

# HOUSE BILL REPORT

## HB 1147

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**As Reported by House Committee On:**  
Capital Budget

**Title:** An act relating to the capital budget.

**Brief Description:** Concerning the capital budget.

**Sponsors:** Representatives Tharinger, Leavitt, Callan and Wylie; by request of Office of Financial Management.

**Brief History:**

**Committee Activity:**

Capital Budget: 1/12/23, 3/28/23, 3/30/23 [DPS].

**Brief Summary of Substitute Bill**

- Makes biennial capital budget appropriations for the 2023-25 fiscal biennium.
- Makes 2023 supplemental capital budget appropriations for the 2021-23 fiscal biennium.

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### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; Sandlin, Assistant Ranking Minority Member; Alvarado, Bateman, Cheney, Christian, Couture, Dye, Eslick, Farivar, Fosse, Kloba, Leavitt, Maycumber, McClintock, McEntire, Morgan, Mosbrucker, Peterson, Reed, Rule, Shavers, Stearns and Waters.

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

**Background:**

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*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.*

Washington operates on a biennial budget cycle. The Legislature authorizes expenditures for capital needs in the State Omnibus Capital Appropriations Act (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. Historically, over 50 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 2023-25 Capital Budget covers the period from July 1, 2023, through June 30, 2025.

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 school construction, and grant and loan programs that support housing, public infrastructure, community service facilities, and art and historical projects.

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#### **Summary of Substitute Bill:**

The 2023-25 Capital Budget authorizes new appropriations totaling \$8.1 billion, of which \$4.7 billion is financed through new general obligation bond proceeds. The 2023-25 biennial budget includes reappropriations totaling \$7.6 billion for prior authorized, but not yet completed projects, of which \$3.7 billion are financed with debt limit bonds. The 2023 Supplemental Capital Budget decreases total funding in the 2021-23 fiscal biennium by \$70.6 million, but reduces appropriations funded with bonds by \$159 million.

Additional detailed information can be found at:

<https://fiscal.wa.gov/statebudgets/2023proposals/hc2325bien>

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#### **Substitute Bill Compared to Original Bill:**

The original bill was the Governor's Capital Budget proposal for the 2023-25 biennium and the 2023 Supplemental Budget. Please see <http://fiscal.wa.gov/CapitalCurrentBudgets.aspx> for detailed information and comparison reports between the Governor's proposed budget and the substitute bill passed by the House Capital Budget Committee.

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**Appropriation:** The bill contains appropriations from various accounts.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill contains multiple effective dates. Please see the bill.

**Staff Summary of Public Testimony:**

Please refer to the January 12, 2023, recording of the public hearing on the original bill.

Please refer to the March 28, 2023, recording of the public hearing on the proposed substitute bill.

**Persons Testifying:** *Hearing Date January 12, 2023*

(In support of the original bill) Representative Steve Tharinger, prime sponsor; Erica Hallock, Start Early Washington; Tyler Muench, Office of Superintendent of Public Instruction; Kathryn Gardow, Public Works Board; Joe Dacca, University of Washington; Darrell Jennings, Chris Bailey, and Rebekah Woods, State Board for Community and Technical Colleges; Josephine Tamayo Murray and Carey Anderson, Communities of Concern Commission; Jeremy Takala and Esther Moses-Hyipeer, Yakama Nation; Dani Madrone, American Farmland Trust; Brian Freeman, Eastern Washington Quality Schools Coalition; Tasha Irvine, Principle Allies; Susan Foster-Dow, Catholic Charities Eastern Washington; Linda Grant, Evergreen Recovery Centers; Maureen Sorenson, Coordinated Care of Washington; Jim Kowalkowski, Rural Education Center; Ryan Donohue, Habitat for Humanity Seattle-King and Kittitas Counties; Nora Selander, Western Washington University; Carly Colgan, Habitat for Humanity of Washington State; Russ Pfeiffer-Hoyt, Washington State School Directors' Association; Wes Jessup, Northwest Museum of Arts and Culture; Rebecca Medendorp, Washington State Parent Teacher Association; Steve DuPont, Central Washington University; David Buri, Eastern Washington University; Ian Goodhew, University of Washington Medicine Behavioral Health; Michael Olsen, Kettle Falls School District; Steve Jantz, Keller School District; Jason Perrins, Chewelah School District; Jeff DeLuca, Washington State Community Action Partnership; Ross Quigley, Opportunity Council; Dylan Plummer, Sierra Club; Monica Guevara, Emerald Cities Collaborative; Fawn Sharp, Quinault Indian Nation; and Mitch Denning, Washington Association of Maintenance and Operation Administrators.

(Opposed to the original bill) John Worthington; Jessica Renner, Self Advocates in Leadership; Shawn Latham, Allies in Advocacy; and Chris Maykut, Friends of Bumping Lake.

(Other testimony on the original bill) Ben Wick, City of Spokane Valley; Michele Thomas, Washington Low Income Housing Alliance; Kristin Ang, Port of Tacoma; Brian Shay, City of Hoquiam; Ruth Clemens, City of Aberdeen; Jay Gordon, Office of Chehalis Basin; Lynnette Buffington, Greater Grays Harbor Incorporated; Amanda DeShazo, Tacoma-Pierce County Affordable Housing Consortium; Kimberly Ellefson; Jude Ahmed, Urban League of Metropolitan Seattle; Chad Vaculin, Housing Development Consortium of Seattle-King County; Connor Haggerty, Washington State University; Aaron Czyzewski,

Food Lifeline; Jason Gauthier, South Sound Housing Affordability Partners; Scott Richards, The Nature Conservancy; and Jasmine Zimmer-Stucky, Lower Columbia Estuary Partnership.

