

HOUSE BILL REPORT

SB 5075

As Reported By House Committee On:
Appropriations

Title: An act relating to emergency school construction.

Brief Description: Appropriating funds for emergency construction of Crown Hill elementary school.

Sponsors: Senators Owen, Sheldon and Oke.

Brief History:

Committee Activity:

Appropriations: 4/3/95 [DP].

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 30 members: Representatives Silver, Chairman; Clements, Vice Chairman; Huff, Vice Chairman; Pelesky, Vice Chairman; Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Basich; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; G. Fisher; Foreman; Grant; Hargrove; Hickel; Jacobsen; Lambert; Lisk; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott; Thibaudeau and Wolfe.

Staff: Susan Nakagawa (786-7145).

Background: The state provides financial assistance to local school districts for construction of new school buildings and renovation of existing school buildings. Before a school district is eligible for state matching money the district must: a) have a voter approved bond levy to finance the district's share of the school project; and b) have approval by the State Board of Education. The state board uses a two step approval process for state school construction funds. The first step is a review of the project according to board guidelines, and the second is the release of state matching funds based upon a priority ranking system and the available level of state appropriations. On average, state financial assistance to school districts represents about 50 percent of school construction costs.

In February 1991, the voters of Bremerton School District approved a \$17.3 million bond issue for the construction and remodeling of several school buildings. One of the projects approved was the remodeling and expansion of the 38 year old Crown Hill

Elementary School. The expansion portion of the project would increase the amount of space in the school by about 20 percent. After several changes to the funding application for the Crown Hill expansion project, the State Board of Education approved the project in November 1992, along with seven other Bremerton school projects.

On July 13, 1993, a fire destroyed about half of the Crown Hill School, including nine classrooms, the library, and the gymnasium. In May 1994, the Bremerton School District removed the burned portion of Crown Hill School. At the same time, it razed the remaining portions of the building not destroyed by the fire in order to provide a site for construction of the replacement building.

In July 1994, the state board ranked all approved projects on a priority ranking basis and allocated \$111.2 million of state matching money for eligible projects. Crown Hill Elementary School ranked 57 of 89 projects on the list -- four projects away from receiving state funds. Priority for Crown Hill was based on the merits of the replacement of the existing building prior to the fire. State board policy does not fund fire damage to school buildings under the assumption that fire insurance will cover these costs. Meanwhile, the Bremerton School District had used the local bond levy and previously allocated state money to fund other projects in the district so that these schools would be open for the 1994 school year. When state money was not available from the July 1994 release, as anticipated by the school district, Crown Hill students had to attend school in portable buildings moved onto the site and in a nearby rented church building.

Summary of Bill: The sum of \$5,520,000 is appropriated from the state general fund for the current biennium to the Department of Community, Trade, and Economic Development for the purpose of funding the Crown Hill Elementary School. Upon release of school construction funds by the State Board of Education for the Bremerton School District, the construction funds shall be deposited into the state general fund as repayment of the general fund appropriation.

Appropriation: The sum of \$5,520,000 is appropriated to the Department of Community, Trade and Economic Development.

Fiscal Note: Not requested.

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

Testimony For: This bill is important. This funding is a loan, not a grant. Currently, there is no school facility and some children are being bussed. It is necessary to act now so that bidding can proceed prior to the spring building season.

Testimony Against: None.

Testified: Senator Brad Owen, prime sponsor.