

FINAL BILL REPORT

HB 1049

C 8 L 05

Synopsis as Enacted

Brief Description: Authorizing projects recommended by the public works board.

Sponsors: By Representatives Green, DeBolt, Upthegrove, Kilmer, Kessler, McCoy, Sells, Blake, Schual-Berke, Kenney, P. Sullivan, Jarrett, Kagi, Simpson, Wood, Lantz, Hudgins, Morrell, Hunt and Ormsby; by request of Public Works Board.

House Committee on Capital Budget
Senate Committee on Ways & Means

Background:

The Public Works Assistance Account, 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. The Public Works Board (Board), 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. All local governments except port districts and school districts are eligible to receive loans.

The Public Works Assistance Account receives dedicated revenue from: utility and sales taxes on water, sewer service, and garbage collection; a portion of the real estate excise tax; and loan repayments. Appropriations from the account are made in the Capital Budget, but the project list is submitted annually in separate legislation.

Each year the Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may remove projects from the list, but it may not add any projects or change the order of project priorities. Legislative approval is not required for pre-construction activities, planning loans, or emergency loans.

The CTED received an appropriation of approximately \$261 million from the Public Works Assistance Account in the 2003-05 Capital Budget for the 2004 and 2005 loan cycles. In 2004 the Legislature approved \$236 million of this appropriation to be dedicated to financing the 2004 construction loan list. The Board planned to use the balance of the appropriation, approximately \$25 million, to finance pre-construction, planning, and emergency loan requests.

The Board is recommending that the Legislature appropriate an additional \$155 million from the Public Works Assistance Account to finance projects listed on the 2005 construction loan list. The 2005 Supplemental Capital Budget includes funding at the Board's requested level.

Summary:

As recommended by the Board, 64 public works project loans totaling \$155 million are authorized for the 2005 loan cycle. The 64 authorized projects fall into the following categories:

- 28 domestic water projects totaling \$43.8 million;
- 27 sanitary sewer projects totaling \$85.5 million;
- five storm sewer projects totaling \$9.3 million;
- three road projects totaling \$13.8 million; and
- one solid waste project totaling \$2.6 million.

Votes on Final Passage:

House	96	0
Senate	47	0

Effective: March 28, 2005