

HOUSE BILL REPORT

HB 1810

*As Reported By House Committee on:
Transportation
Capital Facilities & Financing*

Title: An act relating to state general obligation bonds to finance the state patrol headquarters construction project.

Brief Description: Financing the state patrol headquarters construction project.

Sponsor(s): Representatives R. Fisher, H. Sommers, Schmidt, R. Meyers, Betrozoff, Dellwo, Winsley, Paris, Basich, Jacobsen, Forner and Rasmussen; by request of Washington State Patrol.

Brief History:

Reported by House Committee on:
Transportation, March 7, 1991, DPS;
Capital Fac. & Financing, April 16, 1991, DPS(TR)-A.

**HOUSE COMMITTEE ON
TRANSPORTATION**

Majority Report: *That Substitute House Bill No. 1810 be substituted therefor, and the substitute bill do pass.*
Signed by 22 members: Representatives R. Fisher, Chair; R. Meyers, Vice Chair; Betrozoff, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Basich; Cantwell; Cooper; Day; Haugen; Heavey; Horn; R. Johnson; Jones; Kremen; Mitchell; Nelson; Orr; Prentice; Prince; Schmidt; Wood; and Zellinsky.

Staff: Robin Rettew (786-7306).

Background: Currently the Washington State Patrol (WSP) leases space for its headquarters personnel in 10 locations throughout Thurston County. This has made coordinating headquarters activities difficult and costly. The Department of General Administration (GA) and the Office of Financial Management (OFM) have been looking for a new headquarters facility for the WSP since 1982.

Summary of Substitute Bill: A \$53.25 million bond bill is proposed for construction of a 161,000 gross square foot facility on campus for the Washington State Patrol (WSP). A 400-stall underground parking garage will also be built.

The parking components and building components are distinguished. The parking component is estimated to cost \$12.05 million and all debt service is to be paid from General Fund sources. The Department of General Administration (GA) will have total responsibility and control of the garage component.

The building component is estimated at \$41.20 million.

All debt service on the building component of the project is to be paid for directly out of the State Patrol Highway Account (SPHA). All occupants of the facility, other than SPHA-supported occupants, will reimburse the SPHA a share of the debt service. The amount non-SPHA users will pay is based upon the percentage of space occupied relative to the total annual debt service requirements.

Language is included to specify how debt service will be determined before anyone occupies the facility. It will be paid for entirely by the Washington State Patrol (WSP) based on the proportionate share of activities attributable to the various funds and accounts supporting the State Patrol.

Shares of debt service attributable to the parking versus non-parking components will be determined collectively by the Office of Financial Management (OFM), the WSP, the Department of General Administration (GA), and the appropriate legislative committees.

Substitute Bill Compared to Original Bill: The substitute bill eliminates the State Patrol Reserve Account and provides for all debt service on the building component to be paid for from the State Patrol Highway Account (SPHA). The substitute bill stipulates that all non-SPHA occupants of the facility will reimburse the SPHA based upon the percentage of space occupied relative to the total annual debt service. The substitute clarifies that prior to actual occupancy, all debt service on the building will be based on the proportionate share of activities attributable to the various funds and accounts which support the State Patrol.

Slightly over \$4 million is added to the cost of the building component for cost contingencies.

No changes are made to the sections of the bill pertaining to the parking garage component of the project.

Fiscal Note: Not requested.

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

Testimony For: The size, site, cost, occupancy and funding of this facility have all been thoroughly analyzed. This proposal is the result of many years of hard work.

Testimony Against: None.

Witnesses: Carole Cheadle, Office of Financial Management; and George Tellevik, Washington State Patrol.

**HOUSE COMMITTEE ON
CAPITAL FACILITIES & FINANCING**

Majority Report: *The substitute bill by Committee on Transportation be substituted therefor and the substitute bill as amended by Committee on Capital Facilities & Financing do pass.* Signed by 11 members: Representatives H. Sommers, Chair; Rasmussen, Vice Chair; Schmidt, Ranking Minority Member; Neher, Assistant Ranking Minority Member; Braddock; Fraser; Heavey; Jacobsen; Ogden; Peery; and Wang.

Minority Report: *Do not pass.* Signed by 3 members: Representatives Brough; Casada; and Silver.

Staff: Bill Robinson (786-7140).

Summary of Recommendation of Committee on Capital Facilities & Financing Compared to Recommendation of Committee on Transportation: The bond authorization is reduced from \$53.2 million to \$50.1 million. The allocation of the total project cost to the parking structure has changed from \$12 million to \$7.7 million. All agencies occupying the building, including the State Patrol, will pay rents to reimburse the general fund for the debt service costs for the building.

Fiscal Note: Not requested.

Effective Date of Substitute Bill as Amended: The bill contains an emergency clause and takes effect immediately.

Testimony For: The Department of General Administration and the State Patrol continue to work on the cost of the parking structure and will present size and cost options to the committee.

Testimony Against: None.

Witnesses: Rick Jenson, Washington State Patrol; and Grant Fredricks, General Administration.