 legislative intent. Once the governor approves the statements of  
38 proposed operating expenditures, further revisions shall be made only  
39 at the beginning of the second fiscal year and must be initiated by the

1 governor. However, changes in appropriation level authorized by the  
2 legislature, changes required by across-the-board reductions mandated  
3 by the governor, changes caused by executive increases to spending  
4 authority, and changes caused by executive decreases to spending  
5 authority for failure to comply with the provisions of chapter 36.70A  
6 RCW may require additional revisions. Revisions shall not be made  
7 retroactively. Revisions caused by executive increases to spending  
8 authority shall not be made after June 30, 1987. However, the governor  
9 may assign to a reserve status any portion of an agency appropriation  
10 withheld as part of across-the-board reductions made by the governor  
11 and any portion of an agency appropriation conditioned on a contingent  
12 event by the appropriations act. The governor may remove these amounts  
13 from reserve status if the across-the-board reductions are subsequently  
14 modified or if the contingent event occurs. The director of financial  
15 management shall enter approved statements of proposed expenditures  
16 into the state budgeting, accounting, and reporting system within  
17 forty-five days after receipt of the proposed statements from the  
18 agencies. If an agency or the director of financial management is  
19 unable to meet these requirements, the director of financial management  
20 shall provide a timely explanation in writing to the legislative fiscal  
21 committees.

22 ~~((+6))~~ (8) It is expressly provided that all agencies shall be  
23 required to maintain accounting records and to report thereon in the  
24 manner prescribed in this chapter and under the regulations issued  
25 pursuant to this chapter. Within ninety days of the end of the fiscal  
26 year, all agencies shall submit to the director of financial management  
27 their final adjustments to close their books for the fiscal year.  
28 Prior to submitting fiscal data, written or oral, to committees of the  
29 legislature, it is the responsibility of the agency submitting the data  
30 to reconcile it with the budget and accounting data reported by the  
31 agency to the director of financial management.

32 ~~((+7))~~ (9) The director of financial management shall monitor  
33 agency operating expenditures against the approved statement of  
34 proposed expenditures and shall provide the legislature with quarterly  
35 explanations of major variances.

36 ~~((+8))~~ (10) The director of financial management may exempt  
37 certain public funds from the allotment controls established under this  
38 chapter if it is not practical or necessary to allot the funds.  
39 Allotment control exemptions expire at the end of the fiscal biennium



1 for which they are granted. The director of financial management shall  
2 report any exemptions granted under this subsection to the legislative  
3 fiscal committees.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.88 RCW  
5 to read as follows:

6 (1) The capital appropriations act may authorize the governor,  
7 through the director of financial management, to transfer the  
8 appropriation authority for a capital project that is in excess of the  
9 amount required for the completion of the project to another capital  
10 project for which the appropriation is insufficient.

11 (a) No such transfer may be used to expand the capacity or change  
12 the intended use of the project beyond that intended by the legislature  
13 in making the appropriation.

14 (b) The transfer may be effected only between capital projects  
15 within a specific department, commission, agency, or institution of  
16 higher education.

17 (c) The transfer may be effected only if the project from which the  
18 transfer of funds is made is substantially complete and there are funds  
19 remaining, or bids have been let on the project from which the transfer  
20 of funds is made and it appears to a substantial certainty that the  
21 project can be completed within the biennium for less than the amount  
22 appropriated.

23 (2) For the purposes of this section, the legislature intends that  
24 each project be defined as proposed to the legislature in the  
25 governor's budget document, unless the legislative history demonstrates  
26 that the legislature intended to define the scope of a project in a  
27 different way.

28 (3) The office of financial management shall notify the legislative  
29 fiscal committees of the senate and the house of representatives at  
30 least thirty days before any transfer is effected under this section  
31 except emergency projects or any transfer under two hundred fifty  
32 thousand dollars, and shall prepare a report to such committees listing  
33 all completed transfers at the close of each fiscal year.

34 (4) No transfer may occur that would increase an appropriation to  
35 a minor works or other omnibus repair, maintenance, or improvement  
36 project. In the case of transfers between projects within a minor  
37 works appropriation, funds may be transferred without legislative  
38 approval only in the case of projects identified in the project lists

1 that have been provided to the legislature with the governor's budget  
2 document, as revised by the legislature.