*Hearing Date March 28, 2023*

(In support of the proposed substitute bill) Laurie Lippold, Partners for Our Children; Erica Hallock, Start Early Washington; Rose Feliciano, Port of Bremerton, Lifelong, and Catholic Charities Eastern Washington; Brent Simcosky, Jamestown S'Klallam Tribe; Michael Robinson, Pacific Coast Legacy Emissions Action Network; Lacey Jane Wolfe, City of Bellevue; Faaluaina Pritchard, Asia Pacific Cultural Center; Joel Ing; Belinda Louie; Michael Pugsley, Ashley House-Spokane and Tacoma; Phil Edlund, Parkland Community Association - Save Parkland School; Terri Pugh, Foundation for Climate Restoration; Josephine Tamayo Murray, Communities of Concern Commission; Carey Anderson, First African Methodist Episcopal Church and Communities of Concern Commission; Nick Federici, United Ways of the Pacific Northwest; Lisa Vatske, Washington State Housing Finance Commission; Kathryn Gardow, Public Works Board; Kim Herman, Coalition for Affordable Housing Development; Debbie Thiele, Corporation for Supportive Housing; Marianne Lincoln, Julie Collison, and Alyce Warren, Parkland and Spanaway Community Associations; Jeff DeLuca, Washington State Community Action Partnership; Ruth Clemens, City of Aberdeen, Brian Shay, City of Hoquiam; Michael Pugsley, Ashley House; Mark Smith, Housing Consortium of Everett and Snohomish County; AyeNay Abye, Tubman Center for Health and Freedom; Michael White, King County; Tyler Muench, Office of Superintendent of Public Instruction; Jessie Friedmann, YouthCare; Marissa Rathbone, Washington State School Directors' Association; Nora Selander, Western Washington University; Mitch Denning, Washington Association of Maintenance and Operation Administrators; Steve DuPont, Central Washington University; Charlie Brown, Skills Center Directors and Tacoma Public Schools; Darrell Jennings, State Board for Community and Technical Colleges; Kasey Burton, Tenant Law Center; Maureen Fife, Tacoma/Pierce County Habitat For Humanity; Maya Morales; Scott Richards, The Nature Conservancy; Jasmine Zimmer-Stucky, Lower Columbia Estuary Partnership; Sue Marshall, Clark County Council; Jane Trafallis; Sandy Kaiser, The Evergreen State College; Jared Mason-Gere, Washington Education Association; Joe Blodgett, Yakama Nation; Lisa Pelly, Trout Unlimited; Bill Clarke, Kittitas Reclamation District, Kittitas County, and Trust for Public Land; John Stuhlmiller, Washington Public Ports Association; and Isaac Kastama, Clean and Prosperous Washington.

(Opposed to the proposed substitute bill) David Ortman, Alpine Lakes Protection Society, Friends of Bumping Lake, Lower Columbia Basin Audubon Society, Middle Fork Outdoor Recreation Coalition, North Cascades Conservation Council, Save Lake Kachess, and Wilderness Watch; Chris Maykut, Friends of Bumping Lake; Jay Schwartz; Bill Adamson, South Sound Military and Communities Partnership; Dan Harwood; and Benjamin Briggs, White Salmon Valley Pool Metropolitan Park District.

(Other testimony on the proposed substitute bill) Jim Theofelis, NorthStar Advocates; Diana

Stadden, The Arc of Washington State; Shrounda Selivanoff, Children's Home Society of Washington; Zeke Smith, Empire Health Foundation; Adrienne Mason, Children's Home Society of Washington; Erica Sessle, Lifelong; Christine Mahler; Ruth Gifford, Dishman Hills Conservancy; Yvonne Kraus, Evergreen Mountain Bike Alliance; Sean Hopps, Community to Community Development; Wendy Freeman; Michele Thomas, Washington Low Income Housing Alliance; Rob Huff; Jude Ahmed, Urban League of Metropolitan Seattle; Ryan Donohue, Habitat for Humanity Seattle-King and Kittitas Counties; Po Leapai; Elizabeth Dickinson; Morgan Hickel, University of Washington; David Buri, Eastern Washington University; Jesse Simpson, Housing Development Consortium; Dani Madrone, American Farmland Trust; Vanessa Kritzer, Washington Association of Land Trusts; Derek Baker, Seattle Aquarium; Katrina Johnson, Food Lifeline; Ian Goodhew, University of Washington Medicine Behavioral Health; Amber Carter, Port of Vancouver USA and American Waterways Operators; Gwen Ichinose Bagley, Young Men's Christian Association of Greater Seattle; Allen Miller; Michael Moran and Jerred Michael Erickson, Confederated Tribes of the Colville Reservation; John Ayers, Gladish Community and Cultural Centre; Kay Kirkpatrick, Highland Park Improvement Club; Connor Haggerty, Washington State University; Jane Palmer, Jayden Stanton, and Benjamin Briggs, White Salmon Valley Pool Metropolitan Park District; and Jeffrey Bohman, Peninsula Trails Coalition.

**Persons Signed In To Testify But Not Testifying:** *Hearing Date January 12, 2023*

More than 20 persons signed in. Please see committee staff for information.

*Hearing Date March 28, 2023*

More than 20 persons signed in. Please see committee staff for information.