

SSB 5328 - S AMD 387
By Senator Honeyford

ADOPTED 02/13/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that providing
4 additional funding mechanisms for public use airports that primarily
5 support general aviation activities to implement revenue-generating
6 initiatives is in the best interests of the state. The legislature
7 further finds that a revolving loan program would benefit smaller
8 airport development while providing a self-sustaining resource.

9 NEW SECTION. **Sec. 2.** (1) The community aviation revitalization
10 board is created to exercise the powers granted under this chapter.

11 (2) The board must consist of the capital budget chair and
12 ranking minority member of the capital budget committee of the house
13 of representatives and the senate ways and means committee, and a
14 representative from both the department of transportation's aviation
15 division and the department of commerce. The board must also consist
16 of the following members appointed by the secretary of
17 transportation: One port district official, one county official, one
18 city official, one representative of airport managers, and one
19 representative of an aviation pilots association or organization. The
20 appointive members must initially be appointed to terms as follows:
21 Two members for two-year terms, and three members for three-year
22 terms which must include the chair. Thereafter, each succeeding term
23 must be for three years. The chair of the board must be selected by
24 the secretary of transportation. The members of the board must elect
25 one of their members to serve as vice chair. The director of commerce
26 and the secretary of transportation must serve as nonvoting advisory
27 members of the board.

28 (3) Management services, including fiscal and contract services,
29 must be provided by the department of transportation to assist the
30 board in implementing this chapter.

1 (4) Legislative members of the board are reimbursed for travel
2 expenses in accordance with RCW 44.04.120. Nonlegislative members are
3 not entitled to be reimbursed for travel expenses if they are elected
4 officials or are participating on behalf of an employer, governmental
5 entity, or other organization. Any reimbursement for other
6 nonlegislative members is subject to chapter 43.03 RCW.

7 (5) If a vacancy occurs by death, resignation, or otherwise of
8 appointive members of the board, the secretary of transportation must
9 fill the vacancy for the unexpired term. Members of the board may be
10 removed for malfeasance or misfeasance in office, upon specific
11 written charges by the secretary of transportation, under chapter
12 34.05 RCW.

13 (6) A member appointed by the secretary of transportation may not
14 be absent from more than fifty percent of the regularly scheduled
15 meetings in any one calendar year. Any member who exceeds this
16 absence limitation is deemed to have withdrawn from the office and
17 may be replaced by the secretary of transportation.

18 (7) A majority of members currently appointed constitutes a
19 quorum.

20 (8) The board must meet three times a year or as deemed necessary
21 by the department of transportation.

22 (9) Staff support to the board must be provided by the department
23 of transportation as needed.

24 NEW SECTION. **Sec. 3.** (1) Each member of the house of
25 representatives who is appointed to the community aviation
26 revitalization board under section 2 of this act may designate
27 another member from the house of representatives to take his or her
28 place on the board for meetings at which the member will be absent,
29 as long as the designated member belongs to the same caucus. The
30 designee has all of the same powers to vote and participate in board
31 deliberations as the other board members.

32 (2) Each member of the senate who is appointed to the community
33 aviation revitalization board under section 2 of this act may
34 designate another member from the senate to take his or her place on
35 the board for meetings at which the member will be absent, as long as
36 the designated member belongs to the same caucus. The designee has
37 all of the same powers to vote and participate in board deliberations
38 as the other board members.

1 (3) Each agency head of an executive agency who is appointed to
2 serve as a nonvoting advisory member of the board under section 2 of
3 this act may designate an agency employee to take his or her place on
4 the board for meetings at which the agency head will be absent. The
5 designee has all of the same powers to participate in board
6 deliberations as the other board members, but does not have voting
7 powers.

8 NEW SECTION. **Sec. 4.** In addition to other applicable provisions
9 of law pertaining to conflicts of interest of public officials, any
10 community aviation revitalization board member, appointive or
11 otherwise, may not participate in any decision on any board contract
12 in which the board member has any interests, direct or indirect, with
13 any firm, partnership, corporation, or association that would be the
14 recipient of any aid under this chapter. If such participation
15 occurs, the board must void the transaction and the involved member
16 is subject to further sanctions as provided by law. The board must
17 adopt a code of ethics for its members, which must be designed to
18 protect the state and its citizens from any unethical conduct by the
19 board.

