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## Capital Budget Committee

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### HB 2744

**Brief Description:** Creating a competitive grant program for nonprofit youth organizations.

**Sponsors:** Representatives Murray, Esser, Lantz, Hankins, Ogden, Woods, Hunt, Ballasiotes, O'Brien, Veloria, Lovick, Reardon, Edwards, Dickerson, Jackley, Lysen, Chase, Upthegrove, Conway and Santos.

#### Brief Summary of Bill

- Requires the Department of Community, Trade, and Economic Development to establish a competitive process to solicit and prioritize proposals that assist nonprofit youth organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential services, excluding outdoor athletic fields.

**Hearing Date:** 2/4/02

**Staff:** Susan Howson (786-7142).

#### Background:

The state of Washington has traditionally provided capital facilities support to local governments and other entities through a variety of competitive grant and loan programs. Examples of such programs funded through the state's capital budget include the Washington Wildlife and Recreation Program (WWRP), the Public Works Trust Fund, the Housing Trust Fund, the Heritage Program, and Building for the Arts.

In the 1997 legislative session, a competitive grant program was established in statute for nonresidential capital projects for social service organizations. The Community Services Facilities Program is administered by the Department of Community, Trade and Economic Development (CTED) to assist nonprofit organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential social services.

Individual nonprofit youth organizations have received funding through the Community Services Facilities Program in prior biennia. The 1999-01 capital budget specifically provided \$1.5 million from the program's appropriation for the development, renovation, and expansion of Boys and Girls Clubs in Washington.

**Summary of Bill:**

The Department of Community, Trade and Economic Development is directed to establish a process for soliciting and prioritizing projects that assist nonprofit youth organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential services, excluding outdoor athletic fields.

The CTED must evaluate and rank project applications in consultation with a citizen advisory committee and submit a prioritized list of recommended projects to the Governor and the Legislature in their biennial capital budget request beginning with the 2003-05 biennium. Capital budget requests for the program must not exceed \$2 million in any biennium and a \$500,000 alternate list of projects is permitted.

State assistance is limited to up to 25 percent of the total project cost. The non-state portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.

Except for the 2001-03 biennium, the CTED may not sign contracts with organizations for funding assistance until the Legislature has approved a specific list of projects. The contracts must require the repayment of both principal and interest costs of the grant if the capital improvements are used for purposes other than that specified in the grant.

If an appropriation for the program is made in the 2002 supplemental capital budget, the CTED must conduct a solicitation and ranking process, but does not need to submit the list to the Governor and Legislature for approval. Supplemental capital budget appropriations for the program must not exceed \$250,000.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

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