

# HOUSE BILL REPORT

## SB 5372

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### As Reported By House Committee On:

Capital Budget

**Title:** An act relating to appropriations for projects recommended by the public works board.

**Brief Description:** Appropriating funds for projects recommended by the public works board.

**Sponsors:** Senators Sheldon and Wood; by request of Department of Community, Trade, and Economic Development and Public Works Board.

**Brief History:**

**Committee Activity:**

Capital Budget: 3/27/95, 4/3/95 [DP].

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### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report:** Do pass. Signed by 12 members: Representatives Sehlin, Chairman; Honeyford, Vice Chairman; Ogden, Ranking Minority Member; Chopp, Assistant Ranking Minority Member; Costa; Hankins; McMorris; Mitchell; Pennington; Regala; L. Thomas and Valle.

**Staff:** Karl Herzog (786-7271).

**Background:** The Public Works Trust Fund Program was created by the Legislature in 1985 as a revolving loan program to assist local governments and special purpose districts with infrastructure projects. The program is funded through the Public Works Assistance Account, which receives revenue from utility and sales taxes on water, sewer, and garbage collection services; loan repayments; and a portion of the real estate excise tax. Infrastructure projects eligible for loan funding through the program include acquisition, construction, repair, and replacement of bridges, streets and roads, water systems, and sanitary and storm sewer projects. Port districts and school districts are expressly prohibited from receiving loans through the program.

The program is administered by the Public Works Board within the Department of Community, Trade, and Economic Development. The board is composed of 13 members appointed by the Governor representing cities; counties; water, sewer, and public utility districts; and the general public.

The Public Works Assistance Account is appropriated in the capital budget. Before allocating loan funds to local governments, the board must submit an annual list of recommended projects to the Legislature for approval. The Legislature may remove projects from the list, but may not change the order of recommended priorities. Loans for capital facilities plans and emergency projects are exempt from the legislative approval requirement, but must be reported to the Legislature in an annual report.

**Summary of Bill:** An appropriation of \$7,680,700 is made from the Public Works Assistance Account to the Department of Community, Trade, and Economic Development for the 1993-95 biennium. This appropriation is in addition to the \$93,876,640 appropriation in the 1993-95 capital budget, resulting in a total appropriation of \$101,557,340 for the program in the 1993-95 biennium.

As recommended by the Public Works Board, 55 public works projects are authorized to receive \$59,789,990 in loan funding for the second year of the 1993-95 biennium (fiscal year 1995) from the Public Works Assistance Account. These projects include:

1. Three bridge projects totalling \$4,768,800;
2. Four road projects totalling \$3,004,000;
3. Twenty sewer projects totalling \$25,739,911;
4. Five storm water projects totalling \$2,381,800; and
5. Twenty-three water projects totalling \$23,895,479.

In addition to the specific projects above, the board is authorized to utilize up to \$494,266 from the Public Works Assistance Account for emergency public works loans.

**Appropriation:** \$7,680,700 from the Public Works Assistance Account 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:** The bill provides needed public infrastructure and jobs.

**Testimony Against:** None.

**Testified:** Allan Darr, Washington State Building and Construction Trades Council and the International Union of Operating Engineers; and K. O. Rosenberg, Northeast Tri-Counties. (pro)