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**SUBSTITUTE HOUSE BILL 2744**

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**State of Washington**

**57th Legislature**

**2002 Regular Session**

**By** House Committee on Capital Budget (originally sponsored by Representatives Murray, Esser, Lantz, Hankins, Ogden, Woods, Hunt, Ballasiotes, O'Brien, Veloria, Lovick, Reardon, Edwards, Dickerson, Jackley, Lysen, Chase, Upthegrove, Conway and Santos)

Read first time 02/12/2002. Referred to Committee on .

1 AN ACT Relating to capital projects for local nonprofit youth  
2 organizations; adding a new section to chapter 43.63A RCW; creating a  
3 new section; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that nonprofit youth  
6 organizations provide a variety of services for the youth of Washington  
7 state, including many services that enable young people, especially  
8 those facing challenging and disadvantaged circumstances, to realize  
9 their full potential as productive, responsible, and caring citizens.  
10 The legislature also finds that the efficiency and quality of these  
11 services may be enhanced by the provision of safe, reliable, and sound  
12 facilities, and that, in certain cases, it may be appropriate for the  
13 state to assist in the development of these facilities.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.63A RCW  
15 to read as follows:

16 (1) The department of community, trade, and economic development  
17 must establish a competitive process to solicit proposals for and  
18 prioritize projects whose primary objective is to assist nonprofit

1 youth organizations in acquiring, constructing, or rehabilitating  
2 facilities used for the delivery of nonresidential services, excluding  
3 outdoor athletic fields.

4 (2) The department of community, trade, and economic development  
5 must establish a competitive process to prioritize applications for the  
6 assistance as follows:

7 (a) The department of community, trade, and economic development  
8 must conduct a statewide solicitation of project applications from  
9 local governments, nonprofit organizations, and other entities, as  
10 determined by the department of community, trade, and economic  
11 development. The department of community, trade, and economic  
12 development must evaluate and rank applications in consultation with a  
13 citizen advisory committee using objective criteria. Projects must  
14 have a major recreational component, and must have either an  
15 educational or social service component. At a minimum, applicants must  
16 demonstrate that the requested assistance will increase the efficiency  
17 or quality of the services it provides to youth. The evaluation and  
18 ranking process shall also include an examination of existing assets  
19 that applicants may apply to projects. Grant assistance under this  
20 section shall not exceed twenty-five percent of the total cost of the  
21 project. The nonstate portion of the total project cost may include  
22 cash, the value of real property when acquired solely for the purpose  
23 of the project, and in-kind contributions.

24 (b) The department of community, trade, and economic development  
25 must submit a prioritized list of recommended projects to the governor  
26 and the legislature in the department of community, trade, and economic  
27 development's biennial capital budget request beginning with the 2003-  
28 2005 biennium and thereafter. The list must include a description of  
29 each project, the amount of recommended state funding, and  
30 documentation of nonstate funds to be used for the project. The total  
31 amount of recommended state funding for projects on a biennial project  
32 list must not exceed two million dollars. The department of community,  
33 trade, and economic development may provide an additional alternate  
34 project list that must not exceed five hundred thousand dollars.  
35 Except for the 2001-2003 biennium, the department of community, trade,  
36 and economic development may not sign contracts or otherwise  
37 financially obligate funds under this section until the legislature has  
38 approved a specific list of projects.

1 (c) If an appropriation is made in chapter ... (House/Senate Bill  
2 No. ..., the supplemental capital budget), Laws of 2002, for the  
3 program created in this section, the department of community, trade,  
4 and economic development must conduct a solicitation and ranking  
5 process as described in (a) of this subsection, but need not submit  
6 this list to the governor and legislature for approval. The total  
7 amount of recommended state funding for projects listed under this  
8 subsection must not exceed two hundred fifty thousand dollars.

9 (d) In contracts for grants authorized under this section the  
10 department of community, trade, and economic development must include  
11 provisions that require that capital improvements be held by the  
12 grantee for a specified period of time appropriate to the amount of the  
13 grant and that facilities be used for the express purpose of the grant.  
14 If the grantee is found to be out of compliance with provisions of the  
15 contract, the grantee must repay to the state general fund the  
16 principal amount of the grant plus interest calculated at the rate of  
17 interest on state of Washington general obligation bonds issued most  
18 closely to the date of authorization of the grant.

19 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
20 preservation of the public peace, health, or safety, or support of the  
21 state government and its existing public institutions, and takes effect  
22 immediately.

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