

2SSB 5370 - H COMM AMD

By Committee on Capital Budget

ADOPTED 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 consent of the public works board, may
8 authorize expenditures from the account, subject to appropriation by
9 the legislature. For the purposes of this section, "consent of the
10 public works board" means the public works board must either approve
11 the expenditure or take no action approving or disapproving the
12 expenditure after holding a meeting on the subject. If the public
13 works board disapproves an expenditure, the governor may not fund a
14 project using funds from the economic development strategic reserve
15 account.

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

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

25 (a) Work force development;

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

28 (c) Other lawfully provided assistance, including, but not limited
29 to, technical assistance, environmental analysis, relocation
30 assistance, and planning assistance. Funding may be provided for such

1 assistance only when it is in the public interest and may be provided
2 under a contractual arrangement ensuring that the state will receive
3 appropriate consideration, such as an assurance of job creation or
4 retention.

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

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

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

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

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

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

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

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

21 The public works assistance account is hereby established in the
22 state treasury. Money may be placed in the public works assistance
23 account from the proceeds of bonds when authorized by the legislature
24 or from any other lawful source. Money in the public works assistance
25 account shall be used to make loans and to give financial guarantees to
26 local governments for public works projects. Moneys in the account may
27 also be appropriated to provide for state match requirements under
28 federal law for projects and activities conducted and financed by the
29 board under the drinking water assistance account. Not more than
30 fifteen percent of the biennial capital budget appropriation to the
31 public works board from this account may be expended or obligated for
32 preconstruction loans, emergency loans, or loans for capital facility
33 planning under this chapter; of this amount, not more than ten percent
34 of the biennial capital budget appropriation may be expended for
35 emergency loans and not more than one percent of the biennial capital
36 budget appropriation may be expended for capital facility planning
37 loans. In addition to other appropriations, beginning July 1, 2007,

1 and continuing until June 30, 2011, ten million dollars from the public
2 works assistance account will be appropriated each biennium to the
3 economic development strategic reserve account to be used for public
4 infrastructure expenditures only.

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

10 Correct the title.

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