3 **Sec. 7.** RCW 43.82.010 and 1990 c 47 s 1 are each amended to read  
4 as follows:

5 (1) The director of (~~the department of~~) general administration,  
6 on behalf of the agency involved, shall purchase, lease, lease  
7 purchase, rent, or otherwise acquire all real estate, improved or  
8 unimproved, as may be required by elected state officials,  
9 institutions, departments, commissions, boards, and other state  
10 agencies, or federal agencies where joint state and federal activities  
11 are undertaken and may grant easements and transfer, exchange, sell,  
12 lease, or sublease all or part of any surplus real estate for those  
13 state agencies which do not otherwise have the specific authority to  
14 dispose of real estate. This section does not transfer financial  
15 liability for the acquired property to the department of general  
16 administration.

17 (2) Except for real estate occupied by federal agencies, the  
18 director shall determine the location, size, and design of any real  
19 estate or improvements thereon acquired or held pursuant to subsection  
20 (1) of this section. Facilities acquired or held pursuant to this  
21 chapter, and any improvements thereon, shall conform to standards  
22 adopted by the director and approved by the office of financial  
23 management governing facility efficiency unless a specific exemption  
24 from such standards is provided by the director of general  
25 administration. The director of general administration shall report to  
26 the office of financial management annually on any exemptions granted  
27 pursuant to this subsection.

28 (3) The director of general administration may fix the terms and  
29 conditions of each lease entered into under this chapter, except that  
30 no lease shall extend greater than twenty years in duration. The  
31 director of general administration may enter into a long-term lease  
32 greater than five years in duration upon a determination by the  
33 director of the office of financial management that the long-term lease  
34 provides a more favorable rate than would otherwise be available, it  
35 appears to a substantial certainty that the facility is necessary for  
36 use by the state for the full length of the lease term, and the  
37 facility meets the standards adopted pursuant to subsection (2) of this  
38 section. The director of general administration may enter into a long-

1 term lease greater than ten years in duration if an analysis shows that  
2 the life-cycle cost of leasing the facility is less than the life-cycle  
3 cost of purchasing or constructing a facility in lieu of leasing the  
4 facility.

5 (4) It is the policy of the state to encourage the collocation and  
6 consolidation of state services into single or adjacent facilities,  
7 whenever appropriate, to improve public service delivery, minimize  
8 duplication of facilities, increase efficiency of operations, and  
9 promote sound growth management planning.

10 (5) The director of general administration shall provide  
11 coordinated long-range planning services to identify and evaluate  
12 opportunities for collocating and consolidating state facilities. Upon  
13 the renewal of any lease, the inception of a new lease, or the purchase  
14 of a facility, the director of general administration shall determine  
15 whether an opportunity exists for collocating the agency or agencies in  
16 a single facility with other agencies located in the same geographic  
17 area. If a collocation opportunity exists, the director of general  
18 administration shall consult with the affected state agencies and the  
19 office of financial management to evaluate the impact collocation would  
20 have on the cost and delivery of agency programs, including whether  
21 program delivery would be enhanced due to the centralization of  
22 services. The director of general administration, in consultation with  
23 the office of financial management, shall develop procedures for  
24 implementing collocation and consolidation of state facilities.

25 (6) The director of general administration is authorized to  
26 purchase, lease, rent, or otherwise acquire improved or unimproved  
27 real estate as owner or lessee and to lease or sublet all or a part of  
28 such real estate to state or federal agencies. The director of general  
29 administration shall charge each using agency its proportionate rental  
30 which shall include an amount sufficient to pay all costs, including,  
31 but not limited to, those for utilities, janitorial and accounting  
32 services, and sufficient to provide for contingencies; which shall not  
33 exceed five percent of the average annual rental, to meet unforeseen  
34 expenses incident to management of the real estate.

35 ~~((+4))~~ (7) If the director of general administration determines  
36 that it is necessary or advisable to undertake any work, construction,  
37 alteration, repair, or improvement on any real estate acquired pursuant  
38 to subsection(~~(8)~~) (1) or (~~(+3)~~) (6) of this section, the director  
39 shall cause plans and specifications thereof and an estimate of the

1 cost of such work to be made and filed in his or her office and the  
2 state agency benefiting thereby is hereby authorized to pay for such  
3 work out of any available funds: PROVIDED, That the cost of executing  
4 such work shall not exceed the sum of twenty-five thousand dollars.  
5 Work, construction, alteration, repair, or improvement in excess of  
6 twenty-five thousand dollars, other than that done by the owner of the  
7 property if other than the state, shall be performed in accordance with  
8 the public works law of this state.

