

# FINAL BILL REPORT

## ESHB 1577

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Synopsis as Enacted

**Brief Description:** Concerning capital projects for certain nonprofit organizations.

**Sponsors:** By House Committee on Capital Budget (originally sponsored by Representatives Lantz, Hankins, Morrell, Jarrett, Moeller, Clibborn, Flannigan, Darneille, Dunshee and Kilmer).

**House Committee on Capital Budget**  
**Senate Committee on Ways & Means**

### **Background:**

Washington has traditionally provided capital funding to local governments and other entities through a variety of competitive grant programs. Examples of grant programs funded through the state's capital budget include the Building for the Arts program, the Heritage program, the Community Services Facilities program, and the Youth Recreational Facilities program.

Building for the Arts: The Building for the Arts program awards state grants to nonprofit performing arts, art museum, and cultural organizations to defray up to 20 percent of the capital costs of new facilities or major renovations. The Department of Community, Trade and Economic Development (CTED) conducts a statewide competitive grant process every two years to solicit project proposals. A citizen advisory committee, including a representative from the State Arts Commission, assists the CTED by helping establish program policy and reviewing and ranking project proposals. Over the last 12 years, the state capital budget has provided over \$40 million to 112 arts-related projects.

Heritage Program: The Heritage Program awards grants to nonprofit heritage organizations, tribal governments, and local governments to defray up to 33 percent of the capital costs of facilities that interpret and preserve Washington's history and heritage. The Washington State Historical Society (WSHS) conducts a statewide competitive grant process every two years to solicit heritage project proposals. An advisory board consisting of representatives from the Washington Museum Association, the Office of the Secretary of State, the Eastern Washington State Historical Society, and the Office of Archaeology and Historic Preservation establishes program guidelines and reviews and ranks project proposals. Since its inception in 1998, the state capital budget has provided over \$16 million to 53 heritage projects.

Community Services Facilities Program: The Community Services Facilities program awards state grants to nonprofit organizations to help with the capital costs of major renovations or new facilities used for the delivery of nonresidential social services. The CTED conducts a statewide competitive grant process every two years to solicit new projects. The Community Services Facilities Program Advisory Board assists the CTED by helping establish program

policy and reviewing and ranking project proposals. Since its inception in 1995, the state capital budget has provided nearly \$22 million to 122 qualifying social service projects statewide.

Youth Recreational Facilities Program: The Youth Recreational Facilities Program is a competitive grant program that funds nonprofit organizations featuring a youth recreational component and a supporting social service or educational component. Funds may be used to construct or renovate nonresidential youth recreational facilities, excluding outdoor athletic fields, and are available on a 25 percent matching fund basis. A citizen advisory committee assists the CTED by helping establish program policy and reviewing and ranking project proposals. The Youth Recreational Facilities program was established by the Legislature in 2003 and is in its first competitive grant cycle.

Capital budget requests for Building for the Arts, Heritage, and Community Service Facility grants must not exceed \$4 million in any biennium. Capital budget requests for the Youth Recreational Facilities program must not exceed \$2 million in any biennium. The requests may identify an alternate list of projects not to exceed \$500,000 for any biennium.

Statutes pertaining to Building for the Arts, Heritage, and Community Service Facility grants expire on June 30, 2007.

**Summary:**

Alternate project lists of \$2 million may be submitted for the Building for the Arts, Heritage, and Community Service Facility grant programs. The expiration date for these programs is repealed.

An alternate project list of \$1 million may be submitted for the Youth Recreational Facilities program.

**Votes on Final Passage:**

House	79	19
Senate	46	3

**Effective:** July 24, 2005