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SENATE BILL 5827

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State of Washington                      59th Legislature                      2005 Regular Session

By Senators Schoesler, Fraser and Kohl-Welles

Read first time 02/08/2005. Referred to Committee on Ways & Means.

1            AN ACT Relating to capital projects lists for local nonprofit art,  
2 cultural, heritage, youth, and social service organizations; amending  
3 RCW 43.63A.125, 43.63A.750, 27.34.330, and 43.63A.135; repealing 1999  
4 c 295 s 4 (uncodified); and providing expiration dates.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 43.63A.125 and 1999 c 295 s 3 are each amended to read  
7 as follows:

8            (1) The department shall establish a competitive process to solicit  
9 proposals for and prioritize projects that assist nonprofit  
10 organizations in acquiring, constructing, or rehabilitating facilities  
11 used for the delivery of nonresidential social services.

12            (2) The department shall establish a competitive process to  
13 prioritize applications for the assistance as follows:

14            (a) The department shall conduct a statewide solicitation of  
15 project applications from local governments, nonprofit organizations,  
16 and other entities, as determined by the department. The department  
17 shall evaluate and rank applications in consultation with a citizen  
18 advisory committee using objective criteria. At a minimum, applicants  
19 must demonstrate that the requested assistance will increase the

1 efficiency or quality of the social services it provides to citizens.  
2 The evaluation and ranking process shall also include an examination of  
3 existing assets that applicants may apply to projects. Grant  
4 assistance under this section shall not exceed twenty-five percent of  
5 the total cost of the project. The nonstate portion of the total  
6 project cost may include cash, the value of real property when acquired  
7 solely for the purpose of the project, and in-kind contributions.

8 (b) The department shall submit a prioritized list of recommended  
9 projects to the governor and the legislature in the department's  
10 biennial capital budget request beginning with the 2001-2003 biennium  
11 and thereafter. For the 1999-2001 biennium, the department shall  
12 conduct a solicitation and ranking process, as described in (a) of this  
13 subsection, for projects to be funded by appropriations provided for  
14 this program in the 1999-2001 capital budget. The list shall include  
15 a description of each project, the amount of recommended state funding,  
16 and documentation of nonstate funds to be used for the project. The  
17 total amount of recommended state funding for projects on a biennial  
18 project list shall not exceed ((four)) eight million dollars. ((The  
19 department may provide an additional alternate project list which shall  
20 not exceed five hundred thousand dollars.)) Except for the 1999-2001  
21 biennium, the department shall not sign contracts or otherwise  
22 financially obligate funds under this section until the legislature has  
23 approved a specific list of projects.

24 (c) In contracts for grants authorized under this section the  
25 department shall include provisions which require that capital  
26 improvements shall be held by the grantee for a specified period of  
27 time appropriate to the amount of the grant and that facilities shall  
28 be used for the express purpose of the grant. If the grantee is found  
29 to be out of compliance with provisions of the contract, the grantee  
30 shall repay to the state general fund the principal amount of the grant  
31 plus interest calculated at the rate of interest on state of Washington  
32 general obligation bonds issued most closely to the date of  
33 authorization of the grant.

34 (3) This section expires July 1, 2013.

35 **Sec. 2.** RCW 43.63A.750 and 1999 c 295 s 1 are each amended to read  
36 as follows:

1 (1) A competitive grant program to assist nonprofit organizations  
2 in acquiring, constructing, or rehabilitating performing arts, art  
3 museums, and cultural facilities is created.

4 (2)(a) The department shall submit a list of recommended performing  
5 arts, art museum projects, and cultural organization projects eligible  
6 for funding to the governor and the legislature in the department's  
7 biennial capital budget request beginning with the 2001-2003 biennium  
8 and thereafter. The list, in priority order, shall include a  
9 description of each project, the amount of recommended state funding,  
10 and documentation of nonstate funds to be used for the project. The  
11 total amount of recommended state funding for projects on a biennial  
12 project list shall not exceed (~~four~~) eight million dollars. (~~The~~  
13 ~~department may provide an additional alternate project list which shall~~  
14 ~~not exceed five hundred thousand dollars.~~)

15 (b) The department shall establish a competitive process to  
16 prioritize applications for state assistance as follows:

17 (i) The department shall conduct a statewide solicitation of  
18 project applications from nonprofit organizations, local governments,  
19 and other entities, as determined by the department. The department  
20 shall evaluate and rank applications in consultation with a citizen  
21 advisory committee, including a representative from the state arts  
22 commission, using objective criteria. The evaluation and ranking  
23 process shall also consider local community support for projects and an  
24 examination of existing assets that applicants may apply to projects.

25 (ii) The department may establish the amount of state grant  
26 assistance for individual project applications but the amount shall not  
27 exceed twenty percent of the estimated total capital cost or actual  
28 cost of a project, whichever is less. The remaining portions of the  
29 project capital cost shall be a match from nonstate sources. The  
30 nonstate match may include cash, the value of real property when  
31 acquired solely for the purpose of the project, and in-kind  
32 contributions. The department is authorized to set matching  
33 requirements for individual projects. State assistance may be used to  
34 fund separate definable phases of a project if the project demonstrates  
35 adequate progress and has secured the necessary match funding.

