

HOUSE BILL REPORT

SHB 1080

As Passed Legislature

Title: An act relating to the capital budget.

Brief Description: Concerning the capital budget.

Sponsors: House Committee on Capital Budget (originally sponsored by Representatives Tharinger, Leavitt, Wylie, Callan and Hackney; by request of Office of Financial Management).

Brief History:

Committee Activity:

Capital Budget: 1/14/21, 3/29/21, 3/31/21 [DPS].

Floor Activity:

Passed House: 4/2/21, 98-0.

Senate Amended.

Passed Senate: 4/23/21, 49-0.

House Concurred.

Passed House: 4/24/21, 98-0.

Passed Legislature.

Brief Summary of Substitute Bill

- Appropriates \$6.3 billion in new capital projects in the 2021-23 fiscal biennium, of which \$3.9 billion is financed through new state general obligation bond issuances.
- Reappropriates \$4.5 billion in capital projects authorized in prior biennia, of which \$2.9 billion is from prior bond authorizations.
- Authorizes state agencies and higher education institutions to enter into alternative financing contracts totaling \$255 million.
- Reduces total funding in the 2019-21 fiscal biennium by \$63.6 million, of which \$11.7 million is state general obligation bond authority.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 22 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bateman, Dye, Eslick, Gilday, Kloba, Kraft, Leavitt, MacEwen, Maycumber, Mosbrucker, Peterson, Riccelli, Rule, Santos, Sells and Shewmake.

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

Background:

Washington operates on a biennial budget cycle. The Legislature authorizes expenditures for capital needs in the capital budget for a two-year period, and it authorizes bond sales through passage of a bond bill associated with the capital budget to fund a portion of these expenditures. Over the past four biennia, over 60 percent of the capital budget was financed by state-issued general obligation bonds, and the balance is funded by dedicated accounts, trust revenue, and federal funding sources. The primary two-year budget is passed in the odd-numbered years, and a supplemental budget making adjustments to the two-year budget is often passed during the even-numbered years. The 2021-23 Capital Budget covers the period from July 1, 2021, through June 30, 2023.

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 centers, 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 (K-12) school construction, and grant and loan programs that support housing, public infrastructure, community service facilities, and art and historical projects.

Summary of Substitute Bill:

The 2021-23 Capital Budget authorizes new appropriations totaling \$6.3 billion, of which \$3.9 billion is financed through new general obligation bond proceeds. The 2021-23 Capital Budget includes reappropriations of \$4.5 billion for capital projects authorized in prior biennia, of which \$2.9 billion is financed from prior bond authorizations. State agencies are authorized to enter into alternative financing contracts totaling \$255 million. The 2021 Supplemental Capital Budget reduces total appropriations and reappropriations in the 2019-21 fiscal biennium by \$63.6 million, of which \$11.7 million is state general obligation bond authority.

Additional detailed information may be found at:
<http://leap.leg.wa.gov/leap/budget/detail/2021/hc2123Bien.asp>

Appropriation: The bill contains multiple appropriations.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

Please refer to the January 14, 2021, recording of the public hearing on the original bill.

Please refer to the March 29, 2021, recording of the public hearing on the proposed substitute bill.

Persons Testifying: *Hearing Date January 14, 2021*

(In support of the original bill) Representative Tharinger, prime sponsor; Lua Pritchard, Asian Pacific Cultural Center; Michele Thomas, Washington Low Income Housing Alliance; Amy Morrison, Lake Washington Institute of Technology; Chemene Crawford, North Seattle College; Kevin Brockbank, Spokane Community College; Kate Budd, Council for the Homeless; Joe Slight; Kji Kelly, Historic Seattle; DaleAnn Baker, Washington State Parent Teacher Association; Matt Zuvich, Washington Federation of State Employees; Brian Lloyd, Beacon Development Group; Christine Mahler, Washington Wildlife and Recreation Coalition; Monica Nixon; Julie Parascondola, City of Kent Parks Recreation and Kent Community Services; Doug Chase, Spokane County of Parks Recreation and Golf; Amber Carter, Port of Vancouver and Identity Clark County; Marty Miller, Office of Rural and Farmworker Housing; Ana Bonilla, Enterprise Community Partners; Mallory Van Abbema and Mark Smith, Housing Development Consortium of Seattle-King County; Derek Lum, Interim Community Development Association; Steve Walker, Washington State Housing Finance Commission; Ruben Flores; Jeff DeLuca, Washington State Community Action Partnership; Dave Roberts, Spokane Housing Ventures; Suzanne Schmick, Saint John-Endicott Cooperative Schools; Ginger Segel, GS Consulting; and Maureen Ewing, University Heights Center.

