

2SSB 5370 - H COMM AMD
By Committee on Capital Budget

ADOPTED AS AMENDED 04/13/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.330
4 RCW to read as follows:

5 (1) The economic development strategic reserve account is created
6 in the state treasury to be used only for the purposes of this section.

7 (2) The governor, with the approval of the public works board and
8 the Washington economic development finance authority, may authorize
9 expenditures from the account, subject to appropriation by the
10 legislature. If the public works board or the Washington economic
11 development finance authority disapproves an expenditure, the governor
12 may not fund a project using funds from the economic development
13 strategic reserve account.

14 (3) Funding for a minimum of one full-time equivalent staff
15 position for the economic development commission and to cover any other
16 operational costs of the commission may be provided only through an
17 operating appropriation to the account.

18 (4) Expenditures from the account may be made to prevent closure of
19 a business or facility, to prevent relocation of a business or facility
20 in the state to a location outside the state, or to recruit a business
21 or facility to the state. Contingent on the funding of the account,
22 expenditures may be authorized for:

23 (a) Work force development;

24 (b) Public infrastructure needed to support or sustain the
25 operations of the business or facility; and

26 (c) Other lawfully provided assistance, including, but not limited
27 to, technical assistance, environmental analysis, relocation
28 assistance, and planning assistance. Funding may be provided for such
29 assistance only when it is in the public interest and may be provided

1 under a contractual arrangement ensuring that the state will receive
2 appropriate consideration, such as an assurance of job creation or
3 retention.

4 (5) The funds shall not be expended from the account unless:

5 (a) The circumstances are such that time does not permit the
6 director of the department of community, trade, and economic
7 development or the business or facility to secure funding from other
8 state sources;

9 (b) The business or facility produces or will produce significant
10 long-term economic benefits to the state, a region of the state, or a
11 particular community in the state;

12 (c) The business or facility does not require continuing state
13 support;

14 (d) The expenditure will result in new jobs, job retention, or
15 higher incomes for citizens of the state;

16 (e) The expenditure will not supplant private investment; and

17 (f) The expenditure is accompanied by private investment.

18 (6) No more than three million dollars per year may be expended
19 from the account for the purpose of assisting an individual business or
20 facility pursuant to the authority specified in this section.

21 **Sec. 2.** RCW 43.155.050 and 2001 c 131 s 2 are each amended to read
22 as follows:

23 The public works assistance account is hereby established in the
24 state treasury. Money may be placed in the public works assistance
25 account from the proceeds of bonds when authorized by the legislature
26 or from any other lawful source. Money in the public works assistance
27 account shall be used to make loans and to give financial guarantees to
28 local governments for public works projects. Moneys in the account may
29 also be appropriated to provide for state match requirements under
30 federal law for projects and activities conducted and financed by the
31 board under the drinking water assistance account. Not more than
32 fifteen percent of the biennial capital budget appropriation to the
33 public works board from this account may be expended or obligated for
34 preconstruction loans, emergency loans, or loans for capital facility
35 planning under this chapter; of this amount, not more than ten percent
36 of the biennial capital budget appropriation may be expended for
37 emergency loans and not more than one percent of the biennial capital

1 budget appropriation may be expended for capital facility planning
2 loans. In addition to other appropriations, beginning July 1, 2007,
3 and continuing until June 30, 2011, ten million dollars from the public
4 works assistance account will be appropriated each biennium to the
5 economic development strategic reserve account to be used for public
6 infrastructure expenditures only.

7 NEW SECTION. **Sec. 3.** If this act and Engrossed Substitute House
8 Bill No. 1903 both pass the legislature, no more than \$50 million in
9 total per biennium may be appropriated from the public works assistance
10 account for the purposes of both this act and Engrossed Substitute
11 House Bill No. 1903."

12 Correct the title.

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