

HOUSE BILL REPORT

HB 2295

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

Title: An act relating to amending the capital appropriation for Lake Washington Technical College.

Brief Description: Changing the capital appropriation for Lake Washington Technical College.

Sponsor(s): Representatives H. Sommers, Miller, Jacobsen, Schmidt, May, Basich, Ogden, Betrozoff, Spanel, Cantwell, Van Luven, Forner, Rasmussen and Ferguson.

Brief History:

Reported by House Committee on:
Capital Facilities & Financing, January 15, 1992, DP.

**HOUSE COMMITTEE ON
CAPITAL FACILITIES & FINANCING**

Majority Report: *Do pass.* Signed by 13 members: Representatives H. Sommers, Chair; Rasmussen, Vice Chair; Schmidt, Ranking Minority Member; Neher, Assistant Ranking Minority Member; Beck; Braddock; Brough; Casada; Fraser; Heavey; Ogden; Silver; and Wang.

Staff: Bill Robinson (786-7140).

Background: In 1986, Lake Washington Vocational Technical Institute received voter approval for a local bond issue and approval from the State Board of Education for construction of a new classroom, administrative, and laboratory building. Construction of the new building began in 1988 and is scheduled to be completed in the summer of 1992. The project was to be completely financed by a combination of local school district bonds and state school construction money allocated by the State Board of Education.

Senate Bill 5184, enacted in the 1991 session of the Legislature, transferred Lake Washington Vocational Technical Institute from the authority of the local school district to the State Board of Community and Technical Colleges. As a result of the transfer, the former Lake Washington Vocational Technical Institute is no longer eligible for local school district bond money or the \$7.9 million of state school construction money allocated by the

State Board of Education. The 1991-93 state capital budget anticipated the transfer of authority by appropriating \$5.8 million to replace the state school construction money, but at the date of transfer the project was not as far along as expected. This miscalculation of the construction schedule resulted in a funding shortfall of \$4.4 million. A sum of \$2.1 million is needed to pay the building contractor for work underway, \$1.3 million for classroom furniture and equipment, and \$1 million for street improvements and other required costs.

The State Board of Education has agreed to pay \$1.1 million of the shortfall for construction costs completed prior to September 1, 1991. This \$1.1 million payment plus an additional \$1 million is needed to cover the current construction contract obligations of the state and Lake Washington Technical College.

The additional \$1 million for building construction is needed immediately, as the available capital money may be exhausted prior to enactment of the supplemental capital budget. If additional state money is not approved by February, the college will be faced with a costly construction shutdown and legal action. The balance of the project shortfall can be addressed in the 1992 supplemental capital budget because the expenditures are not subject to the same February deadline.

Summary of Bill: The 1991-93 biennial capital budget is amended to change the name of Lake Washington Vocational Technical Institute to Lake Washington Technical College, and to increase the appropriation for construction of the administrative addition, classroom space, and aerospace laboratory by \$1,051,000.

Fiscal Note: Not requested.

Appropriation: An additional \$1,051,000 from the State Building Construction Account.

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

Testimony For: Construction of the new building is on schedule and without additional money, construction will have to be shut down, resulting in costly future restart procedures and legal action. The latest payment from the State Board of Education will allow construction to proceed through February. The money in this bill is critical for the completion of the construction phase of the new building.

Testimony Against: None.

Witnesses: Bill Julius, State Board for Community and Technical Colleges; and Dr. Donald Fowler, President Lake Washington Technical College.