20 NEW SECTION. **Sec. 5.** The community aviation revitalization
21 board may:

22 (1) Adopt bylaws for the regulation of its affairs and the
23 conduct of its business;

24 (2) Adopt an official seal and alter the seal at its pleasure;

25 (3) Utilize the services of other governmental agencies;

26 (4) Accept from any federal agency loans or grants for the
27 planning or financing of any project and enter into an agreement with
28 the agency respecting the loans or grants;

29 (5) Conduct examinations and investigations and take testimony at
30 public hearings of any matter material for its information that will
31 assist in determinations related to the exercise of the board's
32 lawful powers;

33 (6) Accept any gifts, grants, loans of funds, property, or
34 financial or other aid in any form from any other source on any terms
35 and conditions that are not in conflict with this chapter;

36 (7) Enter into agreements or other transactions with and accept
37 grants and the cooperation of any governmental agency in furtherance
38 of this chapter;

1 (8) Adopt rules under chapter 34.05 RCW as necessary to carry out
2 the purposes of this chapter; and

3 (9) Perform all acts and things necessary or convenient to carry
4 out the powers expressly granted or implied under this chapter.

5 NEW SECTION. **Sec. 6.** (1) The community aviation revitalization
6 board may make direct loans to public use airport sponsors for the
7 purpose of improvements at public use airports that primarily support
8 general aviation activities. The board may provide loans to privately
9 owned airports for the purpose of airport improvements only if the
10 state is receiving commensurate public benefit. The board must
11 require guaranteed public access to an airport for the life of the
12 loan plus ten years as a condition of all loans. For purposes of this
13 subsection, "public use airports that primarily support general
14 aviation activities" means all public use airports not listed as
15 having more than fifty thousand annual commercial air service
16 passenger enplanements as published by the federal aviation
17 administration.

18 (2) An application for loan funds under this section must be made
19 in the form and manner as the board may prescribe. When evaluating
20 loan applications, the board must prioritize applications that
21 provide conclusive justification that completion of the loan
22 application project will create revenue-generating opportunities. The
23 board is not limited to, but must also use, the following expected
24 outcome conditions when evaluating loan applications:

25 (a) A specific private development or expansion is ready to occur
26 and will occur only if the aviation facility improvement is made;

27 (b) The loan application project results in the creation of jobs
28 or private sector capital investment as determined by the board;

29 (c) The loan application project improves opportunities for the
30 successful maintenance, operation, or expansion of an airport or
31 adjacent airport business park;

32 (d) The loan application project results in the creation or
33 retention of long-term economic opportunities; and

34 (e) The loan application project results in leveraging additional
35 federal funding for an airport.

36 (3)(a) If the board chooses to require a local match, the board
37 must develop guidelines for local participation and allowable match
38 and activities.

39 (b) An application must:

- 1 (i) Be supported by the port district, city, or county in which
2 the project is located; and
3 (ii) Clearly identify the source of funds intended to repay the
4 loan.

5 NEW SECTION. **Sec. 7.** The public use general aviation airport
6 loan program, when authorized by the community aviation
7 revitalization board, is subject to the following conditions:

8 (1) The total outstanding amount that the board may dispense at
9 any time pursuant to this section must not exceed the moneys
10 available from the public use general aviation airport loan revolving
11 account.

12 (2) On contracts made for public use general aviation airport
13 loans, the board must determine the interest rate that loans must
14 bear. The interest rate must not exceed the amount needed to cover
15 the administrative expenses of the board and the loan program. The
16 board may provide reasonable terms and conditions for the repayment
17 of loans, with the repayment of a loan to begin no later than three
18 years after the award date of the loan. The loans must not exceed
19 twenty years in duration.

20 (3) The repayment of any loan made from the public use general
21 aviation airport loan revolving account under the contracts for
22 aviation loans must be paid into the public use general aviation
23 airport loan revolving account.

24 NEW SECTION. **Sec. 8.** To enhance competition for loans and the
25 quality of projects for which loans are sought, the community
26 aviation revitalization board must take such reasonable measures as
27 are necessary to familiarize government officials and members of the
28 public with this chapter, particularly the board's authority to make
29 loans.

30 **Sec. 9.** 2018 c 2 s 7028 (uncodified) is amended to read as
31 follows:

32 The public use general aviation airport loan revolving account is
33 created in the custody of the state treasurer. All receipts from
34 moneys collected under this chapter must be deposited into the
35 account. Expenditures from the account may be used only for the
36 purposes described in this chapter and section 4002 (~~of this act~~),
37 chapter 2, Laws of 2018. Only the community aviation revitalization

1 board or the board's designee may authorize expenditures from the
2 account. The account is subject to allotment procedures under chapter
3 43.88 RCW, but an appropriation is not required for expenditures.

4 NEW SECTION. **Sec. 10.** The community aviation revitalization
5 board and the department of transportation must keep proper records
6 of accounts, which are subject to audit by the state auditor.

7 **Sec. 11.** RCW 43.79A.040 and 2017 3rd sp.s. c 5 s 89 are each
8 amended to read as follows:

9 (1) Money in the treasurer's trust fund may be deposited,
10 invested, and reinvested by the state treasurer in accordance with
11 RCW 43.84.080 in the same manner and to the same extent as if the
12 money were in the state treasury, and may be commingled with moneys
13 in the state treasury for cash management and cash balance purposes.

