

HOUSE BILL REPORT

HB 1158

As Reported By House Committee On:
Capital Budget

Title: An act relating to the capital budget.

Brief Description: Adopting a supplemental capital budget.

Sponsors: Representatives Sehlin and Ogden; by request of Office of Financial Management.

Brief History:

Committee Activity:

Capital Budget: 1/17/97, 3/10/97 [DPS].

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Sehlin, Chairman; Honeyford, Vice Chairman; Sullivan, Assistant Ranking Minority Member; Costa; Hankins; Koster; Lantz; Mitchell and H. Sommers.

Minority Report: Without recommendation. Signed by 1 member: Representative D. Sommers.

Staff: Bill Robinson (786-7140).

Background: *The state of Washington uses a biennial budget cycle in which the Legislature authorizes appropriations covering two years of expenditures.* In addition to the operating budget adopted every two years, the Legislature also enacts a capital budget providing for land acquisition, building construction, facility improvements and other capital needs of the state and its agencies and institutions. Many of these projects are financed by the issuance of state general obligation bonds.

In the intervening years, the Legislature enacts a supplemental capital budget that revises existing appropriations to reflect updated information, to respond to unanticipated events, or to authorize additional capital projects.

Summary of Substitute Bill: The 1995-1997 capital budget is amended to add four community college capital projects that were not anticipated in the biennial budget.

The four projects are: (1) replace the pedestrian street crossing at Yakima Valley College; (2) repair the central heating system at Olympic College; (3) replace the library that was destroyed during the December 1996 snow and ice storm at Olympic College; and (4) purchase land for the new college entrance and instruction technology center at Everett Community College.

Substitute Bill Compared to Original Bill: The original bill was Governor Lowry's recommended supplemental capital budget. The Olympic College library was added and projects that were contingent on appropriations in the supplemental general fund operating budget were removed. The amount for the Yakima Valley College project was reduced and the matching fund requirement was added.

Appropriation: \$5,690,107 of state bonds and \$5,008,686 of federal emergency funds.

Fiscal Note: Not requested.

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

Testimony for: The December 1996 storm caused the roof on the twenty-year-old Olympic College library to collapse. The replacement of the building is necessary to continue the educational programs on the campus. The timing for the supplemental budget is also critical for the heating system repair project at Olympic College, the land acquisition at Everett Community College, and the street crossing at Yakima Valley College in order to fit into a narrow time frame to complete the projects during the summer months.

Testimony Against: None.

Testified: John Fricke, Office of Financial Management; Bill Julius, State Board for Community and Technical Colleges; and Donna Allen, President, Olympic College.