
HOUSE BILL 1222

State of Washington

56th Legislature

1999 Regular Session

By Representatives Ogden, Mitchell, Lantz, Murray, Constantine, Hankins and O'Brien

Read first time 01/19/1999. Referred to Committee on Capital Budget.

1 AN ACT Relating to capital projects for local nonprofit art,
2 cultural, heritage, and social service organizations; amending RCW
3 27.34.330 and 43.63A.125; adding a new section to chapter 43.63A RCW;
4 and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.63A RCW
7 to read as follows:

8 (1) A competitive grant program to assist nonprofit organizations
9 in acquiring, constructing, or rehabilitating performing arts, art
10 museums, and cultural facilities is created.

11 (2)(a) The department shall submit a list of recommended performing
12 arts, art museum projects, and cultural organization projects eligible
13 for funding to the governor and the legislature in the department's
14 biennial capital budget request beginning with the 2001-2003 biennium
15 and thereafter. The list, in priority order, shall include a
16 description of each project, the amount of recommended state funding,
17 and documentation of nonstate funds to be used for the project.

18 (b) The department shall establish a competitive process to
19 prioritize applications for state assistance as follows:

1 (i) The department shall conduct a state-wide solicitation of
2 project applications from nonprofit organizations, local governments,
3 and other entities, as determined by the department. The department
4 shall evaluate and rank applications in consultation with a citizen
5 advisory committee, including a representative from the state arts
6 commission, using objective criteria. The evaluation and ranking
7 process shall also consider local community support for projects and an
8 examination of existing assets that applicants may apply to projects.

9 (ii) The department may establish the amount of state grant
10 assistance for individual project applications but the amount shall not
11 exceed twenty percent of the estimated total capital cost or actual
12 cost of a project, whichever is less. The remaining portions of the
13 project capital cost shall be a match from nonstate sources. The
14 nonstate match may include land value, cash, and in-kind contributions.
15 The department is authorized to set matching requirements for
16 individual projects. State assistance may be used to fund separate
17 definable phases of a project if the project demonstrates adequate
18 progress and has secured the necessary match funding.

19 (iii) The department shall not sign contracts or otherwise
20 financially obligate funds under this section until the legislature has
21 approved a specific list of projects. In contracts for grants
22 authorized under this section, the department shall include provisions
23 requiring that capital improvements be held by the grantee for a
24 specified period of time appropriate to the amount of the grant and
25 that facilities be used for the express purpose of the grant. If the
26 grantee is found to be out of compliance with provisions of the
27 contract, the grantee shall repay to the state general fund the
28 principal amount of the grant plus interest calculated at the rate of
29 interest on state of Washington general obligation bonds issued most
30 closely to the date of authorization of the grant.

31 **Sec. 2.** RCW 27.34.330 and 1995 c 182 s 2 are each amended to read
32 as follows:

33 The Washington state historical society shall establish a
34 competitive process to solicit proposals for and prioritize heritage
35 capital projects for potential funding in the state capital budget.
36 The society shall adopt rules governing project eligibility and
37 evaluation criteria. Application for funding of specific projects may
38 be made to the society by local governments, public development

