

HOUSE BILL REPORT

SB 6403

As Reported by House Committee On:
Capital Budget

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

Brief Description: Authorizing projects recommended by the public works board.

Sponsors: Senators Hewitt, Fairley, Spanel and Rasmussen.

Brief History:

Committee Activity:

Capital Budget: 2/23/04, 3/1/04 [DP].

Brief Summary of Bill

- Approves the list of local government infrastructure projects funded under the Public Works Trust Fund program in the 2003-05 Capital Budget. The list includes 79 projects totaling \$236.3 million.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 23 members: Representatives Dunshee, Chair; Hunt, Vice Chair; Alexander, Ranking Minority Member; Priest, Assistant Ranking Minority Member; Benson, Blake, Bush, Chase, Eickmeyer, Hankins, Hinkle, Kirby, Lantz, Mastin, Morrell, Murray, Newhouse, O'Brien, Orcutt, Schoesler, G. Simpson, Veloria and Woods.

Staff: Charlie Gavigan (786-7340).

Background:

The Public Works Assistance Account, commonly known as the Public Works Trust Fund, was created by the Legislature in 1985 to provide a source of loan funds to assist local governments and special purpose districts 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 from the account to finance the repair,

replacement, or improvement of the following public works systems: bridges, roads, water and sewage systems, and solid waste and recycling facilities. All local governments except port districts and school districts are eligible to receive loans.

The account receives dedicated revenue from: utility and sales taxes on water, sewer service and garbage collection, a portion of the real estate excise tax, and loan repayments. Approximately \$261 million is expected to be generated by these sources during the 2003-05 biennium.

Each year the Public Works Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may remove projects from the list, but it may not add any projects or change the order of project priorities.

Summary of Bill:

As recommended by the Public Works Board, 79 additional public works project loans totaling \$236.3 million are authorized for the 2004 loan cycle under the appropriation provided for in the 2003-05 biennium.

The 79 authorized projects fall into the following categories:

- (1) Thirty-two sewer projects totaling \$118.9 million
- (2) Nineteen road projects totaling \$59.2 million
- (3) Twenty-seven water projects totaling \$57.2 million
- (4) One bridge project totaling \$1 million

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The Public Works Trust Fund program is a successful program that supports local communities and creates jobs. The project loans will be a great economic

stimulus that will benefit both the economy and the citizens of Washington, especially in our smaller communities. The program has an excellent track record. It helps local governments fund projects critical to the health of their citizens.

Testimony Against: None.

Persons Testifying: John LaRocque, Public Works Board; Rick Slunaker, Associated General Contractors; and Bryan Wahl, Realtors.

Persons Signed In To Testify But Not Testifying: None.