
HOUSE BILL 1647

State of Washington

52nd Legislature

1991 Regular Session

By Representatives Locke, Jones, Rasmussen, Bowman and Wynne; by request of Department of Community Development and Office of Financial Management.

Read first time February 5, 1991. Referred to Committee on Trade & Economic Development\Capital Facilities & Financing.

1 AN ACT Relating to the public works board; creating new sections;
2 making an appropriation; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** (1) For the period beginning July 1,
5 1991 and ending June 30, 1993, in those areas designated by the
6 department of community development as timber impact areas, the public
7 works board may award low-interest or interest-free loans to local
8 governments for construction of new public works facilities that
9 stimulate economic growth or diversification.

10 (2) For the purposes of this act, "public facilities" means bridge,
11 road and street, domestic water, sanitary sewer, and storm sewer
12 systems.

13 (3) The loans may have a deferred payment of up to five years but
14 shall be repaid within twenty years. The board may require other terms

1 and conditions and may charge such rates of interest on its loans as it
2 deems appropriate to carry out the purposes of this section. Repayments
3 shall be made to the public works assistance account.

4 (4) The board may make such loans irrespective of the annual loan
5 cycle and reporting required in RCW 43.155.070.

6 NEW SECTION. **Sec. 2.** (1) As authorized by section 1 of this
7 act, the board shall establish criteria for awarding loans to local
8 governments including, but not limited to, the following:

9 (a) If a county or city, the local government must be imposing the
10 tax authorized by chapter 82.46 RCW at a rate of at least one-quarter
11 of one percent;

12 (b) The local government must have in place a capital improvement
13 plan meeting standards established by the board and an economic
14 development plan meeting standards established by the department;

15 (c) The local economy must have experienced or be about to
16 experience employment losses due to the timber economy;

17 (d) The proposed project must provide an opportunity to create or
18 retain jobs within the local economy. Priority may be given to those
19 projects that provide an opportunity to retain or create jobs for the
20 pool of local workers affected by the timber economy;

21 (e) The local government must provide reasonable assurances of its
22 ability to repay the debt; and

23 (f) The local government must meet any additional guidelines and
24 criteria established by the board for awarding loan funds.

25 (2) Existing debt or other financial obligations of the local
26 government shall not be refinanced under this act.

27 (3) The board shall award loans only to those projects that meet
28 the criteria and will fulfill the purpose of this act. Any funds not

1 obligated at the close of the biennium shall be returned to the public
2 works assistance account.

3 NEW SECTION. **Sec. 3.** For the biennium beginning July 1, 1991,
4 and ending June 30, 1993, there is hereby appropriated from the public
5 works assistance account created in RCW 43.155.050 seven million
6 dollars to be utilized by the board for the purposes of this act.

7 NEW SECTION. **Sec. 4.** The board shall provide to the office of
8 financial management and the legislative fiscal committees a report by
9 January 15, 1994, on the loans awarded through the biennium ending June
10 30, 1993.

11 NEW SECTION. **Sec. 5.** Sections 1 through 3 of this act shall
12 expire on June 30, 1993.