9 ~~((+5+))~~ (8) In order to obtain maximum utilization of space, the  
10 director of general administration shall make space utilization  
11 studies, and shall establish standards for use of space by state  
12 agencies. Such studies shall include the identification of  
13 opportunities for collocation and consolidation of state agency office  
14 and support facilities.

15 ~~((+6+))~~ (9) The director of general administration may construct  
16 new buildings on, or improve existing facilities, and furnish and  
17 equip, all real estate under his or her management. Prior to the  
18 construction of new buildings or major improvements to existing  
19 facilities or acquisition of facilities using a lease purchase  
20 contract, the director of general administration shall conduct an  
21 evaluation of the facility design and budget using life-cycle cost  
22 analysis, value-engineering, and other techniques to maximize the long-  
23 term effectiveness and efficiency of the facility or improvement.

24 ~~((+7+))~~ (10) All conveyances and contracts to purchase, lease,  
25 rent, transfer, exchange, or sell real estate and to grant and accept  
26 easements shall be approved as to form by the attorney general, signed  
27 by the director of general administration or the director's designee,  
28 and recorded with the county auditor of the county in which the  
29 property is located.

30 ~~((+8+))~~ (11) The director of general administration may delegate  
31 any or all of the functions specified in this section to any agency  
32 upon such terms and conditions as the director deems advisable.

33 ~~((+9+))~~ (12) This section does not apply to the acquisition of real  
34 estate by:

35 (a) The state college and universities for research or experimental  
36 purposes;

37 (b) The state liquor control board for liquor stores and  
38 warehouses; and

1 (c) The department of natural resources, the department of  
2 (~~(fisheries, the department of)~~) fish and wildlife, the department of  
3 transportation, and the state parks and recreation commission for  
4 purposes other than the leasing of offices, warehouses, and real estate  
5 for similar purposes.

6 (~~((10))~~) (13) Notwithstanding any provision in this chapter to the  
7 contrary, the department of general administration may negotiate ground  
8 leases for public lands on which property is to be acquired under a  
9 financing contract pursuant to chapter 39.94 RCW under terms approved  
10 by the state finance committee.

11 NEW SECTION. **Sec. 8.** (1) The legislature finds that current  
12 facility planning, budgeting, and management responsibilities are  
13 spread among a number of state agencies, and that there may be a need  
14 to consolidate these functions within a single entity with independent  
15 powers and fiduciary responsibility for state facilities as a whole to  
16 increase the consistency and quality of facility decisions.

17 (2) The office of financial management shall evaluate the need for  
18 and potential responsibilities of a central state facilities authority  
19 to coordinate and manage the design, acquisition, construction, and  
20 utilization of state facilities, including leased facilities. The  
21 evaluation shall include an examination of the current roles and  
22 responsibilities of state agencies including the department of general  
23 administration, the higher education coordinating board, the state  
24 board for community and technical colleges, and the office of financial  
25 management to identify critical areas for improvement and any  
26 overlapping areas of responsibility.

27 (3) The office of financial management shall consider the following  
28 potential responsibilities of a central facilities authority in its  
29 evaluation:

30 (a) Involvement in agency master planning and facility predesign  
31 activities to assist agencies in developing creative alternatives for  
32 meeting program needs;

33 (b) Development of facility performance and cost standards to  
34 assist in facility planning and budget evaluation;

35 (c) Critical evaluation of facility designs and budget requests  
36 through life-cycle cost analysis, value-engineering, and other tools to  
37 maximize the long-term effectiveness and efficiency of state  
38 facilities;

1 (d) Central management of and planning for the state's facility  
2 inventory, including both leased and state-owned facilities, to  
3 maximize agency collocation and consolidation opportunities and create  
4 identifiable state government and education centers;

5 (e) Administration and management of agency capital construction  
6 projects;

7 (f) Development of leasing standards and procedures, including a  
8 methodology for analyzing the costs and benefits of leasing versus  
9 owning facilities, and appropriate procurement of leased, lease-  
10 developed, or lease-purchased facilities;

11 (g) Development of facility operation and maintenance standards or  
12 guidelines;

13 (h) Administration and allocation of centrally pooled  
14 appropriations for projects affecting more than one agency or for which  
15 efficiency can be enhanced by central administration; and

16 (i) Other responsibilities as determined by the office of financial  
17 management.

18 (3) The evaluation shall consider increasing the responsibilities  
19 and powers of an existing agency or agencies, or establishing a new  
20 agency or agencies to accomplish the objectives of this section. The  
21 evaluation shall also estimate the costs and benefits of operating a  
22 central facility authority or authorities.

