SUBSTITUTE HOUSE BILL 1969

State of Washington 63rd Legislature 2013 Regular Session

By House Capital Budget (originally sponsored by Representatives Hawkins, Dunshee, Appleton, Stanford, Takko, Warnick, Magendanz, Fey, Tarleton, and Smith)

READ FIRST TIME 03/01/13.

- 1 AN ACT Relating to requiring the public works board to submit
- 2 ranked project lists; and adding new sections to chapter 43.155 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.155 RCW to read as follows:
- 6 (1) In order to assist local governments, the board:
- 7 (a) Must manage the public works assistance account in such a way 8 as to ensure its sustainability;
- 9 (b) Must execute contracts or otherwise financially obligate funds 10 from the public works assistance account for projects approved for 11 funding by the board;
- 12 (c) May approve public works projects for financial assistance 13 under the following programs:
- 14 (i) Construction;
- 15 (ii) Preconstruction;
- 16 (iii) Capital facilities planning;
- 17 (iv) Emergency;
- 18 (v) Energy or water efficiency;

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- 1 (vi) Water system acquisition and rehabilitation as created by RCW 70.119A.190; and
 - (vii) Any other program authorized by the legislature;

- (d) Must, before November 1st of each year, develop and submit to the appropriate fiscal committees of the senate and house of representatives a ranked list of qualified public works projects which have been evaluated by the board and are recommended for funding by the legislature. The board must establish the ranked list based, at a minimum, on the factors provided in section 2 of this act. The maximum amount of funding that the board may recommend for any one project is ten million dollars. For each project on the ranked list, as well as for eligible projects not recommended for funding, the board must document the numerical ranking that was assigned;
- (e) May not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the ranked list recommended by the board. The legislature may not change the ranked order of the projects recommended for funding by the board;
- (f) May provide grants for water system acquisition and rehabilitation projects;
- (g) May require such terms and conditions and may charge such rates of interest on its loans as it deems necessary or convenient to carry out the purposes of this chapter. Money received from local governments in repayment of loans made under this section must be paid into the public works assistance account for uses consistent with this chapter;
- (h) May not refinance existing debt or financial obligations of local governments, except for short-term debt associated with construction projects approved by the board or other cases as defined in rule by the board; and
 - (i) Must provide technical assistance as defined in RCW 43.155.020.
- 33 (2) Subsection (1)(d) and (e) of this section do not apply to 34 financial assistance provided through the preconstruction, capital 35 facilities planning, emergency, energy or water efficiency programs, 36 water system acquisition and rehabilitation, or any other programs 37 authorized by the legislature.

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NEW SECTION. Sec. 2. A new section is added to chapter 43.155 RCW to read as follows:

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The intent of the project selection process is to promote state policy objectives as identified in this chapter and to maximize the value of projects financed under this chapter. The board must develop a process for numerically ranking the applications submitted by local governments. The board must consider, at a minimum and in any order, the following factors in assigning a numerical ranking to a project:

- 9 (1) Whether the project is critical in nature and would affect the 10 health and safety of many people;
 - (2) The extent to which the project leverages nonstate funds;
- 12 (3) The extent to which the project is ready to proceed to 13 construction;
- 14 (4) Whether the project is located in an area of high unemployment, 15 compared to the average state unemployment;
- 16 (5) Whether the project promotes the sustainable use of resources 17 and environmental quality;
 - (6) Whether the project consolidates or regionalizes systems;
 - (7) Whether the project encourages economic development through mixed-use and mixed-income development consistent with chapter 36.70A RCW;
- 22 (8) Whether the system is being well-managed in the present and for long-term sustainability;
- 24 (9) Achieving equitable distribution of funds by geography and 25 population;
- 26 (10) The extent to which the project meets state policy objectives 27 identified in this chapter; and
- 28 (11) Other criteria that the board considers necessary to achieve 29 the purposes of this chapter.

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