

# HOUSE BILL REPORT

## HB 1532

---

**As Passed House:**  
March 4, 2015

**Title:** An act relating to capital design and construction for institutions of higher education.

**Brief Description:** Concerning budget submissions for capital design and construction at institutions of higher education.

**Sponsors:** Representatives Smith, Stanford, DeBolt, Riccelli and Tarleton.

**Brief History:**

**Committee Activity:**

Capital Budget: 2/3/15, 2/10/15 [DP].

**Floor Activity:**

Passed House: 3/4/15, 98-0.

**Brief Summary of Bill**

- Increases the limit for cost estimates for major capital projects for higher education institutions from \$5 million to \$10 million.

---

### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report:** Do pass. Signed by 9 members: Representatives Dunshee, Chair; Stanford, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kilduff, Kochmar, Peterson, Riccelli and Walsh.

**Staff:** Christine Thomas (786-7142).

**Background:**

Cost estimates are decision-making tools that are required to be submitted to the Office of Financial Management in the biennial capital budget development process for all major capital projects that exceed \$5 million. The purpose of the cost estimates is to provide detailed information regarding estimated costs for such project components as acquisition, consultant services, construction, equipment, project management, and other costs included

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

as part of the project. These detailed cost estimates are used to make funding decisions in developing the capital budget.

A predesign study is another decision-making tool that is required for all capital projects that exceed \$5 million. Chapter 162, Laws of 2014 increased the predesign project limit for higher education capital projects from \$5 million to \$10 million.

**Summary of Bill:**

The limit for cost estimates for major capital projects at institutions of higher education is increased from \$5 million to \$10 million to make the limit consistent with that of predesign studies of major capital projects at higher education institutions.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) The predesign study process is required for higher education institution major capital projects more than \$10 million. Cost estimates for major capital budget requests at higher education institutions are required for projects more than \$5 million. Increasing the threshold would allow the predesign and capital budget processes to be aligned. This change will save project costs and allow more projects between \$5 million and \$10 million to proceed more quickly.

(Oppose) None.

**Persons Testifying:** Representative Smith, prime sponsor; Cody Eccles, Council of Presidents; and Steve DuPont, Central Washington University.

**Persons Signed In To Testify But Not Testifying:** None.