

HOUSE BILL REPORT

SHB 1782

As Passed House:

March 6, 2003

Title: An act relating to capital projects for local nonprofit youth organizations.

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

Sponsors: By House Committee on Capital Budget (originally sponsored by Representatives McCoy, Alexander, Dunshee, Bush, Murray, Jarrett, McIntire, Priest, Veloria, Lantz, Eickmeyer, Upthegrove, Kagi, Conway, Kenney, Darneille, Wood, Lovick, Santos, Simpson, Hudgins and Edwards).

Brief History:

Committee Activity:

Capital Budget: 2/19/03, 2/24/03 [DPS].

Floor Activity:

Passed House: 3/6/03, 91-0.

Brief Summary of Substitute Bill

- Establishes a competitive grant program to assist nonprofit youth organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential services, excluding outdoor athletic fields.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 24 members: Representatives Dunshee, Chair; Hunt, Vice Chair; Alexander, Ranking Minority Member; Priest, Assistant Ranking Minority Member; Armstrong, Benson, Blake, Bush, Chase, Flannigan, Hankins, Hinkle, Kirby, Lantz, Mastin, McIntire, Morrell, Murray, Newhouse, O'Brien, Orcutt, Schoesler, Simpson and Woods.

Staff: Charlie Gavigan (786-7340).

Background:

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; the Public Works Trust Fund; the Housing Trust Fund; the Heritage program; and the Building for the Arts program.

In the 1997 legislative session a competitive grant program called the Community Services Facilities Program (CSFP) was established in statute for nonresidential capital projects for social service organizations. The program is administered by the Department of Community, Trade and Economic Development (DCTED) 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 Substitute Bill:

The Department of Community, Trade and Economic Development (DCTED) 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. Eligible projects must have a major recreational component, and must have an educational or social service component.

The DCTED 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 2005-07 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 2003-05 biennium, the DCTED 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 2003-05 Capital Budget, the DCTED must conduct a solicitation and ranking process, but does not need to submit the list to the Governor and the Legislature for approval.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: This bill helps provide facilities for indoor youth programs and activities that build character, leadership, and self-esteem. These programs also provide health and life skills, sports, fitness and wholesome recreation. This competitive program will help build and renovate facilities throughout the state. It will assist boys and girls clubs, scouts, programs for disabled youth, and other programs to help youth.

Testimony Against: None.

Testified: Representative McCoy, prime sponsor; and Steve Wehrly and Gary Yazwa, Boys and Girls Clubs of America.