Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Capital Budget Committee

HB 2875

Brief Description: Developing a twenty-year statewide infrastructure investment strategy.

Sponsors: Representatives Loomis, Smith, Kagi, Kenney, Kirby, Williams, Sells, Wallace, Ericks, Clibborn, Fromhold, Conway, Liias, Hudgins, Springer, Miloscia, McCune, Upthegrove, Green, Morrell, Simpson, Lantz and McIntire.

Brief Summary of Bill

- Creates a Joint Legislative Infrastructure Oversight Committee (Committee).
- Directs the Office of Financial Management, in consultation with the Committee, to develop a statewide infrastructure investment strategy that will identify state infrastructure investments for the next 20 years, and policy direction for the state's financial responsibility and obligations over that time period.

Hearing Date: 1/24/08

Staff: Steve Masse (786-7115).

Background:

A number of Washington State agencies administer grant and loan programs to assist local governments to develop infrastructure. In 2006, the Joint Legislative Audit Review Committee reported there are about 75 programs that receive state assistance. The state's Capital Budget provides funding to many of those programs including the Public Works Assistance Account, the Drinking Water Assistance program, the Washington Wildlife and Recreation Program, the Centennial Clean Water Fund program, and the Youth Recreation Facilities program.

Through separate legislation, the state has participated in the financing of the construction and maintenance of Qwest Field, a football and soccer stadium and exhibition center, in 1997, and Safeco Field, a major league baseball stadium in 1995.

House Bill Analysis - 1 - HB 2875

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.

In addition, the state's operating and capital budgets have provided appropriations for local and community projects including community centers, art museums, and parks. Transportation infrastructure has typically been funded in the state's transportation budget.

The Study Committee on Public Infrastructure Programs and Funding Structures (Study Committee) was created in the 2007-09 Capital Budget to make recommendations for a comprehensive funding structure and a systematic approach to support the integration, consolidation, and standardization of processes and procedures for community and economic development programs. The Study Committee focused on three categories of infrastructure: basic infrastructure, community development infrastructure, and infrastructure for economic development. Infrastructure needs identified in the report include water quality, stormwater, wastewater, transportation, criminal justice basic infrastructure, and other utilities.

The final report identified a need for more funds based on the growing infrastructure needs of the state and financing those growing needs will continue to be difficult. The report also stated the difficulty in raising revenues to meet that demand.

Summary of Bill:

The Joint Legislative Infrastructure Oversight Committee (Committee) is created. The Committee will consist of the chair and ranking minority member of the Senate Ways and Means Committee, House Capital Budget Committee, and the Senate and House Transportation Committees.

The Office of Financial Management, in consultation with the Committee, will produce a progress report by December 1, 2008, and a final report by December 1, 2009, describing a 20-year infrastructure investment strategy. Public meetings with stakeholders to solicit input on the final report is required. The strategy will provide policy direction for state infrastructure investments and identify funding sources.

The strategy will identify potential new funding sources if available funding is not adequate. It will also make recommendations to restructure the current funding assistance programs or create new programs. Recommendations will include eligibility criteria to receive funding in each infrastructure funding assistance program.

Appropriation: None.

Fiscal Note: Requested on 1/21/08.

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