

HOUSE BILL REPORT

HB 1238

As Passed House:

February 22, 1995

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

Brief Description: Appropriating funds for projects recommended by the public works board.

Sponsors: Representatives Honeyford, Ogden, Carlson and Sherstad; by request of Department of Community, Trade, and Economic Development and Public Works Board.

Brief History:

Committee Activity:

Capital Budget: 1/24/95, 1/31/95 [DP].

Floor Activity:

Passed House: 2/22/95, 98-0.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 12 members: Representatives Sehlin, Chair; Honeyford, Vice Chair; Chopp, Assistant Ranking Minority Member; Costa; Hankins; McMorris; Mitchell; Pennington; Regala; Silver; L. Thomas and Valle.

Staff: Susan Nakagawa (786-7145).

Background: The Public Works Assistance Account was created by the Legislature in 1985 as a revolving loan fund to assist local governments with infrastructure projects. The Public Works Board, within the Department of Community, Trade, and Economic Development is authorized to make low-interest or interest-free loans to finance the repair, replacement, or improvement of various public works systems. These include bridges, roads, water systems and sanitary and storm sewer projects. Neither port districts nor school districts are eligible to receive loans through the Public Works Board. While the board is authorized to make loans, the Legislature must approve the specific list of projects authorized by the board. The Legislature may delete projects from the list, but may neither add projects nor change the priority listing.

The Public Works Assistance Account appropriation is made in the Capital Budget, but the project list is submitted annually, in separate legislation. For the 1993-95 biennium, revenues have increased from \$93.8 million to \$101.5 million.

The Public Works Assistance Account receives dedicated revenue from utility and sales taxes on water, sewer and refuse collection, from a portion of the real estate excise tax, and from loan repayments.

Summary of Bill: As recommended by the Public Works Board, the following projects are authorized for fiscal year 1995: loans totalling \$51.9 million and \$494,000 for emergency public works projects. Additional project approval for \$8.4 million is requested, as a result of increased revenue to the fund.

The public works projects authorized for funding fall into the following categories:

- (1) 3 bridge projects for a total of \$4,768,800
- (2) 4 road projects for a total of \$3,004,000
- (3) 20 sewer projects for a total of \$25,739,911
- (4) 5 storm water projects for a total of \$2,381,800
- (5) 23 water projects for a total of \$23,895,478
- (6) Emergency public works loans: \$494,000

Appropriation: \$7,680,700 from the Public Works Assistance Account.

Fiscal Note: Not requested.

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

Testimony For: Public Works Trust Fund Program is an efficient and important state program with low administrative costs. The program generates high paying jobs and renovates important infrastructure. The program does not reward bad management but supports local governments that have capital facilities plans.

Testimony Against: None

Testified: Robert Anderson, Chair, Public Works Board (pro); Charlie Shell, City of Seattle (pro); David Arbaugh, Washington Public Utilities Association (pro); Pete Butkus, Community Trade and Economic Development (pro); Joe Daniels, Wastewater Association (pro); and Dick Ducharme, Utility Contractors of Washington (pro).