

FINAL BILL REPORT

SB 5363

C 150 L 03
Synopsis as Enacted

Brief Description: Providing an ongoing funding source for the community economic revitalization board's financial assistance programs.

Sponsors: Senators Hale, T. Sheldon, Fairley, Prentice, Doumit, West, Winsley, Rasmussen and Schmidt; by request of Governor Locke.

Senate Committee on Economic Development
Senate Committee on Ways & Means
House Committee on Appropriations

Background: The Community Economic Revitalization Board (CERB) was created in 1982 to provide funding for publicly owned economic development infrastructure. Through CERB, direct loans and grants are available to counties, cities, and special purpose districts for feasibility studies and for public improvements such as the acquisition, construction, or repair of water and sewer systems, bridges, railroad spurs, telecommunication systems, roads, structures, and port facilities. CERB funds are only made available if a specific private development or expansion is ready to occur and will occur only if the public improvements are made.

CERB financing had traditionally come from general funds but since 1995 has come from a variety of accounts. Legislation passed in 2002 provides that, beginning July 1, 2004, interest earnings on the CERB account (the Public Facilities Construction Loan Revolving Account) are to be retained in the account rather than in the general fund. This amounts to approximately \$200,000. per year. The 2002 legislation also provides for the CERB account to receive for five years, starting in 2003, the repayment of principal and interest on loans from the Public Works Trust Fund's timber and rural natural resources impact area programs, up to \$4.5 million per year.

Summary: The interest earnings attributable to the Public Works Trust Fund's treasury account (the Public Works Assistance Account) is placed in the CERB account. This will amount to approximately \$900,000 per year.

Votes on Final Passage:

Senate	46 0
House	93 0

Effective: July 27, 2003
July 1, 2005 (Sections 2 and 3)