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House Supplemental Budget

BRIEFLY

The House Supplemental Budget adds \$34.9 million to the 1997-99 biennial budget.

The level of supplemental spending adopted by the legislature will affect the spending limit for future biennial budgets.

The House proposal is lower than either the Governor's budget request or the supplemental budget adopted by the Senate.

House budget negotiators last week reached agreement on a supplemental 1997-1999 General Fund State (GFS) budget.

The House proposes a GFS increase in 1997-1999 of \$34.9 million. This is \$15.9 million less than the Senate proposal and \$37.7 million below the Governor's request.

Only \$2.9 million separate the House and Governor Policy Initiatives (new funding). The House makes the greatest decrease in caseload, enrollment and other reductions – \$40.6 million below the Governor and \$7.1 million below the Senate.

While the totals for Policy Adjustments differ only slightly between the House and Governor, the item amounts within this category differ primarily in school construction funding. The House proposal includes a \$13.8 million GFS transfer to the Common School Construction Account for 1997-1999 unfunded eligible projects and an additional \$47.7 million for transfer to school construction for 1999-2001 projects. The Senate also provided \$13.8 million for the current biennium and put \$34.5 million toward 1999-2001. The Governor proposed \$22.4 million for current biennium projects only.

All three supplemental proposals include an additional transfer of \$66.3 million from the Education Savings Account to fund common school construction.

The House, along with the Senate, included \$15.0 million GFS for repair and upgrade of Community and Technical College's facilities.

The Senate proposal to reduce the K-12 school-bus depreciation schedule was not contained in the House version. The Senate's proposal would send an additional \$12.8 million to local school districts for accelerated recovery of school bus costs.

The House also had its own idea about the amount to include in the supplemental budget for settlement of the court case involving the administration of Washington State University trust lands accounts. The Governor included \$40.0 million in anticipation of the settlement; the House included \$5.0 million. The Senate chose not to address a dollar amount until final settlement of the claim.

TABLE 1

1997-1999 Supplemental Budget

(dollars in millions)

	Governor Proposed	Senate Passed	House Proposed
Policy Adjustments	91.0	102.7	93.9
Caseload, Enrollment, and Other	(18.4)	(51.9)	(59.0)
1999 Supplemental Proposal	72.6	50.8	34.9

Differences between the House and the Governor in caseload, enrollment and other adjustments resulted from revised projections used by the House. The revisions show a declining level of participation in social service caseloads and student enrollment.

A comparison of the three 1999 supplemental GFS budget proposals is shown in Table 1.

The House version reflects the desire by many members to keep the supplemental budget as low as possible. The 1999 supplemental budget finally passed by the legislature will affect the computation of the 1999-2001 spending limit under I-601.

Allowing for the updated forecasts for caseloads and enrollments, the three proposals do not differ that much in dollar amount. Remaining differences in specific funding should be relatively easy to resolve.



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