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**Economic Development,  
Agriculture & Trade Committee**

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**HB 1091**

**Brief Description:** Providing additional funding for the community economic revitalization board's programs.

**Sponsors:** Representatives Linville, Newhouse, Flannigan, Grant, McCoy, Chase, Morrell and Kilmer; by request of Department of Community, Trade, and Economic Development.

**Brief Summary of Bill**

- Makes eligible for financial assistance under the Community Economic Revitalization Board (CERB) projects that assist in retaining Washington's military-related private sector businesses.
- Authorizes the Department of Community, Trade and Economic Development (DCTED) and CERB to enter into agreements necessary to implement the Small Business Incubator (SBI) program and authorizes CERB to make expenditures from the SBI account.
- Appropriates \$4.5 million GF-S to the public facility construction loan revolving account.

**Hearing Date:** 1/25/05

**Staff:** Tracey Taylor (786-7196).

**Background:**

The CERB program was created in 1982 to provide direct low-interest loans and grants to counties, cities and special purpose districts for economic development-related infrastructure improvements. The CERB financing is available for public improvements that include the acquisition, construction, or repair of:

- Domestic and industrial water, sewer and stormwater infrastructure;
- Bridge, railroad, electricity, telecommunications and road improvements;
- Buildings and structures;
- Port facilities; and
- Feasibility studies.

The CERB financing must be necessary to either bring a new business into a community, or expand or retain an existing business that is already located in the community.

Many communities and military-related businesses have developed around the U.S. Military bases located in Washington. The U.S. Department of Defense (DOD) is currently undergoing a base realignment and closure (BRAC) to reorganize its installation infrastructure to more efficiently and effectively support its forces, increase operational readiness, and facilitate new ways of doing business. The Secretary of DOD must have the list of recommendations for realignments and closures to the BRAC Commission by May 16, 2005. The BRAC Commission must submit its recommendations to the President by September 8, 2005. The President must accept or reject the recommendations in their entirety by September 23, 2005. If accepted, Congress has 45 days to reject the recommendations in their entirety or they become binding on the DOD.

In 2004, the Legislature created the SBI program. Administered by the DCTED, the SBI program awards grants for construction and equipment costs as well as technical assistance to qualified nonprofit organizations operating a small business incubator.

**Summary of Bill:**

The CERB may provide financial assistance to projects that will assist in retaining the state's military-related private sector businesses. In addition, the DCTED may enter into an agreement with CERB to implement the SBI program. The CERB may serve as the DCTED's designee in making expenditures from the SBI account.

**Appropriation:** The sum of \$2.25 million GF-S for FY 06; \$2.25 million GF-S for FY 07.

**Fiscal Note:** Available.

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