HOUSE BILL REPORT

HB 1790

As Reported By House Committee On: Capital Budget

Title: An act relating to appropriations for projects recommended by the public works board.

Brief Description: Authorizing public works board project loans.

Sponsors: Representatives Patterson, Ballard, Wood, Ogden, Pruitt, Jones, King, Jacobsen, Basich, Wang, Kremen, Rayburn, Sehlin, Schoesler, Karahalios, Lemmon, H. Myers, Reams, Schmidt, Cooke and Stevens; by request of Department of Community Development.

Brief History:

Reported by House Committee on: Capital Budget, February 24, 1993, DP.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 14 members: Representatives Wang, Chair; Ogden, Vice Chair; Sehlin, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Brough; Eide; R. Fisher; Heavey; Jacobsen; Ludwig; Romero; Silver; Sommers; and Thomas.

Staff: Kenny Pittman (786-7392).

Background: The Public Works Trust Fund was created by the Legislature in 1985 as a revolving loan fund program to assist local governments and special districts with infrastructure development. The Public Works Board, within the Department of Community Development, is authorized to make low-interest or interest-free loans to finance the repair, replacement or improvement of essential public works systems: bridges, roads, water systems, and sanitary and storm sewer projects. Growth-related public works projects, port districts and school districts are not eligible to receive funding through the Public Works Trust Fund.

Each year, the Public Works Board submits a list of projects to the Legislature for approval. The Legislature may delete a project from the list but may not add any projects or change the order of project priorities. The Public Works Trust Fund receives its funding from dedicated revenue from

utility and sales taxes on water, sewer, and garbage collection and from a portion of the real estate excise tax.

Summary of Bill: The bill authorizes loans for 61 public works projects totaling \$51,059,758; a \$300,000 fund for capital facilities planning loans and a \$1,000,000 loan pool for emergency public works projects, all recommended by the Public Works Board for fiscal year 1993. The appropriation for these projects will be included in the 1993-1995 capital budget.

The public works projects authorized for funding are broken into the following categories: (1) 29 water projects for a total of \$23,927,340; (2) 18 sanitary or storm sewer projects for a total of \$18,963,093; (3) six road projects for a total of \$6,359,324; (4) one bridge project for a total of \$1,600,000; and (5) seven planning projects for a total of \$210,000.

Fiscal Note: Not Requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: This is a well-run program that helps local governments finance essential public works projects. Many of these projects address public health and safety concerns.

Testimony Against: None.

Witnesses: Representative Patterson, Prime Sponsor (Pro); Pete Butkus, Department of Community Development (Pro); Art O'Neal, City of Olympia (Pro); Pat McDonnel, Clark County (Pro); and Bill Wright, City of Vancouver (Pro).