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**SENATE BILL 5952**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Lovelett, Wagoner, Nguyen, Randall, and Hasegawa

Read first time 02/18/19. Referred to Committee on Ways & Means.

1 AN ACT Relating to local government infrastructure funding;  
2 amending RCW 43.155.020 and 82.45.060; reenacting and amending RCW  
3 43.155.050; providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 43.155.020 and 2017 3rd sp.s. c 10 s 2 are each  
6 amended to read as follows:

7 The definitions in this section apply throughout this chapter  
8 unless the context clearly requires otherwise.

9 (1) "Board" means the public works board created in RCW  
10 43.155.030.

11 (2) "Capital facility plan" means a capital facility plan  
12 required by the growth management act under chapter 36.70A RCW or,  
13 for local governments not fully planning under the growth management  
14 act, a plan required by the public works board.

15 (3) "Department" means the department of commerce.

16 (4) "Financing guarantees" means the pledge of money in the  
17 public works assistance account, or money to be received by the  
18 public works assistance account, to the repayment of all or a portion  
19 of the principal of or interest on obligations issued by local  
20 governments to finance public works projects.

1 (5) "Local governments" means cities, towns, counties, special  
2 purpose districts, and any other municipal corporations or quasi-  
3 municipal corporations in the state excluding school districts and  
4 port districts.

5 (6) "Public works project" means a project of a local government  
6 for the planning, acquisition, construction, repair, reconstruction,  
7 replacement, rehabilitation, or improvement of streets and roads,  
8 bridges, water systems, or storm and sanitary sewage systems, lead  
9 remediation of drinking water systems, and solid waste facilities,  
10 including recycling facilities. A planning project may include the  
11 compilation of biological, hydrological, or other data on a county,  
12 drainage basin, or region necessary to develop a base of information  
13 for a capital facility plan. Public works projects may include  
14 natural or green infrastructure measures that complement the project  
15 and demonstrate enhanced life-cycle cost or performance gains.

16 (7) "Solid waste or recycling project" means remedial actions  
17 necessary to bring abandoned or closed landfills into compliance with  
18 regulatory requirements and the repair, restoration, and replacement  
19 of existing solid waste transfer, recycling facilities, and landfill  
20 projects limited to the opening of landfill cells that are in  
21 existing and permitted landfills.

22 (8) "Technical assistance" means training and other services  
23 provided to local governments to: (a) Help such local governments  
24 plan, apply, and qualify for loans, grants, and financing guarantees  
25 from the board, and (b) help local governments improve their ability  
26 to plan for, finance, acquire, construct, repair, replace,  
27 rehabilitate, and maintain public facilities.

28 (9) "Value planning" means a uniform approach to assist ((in))  
29 decision making at the predesign stage through systematic evaluation  
30 of potential alternatives to solving an identified problem and  
31 addressing innovation, affordability, environmental performance, and  
32 local economic development.

33 **Sec. 2.** RCW 43.155.050 and 2017 3rd sp.s. c 10 s 5 and 2017 3rd  
34 sp.s. c 1 s 974 are each reenacted and amended to read as follows:

35 (1)(a) The public works assistance account is hereby established  
36 in the state treasury. Money may be placed in the public works  
37 assistance account from the proceeds of bonds when authorized by the  
38 legislature or from any other lawful source. Money in the public  
39 works assistance account shall be used to make loans and grants and

1 to give financial guarantees to local governments for public works  
2 projects. Moneys in the account may also be appropriated or  
3 transferred to the water pollution control revolving (~~account~~  
4 ~~[fund]~~) fund and the drinking water assistance account to provide  
5 for state match requirements under federal law.

6 (b) Not more than twenty percent of the biennial capital budget  
7 appropriation to the public works board from this account may be  
8 expended or obligated for preconstruction loans and grants, emergency  
9 loans and grants, or loans and grants for capital facility planning  
10 under this chapter.

11 (c) Except as provided for in (d) of this subsection, not more  
12 than ten percent of the biennial capital budget appropriation to the  
13 public works board from this account may be expended or obligated as  
14 grants for preconstruction, emergency, capital facility planning, and  
15 construction projects. (~~During the 2015-2017 fiscal biennium, the~~  
16 legislature may transfer from the public works assistance account to  
17 the general fund, the water pollution control revolving account  
18 [fund], and the drinking water assistance account such amounts as  
19 reflect the excess fund balance of the account.)

20 (d) Up to one percent of the biennial capital budget  
21 appropriation to the public works board may be provided as grants to  
22 entities for the purpose of value planning. The value planning grant  
23 may be up to sixty thousand dollars per capital project.

24 (2) Beginning in the 2019-2021 fiscal biennium through the  
25 2021-2023 fiscal biennium, an amount equal to four and one-tenth  
26 percent of the taxes collected under RCW 82.45.060 and deposited into  
27 the public works assistance account must be prioritized for  
28 infrastructure projects in support of housing development.

29 (3) During the (~~2015-2017 and~~) 2017-2019 fiscal (~~biennia~~)  
30 biennium, the legislature may appropriate moneys from the account for  
31 activities related to rural economic development, the growth  
32 management act, and the voluntary stewardship program. (~~During the~~  
33 2015-2017 fiscal biennium, the legislature may transfer from the  
34 public works assistance account to the state general fund such  
35 amounts as specified by the legislature.)

36 (4) During the 2017-2019 fiscal biennium, the legislature may  
37 direct the state treasurer to make transfers of moneys in the public  
38 works assistance account to the education legacy trust account. It is  
39 the intent of the legislature that this policy will be continued in  
40 subsequent fiscal biennia.

1       **Sec. 3.** RCW 82.45.060 and 2017 3rd sp.s. c 10 s 13 are each  
2 amended to read as follows:

3       There is imposed an excise tax upon each sale of real property at  
4 the rate of one and twenty-eight one-hundredths percent of the  
5 selling price. Beginning July 1, 2013, and ending June 30, ((2023))  
6 2019, an amount equal to two percent of the proceeds of this tax must  
7 be deposited in the public works assistance account created in RCW  
8 43.155.050, and an amount equal to four and one-tenth percent must be  
9 deposited in the education legacy trust account created in RCW  
10 83.100.230. Beginning July 1, 2019, and ending June 30, 2023, an  
11 amount equal to two percent of the proceeds of this tax must be  
12 deposited in the public works assistance account created in RCW  
13 43.155.050, and an amount equal to four and one-tenth percent of the  
14 proceeds must be deposited in the public works assistance account  
15 created in RCW 43.155.050 and prioritized for infrastructure projects  
16 in support of housing development. Thereafter, an amount equal to six  
17 and one-tenth percent of the proceeds of this tax to the state  
18 treasurer must be deposited in the public works assistance account  
19 created in RCW 43.155.050. Except as otherwise provided in this  
20 section, an amount equal to one and six-tenths percent of the  
21 proceeds of this tax to the state treasurer must be deposited in the  
22 city-county assistance account created in RCW 43.08.290.

23       NEW SECTION.   **Sec. 4.** This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of  
25 the state government and its existing public institutions, and takes  
26 effect July 1, 2019.

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