

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2063

54th Legislature
1995 Regular Session

Passed by the House March 13, 1995
Yeas 96 Nays 0

**Speaker of the
House of Representatives**

Passed by the Senate April 12, 1995
Yeas 45 Nays 3

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2063** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 2063

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By Representatives Honeyford, Sehlin and Chopp

Read first time 03/01/95. Referred to Committee on Capital Budget.

1 AN ACT Relating to accelerating the implementation of projects
2 currently eligible for funding under the public works assistance
3 program; amending RCW 43.155.070; adding a new section to chapter
4 43.155 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that there continues
7 to exist a great need for capital projects to plan, acquire, design,
8 construct, and repair local government streets, roads, bridges, water
9 systems, and storm and sanitary sewage systems. It is the purpose of
10 this act to accelerate the construction of these projects under the
11 public works assistance program.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.155 RCW
13 to read as follows:

14 (1) The board may make low-interest or interest-free loans to local
15 governments for preconstruction activities on public works projects
16 before the legislature approves the construction phase of the project.
17 Preconstruction activities include design, engineering, bid-document
18 preparation, environmental studies, right of way acquisition, and other

1 preliminary phases of public works projects as determined by the board.
2 The purpose of the loans authorized in this section is to accelerate
3 the completion of public works projects by allowing preconstruction
4 activities to be performed before the approval of the construction
5 phase of the project by the legislature.

6 (2) Projects receiving loans for preconstruction activities under
7 this section must be evaluated using the priority process and factors
8 in RCW 43.155.070(2). The receipt of a loan for preconstruction
9 activities does not ensure the receipt of a construction loan for the
10 project under this chapter. Construction loans for projects receiving
11 a loan for preconstruction activities under this section are subject to
12 legislative approval under RCW 43.155.070 (4) and (5). The board shall
13 adopt a single application process for local governments seeking both
14 a loan for preconstruction activities under this section and a
15 construction loan for the project.

16 (3) Preconstruction activity loans under this section may be made
17 only from those funds specifically appropriated from the public works
18 assistance account for such a purpose by the legislature.

19 **Sec. 3.** RCW 43.155.070 and 1993 c 39 s 1 are each amended to read
20 as follows:

21 (1) To qualify for loans or pledges under this chapter the board
22 must determine that a local government meets all of the following
23 conditions:

24 (a) The city or county must be imposing a tax under chapter 82.46
25 RCW at a rate of at least one-quarter of one percent;

26 (b) The local government must have developed a long-term plan for
27 financing public works needs;

28 (c) The local government must be using all local revenue sources
29 which are reasonably available for funding public works, taking into
30 consideration local employment and economic factors; and

31 (d) A county, city, or town that is required or chooses to plan
32 under RCW 36.70A.040 must have adopted a comprehensive plan in
33 conformance with the requirements of chapter 36.70A RCW, after it is
34 required that the comprehensive plan be adopted, and must have adopted
35 development regulations in conformance with the requirements of chapter
36 36.70A RCW, after it is required that development regulations be
37 adopted.

1 (2) The board shall develop a priority process for public works
2 projects as provided in this section. The intent of the priority
3 process is to maximize the value of public works projects accomplished
4 with assistance under this chapter. The board shall attempt to assure
5 a geographical balance in assigning priorities to projects. The board
6 shall consider at least the following factors in assigning a priority
7 to a project:

8 (a) Whether the local government receiving assistance has
9 experienced severe fiscal distress resulting from natural disaster or
10 emergency public works needs;

11 (b) Whether the project is critical in nature and would affect the
12 health and safety of a great number of citizens;

13 (c) The cost of the project compared to the size of the local
14 government and amount of loan money available;

15 (d) The number of communities served by or funding the project;

16 (e) Whether the project is located in an area of high unemployment,
17 compared to the average state unemployment;

18 (f) Whether the project is the acquisition, expansion, improvement,
19 or renovation by a local government of a public water system that is in
20 violation of health and safety standards, including the cost of
21 extending existing service to such a system;

22 (g) The relative benefit of the project to the community,
23 considering the present level of economic activity in the community and
24 the existing local capacity to increase local economic activity in
25 communities that have low economic growth; and

26 (h) Other criteria that the board considers advisable.

27 (3) Existing debt or financial obligations of local governments
28 shall not be refinanced under this chapter. Each local government
29 applicant shall provide documentation of attempts to secure additional
30 local or other sources of funding for each public works project for
31 which financial assistance is sought under this chapter.

32 (4) Before November 1 of each year, the board shall develop and
33 submit to the (~~chairs of the ways and means~~) appropriate fiscal
34 committees of the senate and house of representatives a description of
35 the (~~emergency~~) loans made under RCW 43.155.065, section 2 of this
36 act, and subsection (7) of this section during the preceding fiscal
37 year and a prioritized list of projects which are recommended for
38 funding by the legislature, including one copy to the staff of each of
39 the committees. The list shall include, but not be limited to, a

1 description of each project and recommended financing, the terms and
2 conditions of the loan or financial guarantee, the local government
3 jurisdiction and unemployment rate, demonstration of the jurisdiction's
4 critical need for the project and documentation of local funds being
5 used to finance the public works project. The list shall also include
6 measures of fiscal capacity for each jurisdiction recommended for
7 financial assistance, compared to authorized limits and state averages,
8 including local government sales taxes; real estate excise taxes;
9 property taxes; and charges for or taxes on sewerage, water, garbage,
10 and other utilities.

11 (5) The board shall not sign contracts or otherwise financially
12 obligate funds from the public works assistance account before the
13 legislature has appropriated funds for a specific list of public works
14 projects. The legislature may remove projects from the list
15 recommended by the board. The legislature shall not change the order
16 of the priorities recommended for funding by the board.

17 (6) Subsection(~~(s (4) and~~) (5) of this section (~~(do)~~) does not
18 apply to loans made (~~(for emergency public works projects)~~) under RCW
19 43.155.065, section 2 of this act, and subsection (7) of this section.

20 (7)(a) Loans made for the purpose of capital facilities plans shall
21 be exempted from subsection(~~(s (4) and~~) (5) of this section. In no
22 case shall the total amount of funds utilized for capital facilities
23 plans and emergency loans exceed the limitation in RCW 43.155.065.

24 (b) For the purposes of this section "capital facilities plans"
25 means those plans required by the growth management act, chapter 36.70A
26 RCW, and plans required by the public works board for local governments
27 not subject to the growth management act.

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