(Opposed to the original bill) Michael Raymond and Robert Wardell, People First of Washington; Jessica Renner and Ivanova Smith, Self Advocates in Leadership; and MaryKylie Cranford, King County.

(Other testimony on the original bill) Jeremy Norden-Paul, Washington State Developmental Disabilities Council; Darya Farivar, Disability Rights Washington; Seven Williams; Joshua Stuller; Diana Stadden, The Arc of Washington State; Alex Moettler, Self Advocates in Leadership; Gwen Ichinose Bagley; Brian Srenar; Robin Chiles; Alyssa Moir; Danielle Githens; Lisa Robbe, Office of Developmental Disabilities; Eric Matthes; Shawn Latham, Allies in Advocacy; and Josephine Tamayo Murray, Communities of Concern Commission.

Hearing Date March 29, 2021

(In support of the proposed substitute bill) Representative Tharinger, prime sponsor; Kji Kelly, Historic Seattle; Steve DuPont, Central Washington University; Aaron Czyzewski, Food Lifeline; Cynthia Stewart, League of Women Voters of Washington; Lauren Baba, University of Washington Medicine; Laurie Lippold, Partners for Our Children; Bob Hickey, Magnuson Park Center for Excellence; DaleAnn Baker, Washington State Parent Teacher Association; Amber Carter, Identity Clark County and Port of Vancouver United States of America; Olgy Diaz, Washington Wildlife Recreation Coalition; Dave Schaub, Inland Northwest Land Conservation; Clayton Graham; Tyler Muench, Office of Superintendent of Public Instruction; Carolyn Logue, Washington Library Association; Meredith Lohr, EarthGen; Lorah Super, Methow Valley Citizens Council; Matt Zuvich, Washington Federation of State Employees; Derek Baker, Seattle Aquarium; Josephine Tamayo Murray, Communities of Concern Commission; Jessica Juarez-Wagner, United Indians of All Tribes Foundation; Nina Martinez, Latino Civic Alliance; Dawn Vyvyan, The Yakama Nation, The Puyallup Tribe, and The Sauk-Suiattle Tribe; Paul Jewell, Washington State Association of Counties; Peter Dykstra, Trout Unlimited; Kathleen Collins, Washington Water Policy Alliance; Terri Drexler, Shelton Youth Connection; Laurie De Koch, Seattle JazzED; Mike Schwindeller, Seattle Parks and Recreation; Loreen Hamilton, City of Redmond; Arlene Sargeant, Seattle JazzED; Katy Warren, Washington State Association of Head Start and Early Childhood Education and Assistance Program; Doug Levy, Outcomes By Levy, LLC and Washington Recreation and Park Association and Recreational Boating Association of Washington; Penny Sweet, City of Kirkland; Elizabeth Dahl, Aurora Commons; Chitra Hanstad, World Relief Seattle; Cody Wells; Juanita Salinas-Aguila, Enterprise Community Partners; Michele Kiesz, East Basin Irrigators Association; Isabel Jones, King County; Jim Kowalkowski, Davenport School District and Rural Education Center; Mitch Denning, Alliance of Educational Associations; Harold Crose, Grant County Conservation District; Kelley Nesbitt, Families Buiding Better Lives for Those with Developmental Disabilities; Justin Allegro, The Nature Conservancy; and George Lee, Rainier Beach Link to Lake Committee.