1 authorities, nonprofit corporations, tribal governments, and other
2 entities, as determined by the society. The society, with the advice
3 of leaders in the heritage field, including but not limited to
4 representatives from the office of the secretary of state, the eastern
5 Washington state historical society, and the state office of
6 archaeology and historic preservation, shall establish and submit a
7 prioritized list of heritage capital projects to ~~((be recommended to~~
8 ~~the governor and the legislature by September 1st of each even-numbered~~
9 ~~year, beginning in 1996. The prioritized list shall be developed~~
10 ~~through open and public meetings. The governor and the legislature~~
11 ~~shall consider the prioritized list of heritage projects as a guide for~~
12 ~~appropriating funds to heritage capital projects beginning with the~~
13 ~~1997-99 biennium and thereafter))~~ the governor and the legislature in
14 the society's biennial capital budget request. The list shall include
15 a description of each project, the amount of recommended state funding,
16 and documentation of nonstate funds to be used for the project. The
17 prioritized list shall be developed through open and public meetings
18 and the amount of state funding shall not exceed thirty-three percent
19 of the total cost of the project. The nonstate portion of the total
20 project cost may include land value, cash, and in-kind contributions.
21 The department shall not sign contracts or otherwise financially
22 obligate funds under this section until the legislature has approved a
23 specific list of projects. In contracts for grants authorized under
24 this section, the society shall include provisions requiring that
25 capital improvements be held by the grantee for a specified period of
26 time appropriate to the amount of the grant and that facilities be used
27 for the express purpose of the grant. If the grantee is found to be
28 out of compliance with provisions of the contract, the grantee shall
29 repay to the state general fund the principal amount of the grant plus
30 interest calculated at the rate of interest on state of Washington
31 general obligation bonds issued most closely to the date of
32 authorization of the grant.

33 **Sec. 3.** RCW 43.63A.125 and 1997 c 374 s 2 are each amended to read
34 as follows:

35 ~~((If the legislature provides an appropriation to))~~ (1) The
36 department shall establish a competitive process to solicit proposals
37 for and prioritize projects that assist nonprofit organizations in
38 acquiring, constructing, or rehabilitating facilities used for the

1 delivery of nonresidential social services(~~(, the legislature may~~
2 ~~direct the department of community, trade, and economic development~~
3 ~~to)).~~

4 (2) The department shall establish a competitive process to
5 prioritize applications for the assistance as follows:

6 ~~((1))~~ (a) The department shall conduct a state-wide solicitation
7 of project applications from local governments, nonprofit
8 organizations, and other entities, as determined by the department.
9 The department shall evaluate and rank applications in consultation
10 with a citizen advisory committee using objective criteria. At a
11 minimum, applicants must demonstrate that the requested assistance will
12 increase the efficiency or quality of the social services it provides
13 to citizens. The evaluation and ranking process shall also include an
14 examination of existing assets that applicants may apply to projects.
15 Grant assistance under this section shall not exceed twenty-five
16 percent of the total cost of the project. The nonstate portion of the
17 total project cost may include, but is not limited to, land,
18 facilities, and in-kind contributions.

19 ~~((2))~~ (b) The department shall submit a prioritized list of
20 recommended projects to the ~~((legislature by November 1st following the~~
21 ~~effective date of the appropriation))~~ governor and the legislature in
22 the department's biennial capital budget request beginning with the
23 2001-2003 biennium and thereafter. For the 1999-2001 biennium, the
24 department may submit a prioritized list to the legislature for
25 approval within thirty days after the effective date of this section.
26 The list shall include a description of each project, the amount of
27 recommended state funding, and documentation of nonstate funds to be
28 used for the project. The department shall not sign contracts or
29 otherwise financially obligate funds under this section until the
30 legislature has approved a specific list of projects.

31 ~~((3))~~ (c) In contracts for grants authorized under this section
32 the department shall include provisions which require that capital
33 improvements shall be held by the grantee for a specified period of
34 time appropriate to the amount of the grant and that facilities shall
35 be used for the express purpose of the grant. If the grantee is found
36 to be out of compliance with provisions of the contract, the grantee
37 shall repay to the state general fund the principal amount of the grant
38 plus interest calculated at the rate of interest on state of Washington

1 general obligation bonds issued most closely to the date of
2 authorization of the grant.

3 ~~((4) The department shall develop model contract provisions for
4 compliance with subsection (3) of this section and shall distribute its
5 recommendations to the appropriate legislative committees, the office
6 of financial management, and to all state agencies which provide
7 capital grants to nonstate entities.))~~

8 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the
10 state government and its existing public institutions, and takes effect
11 immediately.

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