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**SUBSTITUTE SENATE BILL 5452**

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**State of Washington**

**65th Legislature**

**2017 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Honeyford and Warnick)

READ FIRST TIME 02/24/17.

1 AN ACT Relating to local and community projects; adding a new  
2 section to chapter 43.63A RCW; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.63A  
5 RCW to read as follows:

6 (1) The department of commerce must manage local and community  
7 projects that are funded through appropriations in the omnibus  
8 capital budget.

9 (2) The department may not expend an appropriation for a local  
10 and community project unless and until the nonstate share of project  
11 costs have been either expended, or firmly committed, or both, in an  
12 amount sufficient to complete the project or a distinct phase of the  
13 project that is useable to the public for the purpose intended by the  
14 legislature. This requirement does not apply to projects where a  
15 share of the appropriation is released for design costs only.

16 (3) Prior to receiving funds, project recipients must demonstrate  
17 that the project site is under the recipient's legal control for a  
18 minimum of ten years, either through ownership or a long-term lease.  
19 This requirement does not apply to appropriations for preconstruction  
20 activities or appropriations whose sole purpose is to purchase real

1 property that does not include a construction or renovation  
2 component.

3 (4) Local and community projects may be required to comply with  
4 Washington's high performance building standards as required by  
5 chapter 39.35D RCW.

6 (5) Local and community project funds are available on a  
7 reimbursement basis only.

8 (6) Local and community projects, including those that are owned  
9 and operated by nonprofit organizations, are required to pay state  
10 prevailing wages.

11 (7) The department may not contract for the expenditure of state  
12 bond proceeds appropriated for local and community projects later  
13 than three years from the original appropriation.

14 (8) This section does not affect or impair any contracts in  
15 effect on the effective date of this section between the department  
16 and a project recipient.

17 (9) As used in this section, "local and community projects" are  
18 any grants or loans funded through appropriations to the department  
19 of commerce that are not the result of a competitive or  
20 prioritization process of the department.

21 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
22 preservation of the public peace, health, or safety, or support of  
23 the state government and its existing public institutions, and takes  
24 effect immediately.

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