(Opposed to the proposed substitute bill) Anna Lois Fuller, Friends of Lopez Island Pool; Paige Reischl, Eli's Park Project; Shauna Bilyeu, Richard Hauan, Washington Center for Deaf and Hard of Hearing Youth; Krista Milhofer, People First of Washington; Julie Clark; Robert Wardell; Eric Matthes; Anthony Nash; Josie Schindler; Michael Raymond; Kari Reardon, Washington Defender Association and Washington Association of Criminal Defense Lawyers; Jeremy Norden-Paul, Washington State Developmental Disabilities Council; Rhonda Batchelor, Cross Disability Advocacy Network; Ivanova Smith, Self Advocates in Leadership; Diana Stadden, The Arc of Washington State; Axel Strakeljahn, Port of Bremerton; Mike Gantala; Jeannette Ivy; Bruce Chattin, Washington Aggregates and Concrete Association; David Griffiths; and Tash Hansen-Day, No New Washington Prisons.

(Other testimony on the proposed substitute bill) Liz Trautman, Washington Coalition for Homeless Youth Advocacy; Michele Thomas, Washington Low Income Housing Alliance; Nicholas Norton, Washington Association of Land Trusts; Bryan Ketcham, Catholic

Charities Housing Services; Michael Ramos, Church Council of Greater Seattle; Jeff DeLuca, Washington State Community Action Partnership; Amber Carter, Port of Vancouver United States of America; Carolyn Logue, North West Hearth and Patio and Barbecue Association; Jon Grant, Low Income Housing Institute; Morgan Hickel, University of Washington; Mark Smith, Housing Consortium of Everett and Snohomish County; Becca Kenna-Schenk, Western Washington University; Darya Farivar, Disability Rights Washington; Joshua Stuller; Seven Williams; Meredith Cambre, Young Men's Christian Association of Greater Seattle; Peggen Frank, Stillaguamish Tribe of Indians; Wesley Jessup, Eastern Washington State Historical Society; Wayne Doty, State Board for Community and Technical Colleges; Amy Morrison, Lake Washington Institute of Technology; Darrell Cain, Pierce College Puyallup; Chemene Crawford, North Seattle College; Ryan Donohue, Habitat for Humanity Seattle-King County; Mitch Long, Kittitas Conservation Trust; Lance Goodpaster, Franklin Pierce School District; Michone Preston, Habitat for Humanity of Washington State; Tom Jacobi, HomeSight; Tom Seigel, Bethel School District; Urban Eberhart, Kittitas Reclamation District; Wendy McDermott, American Rivers; Patricia Byers, City of Yakima; Chris Mulick, Washington State University; Jeremy Mohn, The Evergreen State College; Marissa Rathbone, Washington State School Directors' Association; Erik Martin, Public Works Board; Randy Hayden, Port of Pasco; Thomas Lannen, Skamania County Commissioner; Jesse Rawlins, Public Defender Association; Nick Federici, United Way of King County; Charlie Brown, Washington Skills Centers Association; Bill Clarke, Washington Public Utility District Association; and Tina Wright, Harrison Medical Center.

Persons Signed In To Testify But Not Testifying: *Hearing Date January 14, 2021*

Kji Kelly, Historic Seattle; Steve DuPont, Central Washington University; Aaron Czyzewski, Food Lifeline; Cynthia Stewart, League of Women Voters of Washington; Lauren Baba, University of Washington Medicine; Laurie Lippold, Partners for Our Children; Bob Hickey, Magnuson Park Center for Excellence; DaleAnn Baker, Washington State Parent Teachers Association; Jim Freeburg, North Cascades Conservation Council; Anna Lois Fuller, Friends of Lopez Island Pool; Liz Trautman, Washington Coalition for Homeless Youth Advocacy; Amanda DeShazo, Tacoma-Pierce County Affordable Housing Consortium; Michele Thomas, Washington Low Income Housing Alliance; Nicholas Norton, Washington Association of Land Trusts; Bryan Ketcham, Catholic Charities Housing Services; Michael Ramos, Church Council of Greater Seattle; Jeff DeLuca, Washington State Community Action Partnership; Amber Carter, Port of Vancouver United States of America; and Carolyn Logue, North West Hearth and Patio and Barbecue Association.