14 (2) All income received from investment of the treasurer's trust
15 fund must be set aside in an account in the treasury trust fund to be
16 known as the investment income account.

17 (3) The investment income account may be utilized for the payment
18 of purchased banking services on behalf of treasurer's trust funds
19 including, but not limited to, depository, safekeeping, and
20 disbursement functions for the state treasurer or affected state
21 agencies. The investment income account is subject in all respects to
22 chapter 43.88 RCW, but no appropriation is required for payments to
23 financial institutions. Payments must occur prior to distribution of
24 earnings set forth in subsection (4) of this section.

25 (4)(a) Monthly, the state treasurer must distribute the earnings
26 credited to the investment income account to the state general fund
27 except under (b), (c), and (d) of this subsection.

28 (b) The following accounts and funds must receive their
29 proportionate share of earnings based upon each account's or fund's
30 average daily balance for the period: The 24/7 sobriety account, the
31 Washington promise scholarship account, the Gina Grant Bull memorial
32 legislative page scholarship account, the Washington advanced college
33 tuition payment program account, the Washington college savings
34 program account, the accessible communities account, the Washington
35 achieving a better life experience program account, the community and
36 technical college innovation account, the agricultural local fund,
37 the American Indian scholarship endowment fund, the foster care
38 scholarship endowment fund, the foster care endowed scholarship trust

1 fund, the contract harvesting revolving account, the Washington state
2 combined fund drive account, the commemorative works account, the
3 county enhanced 911 excise tax account, the toll collection account,
4 the developmental disabilities endowment trust fund, the energy
5 account, the fair fund, the family and medical leave insurance
6 account, the food animal veterinarian conditional scholarship
7 account, the forest health revolving account, the fruit and vegetable
8 inspection account, the future teachers conditional scholarship
9 account, the game farm alternative account, the GET ready for math
10 and science scholarship account, the Washington global health
11 technologies and product development account, the grain inspection
12 revolving fund, the industrial insurance rainy day fund, the juvenile
13 accountability incentive account, the law enforcement officers' and
14 firefighters' plan 2 expense fund, the local tourism promotion
15 account, the low-income home rehabilitation revolving loan program
16 account, the multiagency permitting team account, the northeast
17 Washington wolf-livestock management account, the pilotage account,
18 the produce railcar pool account, the public use general aviation
19 airport loan revolving account, the regional transportation
20 investment district account, the rural rehabilitation account, the
21 Washington sexual assault kit account, the stadium and exhibition
22 center account, the youth athletic facility account, the self-
23 insurance revolving fund, the children's trust fund, the Washington
24 horse racing commission Washington bred owners' bonus fund and
25 breeder awards account, the Washington horse racing commission class
26 C purse fund account, the individual development account program
27 account, the Washington horse racing commission operating account,
28 the life sciences discovery fund, the Washington state heritage
29 center account, the reduced cigarette ignition propensity account,
30 the center for childhood deafness and hearing loss account, the
31 school for the blind account, the Millersylvania park trust fund, the
32 public employees' and retirees' insurance reserve fund, and the
33 radiation perpetual maintenance fund.

34 (c) The following accounts and funds must receive eighty percent
35 of their proportionate share of earnings based upon each account's or
36 fund's average daily balance for the period: The advanced right-of-
37 way revolving fund, the advanced environmental mitigation revolving
38 account, the federal narcotics asset forfeitures account, the high
39 occupancy vehicle account, the local rail service assistance account,
40 and the miscellaneous transportation programs account.

1 (d) Any state agency that has independent authority over accounts
2 or funds not statutorily required to be held in the custody of the
3 state treasurer that deposits funds into a fund or account in the
4 custody of the state treasurer pursuant to an agreement with the
5 office of the state treasurer shall receive its proportionate share
6 of earnings based upon each account's or fund's average daily balance
7 for the period.

8 (5) In conformance with Article II, section 37 of the state
9 Constitution, no trust accounts or funds shall be allocated earnings
10 without the specific affirmative directive of this section.

11 NEW SECTION. **Sec. 12.** Sections 1 through 10 of this act
12 constitute a new chapter in Title 47 RCW."

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13 On page 1, line 2 of the title, after "board;" strike the
14 remainder of the title and insert "amending RCW 43.79A.040; amending
15 2018 c 2 s 7028 (uncodified); and adding a new chapter to Title 47
16 RCW."

EFFECT: (1) The board's membership includes one representative of
an aviation pilots association or organization instead of one
representative of pilots.

(2) The board may make direct loans to public use airport
sponsors instead of political subdivisions of the state and privately
owned airports.

(3) The board must require guaranteed public access to an airport
for the life of the loan plus ten years as a condition of all loans.

(4) Aligns language with sections 4002 and 7028, chapter 2, Laws
of 2018 (Capital Budget).

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