

HOUSE BILL REPORT

SHB 2274

As Passed House:

February 8, 1996

Title: An act relating to the community economic revitalization board.

Brief Description: Funding the community economic revitalization board.

Sponsors: By House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luven, Sheldon, Hatfield, D. Schmidt, Radcliff and Kessler).

Brief History:

Committee Activity:

Trade & Economic Development: 1/22/96 [DPS];

Appropriations: 2/1/96, 2/3/96 [DPS(TED)].

Floor Activity:

Passed House: 2/8/96, 97-0.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Van Luven, Chairman; Radcliff, Vice Chairman; D. Schmidt, Vice Chairman; Sheldon, Ranking Minority Member; Veloria, Assistant Ranking Minority Member; Backlund; Hatfield; Hickel; Mason; Sherstad; Skinner and Valle.

Staff: Kenny Pittman (786-7392).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Trade & Economic Development be substituted therefor and the substitute do pass. Signed by 30 members: Representatives Huff, Chairman; Clements, Vice Chairman; Pelesky, Vice Chairman; H. Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Basich; Beeksma; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; Dyer; Foreman; Grant; Hargrove; Hickel; Jacobsen; Kessler; Lambert; Linville; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott and Wolfe.

Staff: Jim Lux (786-7152).

Background: The Community Economic Revitalization Board (CERB) was created by the Legislature in 1982 to provide low-interest loans and grants to political subdivisions of the state (cities, towns, counties, port districts, and special purpose utility districts) to help finance public infrastructure required for business and industry expansion or retention. Typical projects financed through CERB include sewer, water, roads, and industrial buildings.

CERB is funded through legislative appropriation from the capital budget as well as a portion of the revenue stream from the repayment of loan principal and interest. The repayments are deposited into the public facilities construction loan revolving account. The repayments are also re-appropriated for CERB use by the Legislature.

Summary of Bill: All proceeds from the repayment of loan principal and interest are deposited in the public facilities construction revolving loan account for use as loans and grant under CERB. The Department of Community, Trade, and Economic Development must report on efforts to make the public facilities construction revolving loan account a self-sustaining account.

Appropriation: None.

Fiscal Note: Requested on January 15, 1996.

Effective Date: The bill takes effect on July 1, 1997.

Testimony For: (Trade & Economic Development) CERB funding is critical to economic development efforts at the local government level. The amount of funds leveraged by CERB allows for the construction of necessary infrastructure improvements to support business development. A source of funding identified in the bill would provide stability and certainty to those that use CERB funding.

(Appropriations) The Community Economic Revitalization Board loan program is vital to the 76 port districts in the state with respect to their long-term capital construction needs. This bill sets up the policy framework to make the Public Facilities Construction Loan Revolving Account self-sustaining.

Testimony Against: (Trade & Economic Development) None.

(Appropriations) None.

Testified: (Trade & Economic Development) (Pro) Scott Taylor, Washington Public Ports Association; Jim Toomey, Port of Pasco; and Jim McIntire, Community Economic Revitalization Board.

(Appropriations) Scott Taylor, Washington Public Ports Association.