23 (4) The office of financial management shall convene a steering  
24 committee composed of representatives of affected state agencies and  
25 the private real estate industry to assist in collecting needed  
26 information and conducting the evaluation.

27 (5) The office of financial management shall report on the results  
28 of its evaluation to the appropriate standing committees of the  
29 legislature by January 10, 1995.

30 This section shall expire June 30, 1995.

31 NEW SECTION. **Sec. 9.** The office of financial management shall  
32 conduct a review of the state's bonding requirements under chapter  
33 39.08 RCW, shall analyze alternative forms of security, and shall  
34 report its findings and analysis to the appropriate committees of the  
35 senate and the house of representatives no later than January 10, 1995.  
36 The alternative forms of security shall include, but not be limited to,  
37 a bond in an amount less than the full contract price, letter of  
38 credit, certified check, cash escrow, and assets of the contractor.

1 The purpose of the review is to determine if alternative forms of  
2 security will provide essentially the same level of protection to the  
3 state at a lower cost to the contractor and the state.

4 This section shall expire June 30, 1995.

5 NEW SECTION. **Sec. 10.** The state board of education shall study  
6 the potential for savings by constructing common schools from  
7 prototypical school construction designs. The findings and  
8 recommendations of the board shall be submitted to the senate committee  
9 on ways and means and the house of representatives capital budget  
10 committee by December 15, 1994.

11 **Sec. 11.** RCW 79.24.580 and 1993 sp.s. c 24 s 927 are each amended  
12 to read as follows:

13 After deduction for management costs as provided in RCW 79.64.040  
14 and payments to towns under RCW 79.92.110(2), all moneys received by  
15 the state from the sale or lease of state-owned aquatic lands and from  
16 the sale of valuable material from state-owned aquatic lands shall be  
17 (~~distributed as follows:—(1) To the state building bond redemption~~  
18 ~~fund such amounts necessary to retire bonds issued pursuant to RCW~~  
19 ~~79.24.630 through 79.24.647 prior to January 1, 1987, and for which~~  
20 ~~tide and harbor area revenues have been pledged, and (2) all moneys not~~  
21 ~~deposited for the purposes of subsection (1) of this section shall be))  
22 deposited in the aquatic lands enhancement account which is hereby  
23 created in the state treasury. After appropriation, these funds shall  
24 be used solely for aquatic lands enhancement projects; for the  
25 purchase, improvement, or protection of aquatic lands for public  
26 purposes; for providing and improving access to such lands; and for  
27 volunteer cooperative fish and game projects. During the fiscal  
28 biennium ending June 30, 1995, the funds may be appropriated for  
29 shellfish management, enforcement, and enhancement and for developing  
30 and implementing plans for population monitoring and restoration of  
31 native wild salmon stock.~~

32 **Sec. 12.** RCW 43.82.110 and 1969 c 121 s 2 are each amended to read  
33 as follows:

34 All office or other space made available through the provisions of  
35 this chapter shall be leased by the director to such state or federal  
36 agencies, for such rental, and on such terms and conditions as he or

1 she deems advisable: PROVIDED, HOWEVER, If space becomes surplus, the  
2 director is authorized to lease office or other space in any project to  
3 any person, corporation or body politic, for such period as the  
4 director shall determine said space is surplus, and upon such other  
5 terms and conditions as he or she may prescribe.

6 ~~((There is hereby created within the treasury a special fund to be  
7 known as the "general administration bond redemption fund" in which all  
8 pledged rentals shall be deposited. In the event bonds are issued for  
9 more than one project, the rentals from each project will be maintained  
10 as separate accounts. The funds in this account or accounts shall be  
11 used to meet principal and interest payments when due on the bonds  
12 issued to finance the specific project for which each such account was  
13 created until all of such bonds and interest thereon have been paid.~~

14 ~~The bonds shall include a covenant that the payment or redemption  
15 thereof and the interest thereon are secured by a first and direct  
16 charge and lien on the rentals deposited in the general administration  
17 bond redemption fund, as aforesaid, and received from the project for  
18 which the bonds were issued. Such rentals shall be pledged by the  
19 state for such purpose.))~~

20 **Sec. 13.** RCW 43.82.120 and 1965 c 8 s 43.82.120 are each amended  
21 to read as follows:

22 ~~((There is hereby established within the state treasury a reserve  
23 fund to be known as the "general administration bond redemption  
24 guarantee fund.")) All ((unpledged)) rental income collected by the  
25 department of general administration from rental of state buildings  
26 shall be deposited in the ((general administration bond redemption  
27 guarantee fund until a total of two hundred thousand dollars is on  
28 deposit in said fund after which all unpledged rental income shall be  
29 deposited in the)) general administration management fund, the creation  
30 of which is hereby authorized. ((In the event the general  
31 administration bond redemption guarantee fund is diminished, it shall  
32 be replenished in the same manner.~~

33 ~~If at any time there is insufficient money in the general  
34 administration bond redemption fund to make any payments of interest or  
35 principal due on any bonds payable from such fund, the state treasurer  
36 shall transfer from such general administration bond redemption  
37 guarantee fund to the general administration bond redemption fund an  
38 amount sufficient to meet such payments.))~~



1        NEW SECTION.    **Sec. 14.**    The following acts or parts of acts are  
2 each repealed:

- 3        (1) RCW 43.82.040 and 1965 c 8 s 43.82.040;
- 4        (2) RCW 43.82.050 and 1965 c 8 s 43.82.050;
- 5        (3) RCW 43.82.060 and 1965 c 8 s 43.82.060;
- 6        (4) RCW 43.82.070 and 1965 c 8 s 43.82.070;
- 7        (5) RCW 43.82.080 and 1965 c 8 s 43.82.080; and
- 8        (6) RCW 43.82.090 and 1979 ex.s. c 67 s 4 & 1965 c 8 s 43.82.090.

9        NEW SECTION.    **Sec. 15.**    The following acts or parts of acts are  
10 each repealed:

- 11        (1) RCW 79.24.630 and 1970 ex.s. c 14 s 1;
- 12        (2) RCW 79.24.632 and 1969 ex.s. c 273 s 4 & 1967 ex.s. c 105 s 5;
- 13        (3) RCW 79.24.634 and 1969 ex.s. c 273 s 5 & 1967 ex.s. c 105 s 6;
- 14        (4) RCW 79.24.636 and 1969 ex.s. c 273 s 6 & 1967 ex.s. c 105 s 7;
- 15        (5) RCW 79.24.638 and 1982 2nd ex.s. c 8 s 5, 1969 ex.s. c 273 s 7,  
16 & 1967 ex.s. c 105 s 8;
- 17        (6) RCW 79.24.640 and 1969 ex.s. c 273 s 8 & 1967 ex.s. c 105 s 9;
- 18        (7) RCW 79.24.642 and 1969 ex.s. c 273 s 9 & 1967 ex.s. c 105 s 10;
- 19        (8) RCW 79.24.6421 and 1969 ex.s. c 273 s 1;
- 20        (9) RCW 79.24.6422 and 1969 ex.s. c 273 s 2;
- 21        (10) RCW 79.24.644 and 1967 ex.s. c 105 s 11;
- 22        (11) RCW 79.24.645 and 1969 ex.s. c 273 s 10;
- 23        (12) RCW 79.24.646 and 1967 ex.s. c 105 s 12; and
- 24        (13) RCW 79.24.647 and 1969 ex.s. c 273 s 13.

25        NEW SECTION.    **Sec. 16.**    (1) For the purposes of RCW 43.82.010, "the  
26 department of fish and wildlife" means "the department of fisheries and  
27 the department of wildlife" until July 1, 1994.

28        (2) This section expires July 1, 1994.

29        NEW SECTION.    **Sec. 17.**    Sections 8 and 9 of this act are necessary  
30 for the immediate preservation of the public peace, health, or safety,  
31 or support of the state government and its existing public  
32 institutions, and shall take effect immediately."

1 **ESHB 2237** - S COMM AMD  
2 By Committee on Ways & Means

3

4 On page 1, line 1 of the title, after "facilities;" strike the  
5 remainder of the title and insert "amending RCW 43.88A.020, 43.88.032,  
6 43.82.010, 79.24.580, 43.82.110, and 43.82.120; reenacting and amending  
7 RCW 43.88.030 and 43.88.110; adding a new section to chapter 43.88 RCW;  
8 creating new sections; repealing RCW 43.82.040, 43.82.050, 43.82.060,  
9 43.82.070, 43.82.080, 43.82.090, 79.24.630, 79.24.632, 79.24.634,  
10 79.24.636, 79.24.638, 79.24.640, 79.24.642, 79.24.6421, 79.24.6422,  
11 79.24.644, 79.24.645, 79.24.646, and 79.24.647; and declaring an  
12 emergency."

--- END ---