
SUBSTITUTE HOUSE BILL 1091

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Linville, Newhouse, Flannigan, Grant, McCoy, Chase, Morrell and Kilmer; by request of Department of Community, Trade, and Economic Development)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to providing additional funding for the community
2 economic revitalization board's programs; amending RCW 43.160.060; and
3 adding a new section to chapter 43.176 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 43.160.060 and 2004 c 252 s 3 are each amended to read
6 as follows:

7 The board is authorized to make direct loans to political
8 subdivisions of the state and to federally recognized Indian tribes for
9 the purposes of assisting the political subdivisions and federally
10 recognized Indian tribes in financing the cost of public facilities,
11 including development of land and improvements for public facilities,
12 project-specific environmental, capital facilities, land use,
13 permitting, feasibility, and marketing studies and plans; project
14 design, site planning, and analysis; project debt and revenue impact
15 analysis; as well as the construction, rehabilitation, alteration,
16 expansion, or improvement of the facilities. A grant may also be
17 authorized for purposes designated in this chapter, but only when, and
18 to the extent that, a loan is not reasonably possible, given the
19 limited resources of the political subdivision or the federally

1 recognized Indian tribe and the finding by the board that financial
2 circumstances require grant assistance to enable the project to move
3 forward. However, at least ten percent of all financial assistance
4 provided by the board in any biennium shall consist of grants to
5 political subdivisions and federally recognized Indian tribes.

6 Application for funds shall be made in the form and manner as the
7 board may prescribe. In making grants or loans the board shall conform
8 to the following requirements:

9 (1) The board shall not provide financial assistance:

10 (a) For a project the primary purpose of which is to facilitate or
11 promote a retail shopping development or expansion.

12 (b) For any project that evidence exists would result in a
13 development or expansion that would displace existing jobs in any other
14 community in the state.

15 (c) For the acquisition of real property, including buildings and
16 other fixtures which are a part of real property.

17 (d) For a project the primary purpose of which is to facilitate or
18 promote gambling.

19 (2) The board shall only provide financial assistance:

20 (a) For those projects which would result in specific private
21 developments or expansions (i) in manufacturing, production, food
22 processing, assembly, warehousing, advanced technology, research and
23 development, and industrial distribution; (ii) for processing
24 recyclable materials or for facilities that support recycling,
25 including processes not currently provided in the state, including but
26 not limited to, de-inking facilities, mixed waste paper, plastics, yard
27 waste, and problem-waste processing; (iii) for manufacturing facilities
28 that rely significantly on recyclable materials, including but not
29 limited to waste tires and mixed waste paper; (iv) which support the
30 relocation of businesses from nondistressed urban areas to rural
31 counties or rural natural resources impact areas; or (v) which
32 substantially support the trading of goods or services outside of the
33 state's borders.

34 (b) For projects that help retain Washington's military-related
35 private sector businesses.

36 (c) For projects which it finds will improve the opportunities for
37 the successful maintenance, establishment, or expansion of industrial

1 or commercial plants or will otherwise assist in the creation or
2 retention of long-term economic opportunities.

3 ((+e)) (d) When the application includes convincing evidence that
4 a specific private development or expansion is ready to occur and will
5 occur only if the public facility improvement is made.

6 (3) The board shall prioritize each proposed project according to:

7 (a) The relative benefits provided to the community by the jobs the
8 project would create, not just the total number of jobs it would create
9 after the project is completed and according to the unemployment rate
10 in the area in which the jobs would be located; and

11 (b) The rate of return of the state's investment, that includes the
12 expected increase in state and local tax revenues associated with the
13 project.

14 (4) A responsible official of the political subdivision or the
15 federally recognized Indian tribe shall be present during board
16 deliberations and provide information that the board requests.

17 Before any financial assistance application is approved, the
18 political subdivision or the federally recognized Indian tribe seeking
19 the assistance must demonstrate to the community economic
20 revitalization board that no other timely source of funding is
21 available to it at costs reasonably similar to financing available from
22 the community economic revitalization board.

23 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.176 RCW
24 to read as follows:

25 The department of community, trade, and economic development may
26 enter into an agreement with the community economic revitalization
27 board to implement the small business incubator program under RCW
28 43.176.030 and to serve as the department's designee in making
29 expenditures from the small business incubator account under RCW
30 43.176.040.

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