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**Capital Budget Committee**

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**HB 3302**

**Brief Description:** Regarding the public works assistance account.

**Sponsors:** Representatives Fromhold, McDonald and Armstrong.

**Brief Summary of Bill**

- Allows the Public Works Board (PWB) to obligate funds from the Public Works Assistance Account (PWAA) for construction projects after February 1 of each year if the Legislature has not passed legislation approving the list of projects by that date.
- Allows the PWB to reimburse projects for allowable expenses incurred during the preceding fiscal year upon legislative approval of the list of construction projects or after February 1 of each year.

**Hearing Date:** 2/4/08

**Staff:** Nona Snell (786-7153).

**Background:**

The Public Works Assistance Account (PWAA), commonly known as the Public Works Trust Fund, was created by the Legislature in 1985 to provide a source of loan funds to assist local governments and special purpose districts with infrastructure projects. All local governments except port districts and school districts are eligible to receive loans. The Public Works Board (PWB), within the Department of Community, Trade, and Economic Development (CTED), is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the following public works systems: bridges, roads, water and sewage systems, and solid waste and recycling facilities. Existing debt or financial obligations cannot be refinanced.

The PWAA appropriation is made in the capital budget, but the PWB must submit the project list to the Legislature for approval annually in separate legislation. The CTED received an

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appropriation of \$327 million from the PWAA in the 2007-09 Capital Budget. The funding is available for public works project loans in the 2007 and 2008 loan cycles.

**Summary of Bill:**

The bill allows the PWB to sign contracts and obligate funds from the PWAA for construction projects after February 1 of each year if the Legislature has not passed legislation approving the list of projects by that date. The PWB is also allowed to reimburse projects for expenses upon legislative approval of the list of construction projects or after February 1 of each year.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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