36 (iii) The department shall not sign contracts or otherwise  
37 financially obligate funds under this section until the legislature has  
38 approved a specific list of projects. In contracts for grants

1 authorized under this section, the department shall include provisions  
2 requiring that capital improvements be held by the grantee for a  
3 specified period of time appropriate to the amount of the grant and  
4 that facilities be used for the express purpose of the grant. If the  
5 grantee is found to be out of compliance with provisions of the  
6 contract, the grantee shall repay to the state general fund the  
7 principal amount of the grant plus interest calculated at the rate of  
8 interest on state of Washington general obligation bonds issued most  
9 closely to the date of authorization of the grant.

10 (3) This section expires July 1, 2013.

11 **Sec. 3.** RCW 27.34.330 and 1999 c 295 s 2 are each amended to read  
12 as follows:

13 (1) The Washington state historical society shall establish a  
14 competitive process to solicit proposals for and prioritize heritage  
15 capital projects for potential funding in the state capital budget.  
16 The society shall adopt rules governing project eligibility and  
17 evaluation criteria. Application for funding of specific projects may  
18 be made to the society by local governments, public development  
19 authorities, nonprofit corporations, tribal governments, and other  
20 entities, as determined by the society. The society, with the advice  
21 of leaders in the heritage field, including but not limited to  
22 representatives from the office of the secretary of state, the eastern  
23 Washington state historical society, and the state office of  
24 archaeology and historic preservation, shall establish and submit a  
25 prioritized list of heritage capital projects to the governor and the  
26 legislature in the society's biennial capital budget request. The list  
27 shall include a description of each project, the amount of recommended  
28 state funding, and documentation of nonstate funds to be used for the  
29 project. The total amount of recommended state funding for projects on  
30 a biennial project list shall not exceed ~~((four))~~ eight million  
31 dollars. ~~((The department may provide an additional alternate project  
32 list which shall not exceed five hundred thousand dollars.))~~ The  
33 prioritized list shall be developed through open and public meetings  
34 and the amount of state funding shall not exceed thirty-three percent  
35 of the total cost of the project. The nonstate portion of the total  
36 project cost may include cash, the value of real property when acquired  
37 solely for the purpose of the project, and in-kind contributions. The

1 department shall not sign contracts or otherwise financially obligate  
2 funds under this section until the legislature has approved a specific  
3 list of projects. In contracts for grants authorized under this  
4 section, the society shall include provisions requiring that capital  
5 improvements be held by the grantee for a specified period of time  
6 appropriate to the amount of the grant and that facilities be used for  
7 the express purpose of the grant. If the grantee is found to be out of  
8 compliance with provisions of the contract, the grantee shall repay to  
9 the state general fund the principal amount of the grant plus interest  
10 calculated at the rate of interest on state of Washington general  
11 obligation bonds issued most closely to the date of authorization of  
12 the grant.

13 (2) This section expires July 1, 2013.

14 **Sec. 4.** RCW 43.63A.135 and 2003 1st sp.s. c 7 s 2 are each amended  
15 to read as follows:

16 (1) The department of community, trade, and economic development  
17 must establish a competitive process to solicit proposals for and  
18 prioritize projects whose primary objective is to assist nonprofit  
19 youth organizations in acquiring, constructing, or rehabilitating  
20 facilities used for the delivery of nonresidential services, excluding  
21 outdoor athletic fields.

22 (2) The department of community, trade, and economic development  
23 must establish a competitive process to prioritize applications for the  
24 assistance as follows:

25 (a) The department of community, trade, and economic development  
26 must conduct a statewide solicitation of project applications from  
27 local governments, nonprofit organizations, and other entities, as  
28 determined by the department of community, trade, and economic  
29 development. The department of community, trade, and economic  
30 development must evaluate and rank applications in consultation with a  
31 citizen advisory committee using objective criteria. Projects must  
32 have a major recreational component, and must have either an  
33 educational or social service component. At a minimum, applicants must  
34 demonstrate that the requested assistance will increase the efficiency  
35 or quality of the services it provides to youth. The evaluation and  
36 ranking process must also include an examination of existing assets  
37 that applicants may apply to projects. Grant assistance under this

1 section may not exceed twenty-five percent of the total cost of the  
2 project. The nonstate portion of the total project cost may include  
3 cash, the value of real property when acquired solely for the purpose  
4 of the project, and in-kind contributions.

5 (b) The department of community, trade, and economic development  
6 must submit a prioritized list of recommended projects to the governor  
7 and the legislature in the department of community, trade, and economic  
8 development's biennial capital budget request beginning with the 2005-  
9 2007 biennium and thereafter. The list must include a description of  
10 each project, the amount of recommended state funding, and  
11 documentation of nonstate funds to be used for the project. The total  
12 amount of recommended state funding for projects on a biennial project  
13 list must not exceed (~~two~~) four million dollars. The department of  
14 community, trade, and economic development may provide an additional  
15 alternate project list that must not exceed five hundred thousand  
16 dollars. The department of community, trade, and economic development  
17 may not sign contracts or otherwise financially obligate funds under  
18 this section until the legislature has approved a specific list of  
19 projects.

20 (c) In contracts for grants authorized under this section the  
21 department of community, trade, and economic development must include  
22 provisions that require that capital improvements be held by the  
23 grantee for a specified period of time appropriate to the amount of the  
24 grant and that facilities be used for the express purpose of the grant.  
25 If the grantee is found to be out of compliance with provisions of the  
26 contract, the grantee must repay to the state general fund the  
27 principal amount of the grant plus interest calculated at the rate of  
28 interest on state of Washington general obligation bonds issued most  
29 closely to the date of authorization of the grant.

30 (3) This section expires July 1, 2013.

31 NEW SECTION. **Sec. 5.** 1999 c 295 s 4 (uncodified) is repealed.

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