

SENATE BILL REPORT

SB 5372

As Passed Senate, March 14, 1995

Title: An act relating to appropriations for projects recommended by the public works board.

Brief Description: Appropriating funds for projects recommended by the public works board.

Sponsors: Senators Sheldon and Wood; by request of Department of Community, Trade, and Economic Development and Public Works Board.

Brief History:

Committee Activity: Ways & Means: 2/9/95, 2/14/95 [DP].
Passed Senate, 3/14/95, 45-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Finkbeiner, Fraser, Gaspard, Hargrove, Hochstatter, Johnson, Long, McDonald, Moyer, Pelz, Roach, Sheldon, Snyder, Spanel, Strannigan, West, Winsley and Wojahn.

Staff: Tracy Cox (786-7437)

Background: The public works assistance account was created by the Legislature in 1985 as a revolving loan fund program to assist local governments and special purpose districts with infrastructure projects. The Public Works Board, within the Department of Community, Trade, and Economic Development, is authorized to make low-interest or interest-free loans to finance the repair, replacement or improvement of the following public works systems: bridges, roads, water systems, and sanitary and storm sewer projects. Port districts and school districts are not eligible to receive loans through the Public Works Board.

While the board is authorized to make loans, the Legislature must approve the specific list of projects authorized by the board. The Legislature may delete projects from the list but may not add projects or change the order of the project priorities.

The public works assistance account appropriation is made in the capital budget, but the project list is submitted annually, in separate legislation. For the 1993-95 biennium, revenues have increased from \$93.8 million to \$101.5 million. The public works assistance account receives its funding from utility and sales taxes on water, sewer and garbage collection, from a portion of the real estate excise tax, and from loan repayments.

Summary of Bill: As recommended by the Public Works Board for fiscal year 1995, the following are authorized: loans totaling \$51.9 million and \$494,000 for emergency public works projects. Additional project approval for \$8.4 million is requested, as a result of increased revenue to the fund.

The public works projects authorized for funding fall into the following categories:

- (1) 3 bridge projects for a total of \$4,768,800
- (2) 4 road projects for a total of \$3,004,000
- (3) 5 storm water projects for a total of \$2,281,800
- (4) 20 sewer projects for a total of \$25,740,181
- (5) 23 water projects for a total of \$23,895,479
- (6) emergency public works loans: \$494,000

Appropriation: \$60,284,256 from the public works assistance account.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The public works trust fund program is an efficient and important state program with low administrative costs. The program generates high paying jobs and renovates important infrastructures. The program does not reward bad management but supports local governments that have capital facilities plans.

Testimony Against: None.

Testified: Pete Butkus, Community Trade and Economic Development (pro).