S-1735.1

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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)

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

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

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

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

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

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

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

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

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

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

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

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

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

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