
SUBSTITUTE SENATE BILL 5040

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on International Trade & Economic Development
(originally sponsored by Senators Shin, Hewitt, Mulliken and Sheldon;
by request of Department of Community, Trade, and Economic Development)

READ FIRST TIME 02/09/05.

1 AN ACT Relating to providing additional funding for the community
2 economic revitalization board's programs; amending RCW 43.160.060; and
3 making an appropriation.

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

5 NEW SECTION. **Sec. 1.** The sum of two million two hundred fifty
6 thousand dollars is appropriated from the general fund-state for the
7 fiscal year ending June 30, 2006, and the sum of two million two
8 hundred fifty thousand dollars is appropriated from the general fund-
9 state for the fiscal year ending June 30, 2007, to the department of
10 community, trade, and economic development solely for deposit in the
11 public facility construction loan revolving account for the purposes of
12 chapter 43.160 RCW.

13 **Sec. 2.** RCW 43.160.060 and 2004 c 252 s 3 are each amended to read
14 as follows:

15 The board is authorized to make direct loans to political
16 subdivisions of the state and to federally recognized Indian tribes for
17 the purposes of assisting the political subdivisions and federally
18 recognized Indian tribes in financing the cost of public facilities,

1 including development of land and improvements for public facilities,
2 project-specific environmental, capital facilities, land use,
3 permitting, feasibility, and marketing studies and plans; project
4 design, site planning, and analysis; project debt and revenue impact
5 analysis; as well as the construction, rehabilitation, alteration,
6 expansion, or improvement of the facilities. A grant may also be
7 authorized for purposes designated in this chapter, but only when, and
8 to the extent that, a loan is not reasonably possible, given the
9 limited resources of the political subdivision or the federally
10 recognized Indian tribe and the finding by the board that financial
11 circumstances require grant assistance to enable the project to move
12 forward. However, at least ten percent of all financial assistance
13 provided by the board in any biennium shall consist of grants to
14 political subdivisions and federally recognized Indian tribes.

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

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

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

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

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

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

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

29 (a) For those projects which would result in specific private
30 developments or expansions (i) in manufacturing, production, food
31 processing, assembly, warehousing, advanced technology, research and
32 development, and industrial distribution; (ii) for processing
33 recyclable materials or for facilities that support recycling,
34 including processes not currently provided in the state, including but
35 not limited to, de-inking facilities, mixed waste paper, plastics, yard
36 waste, and problem-waste processing; (iii) for manufacturing facilities
37 that rely significantly on recyclable materials, including but not
38 limited to waste tires and mixed waste paper; (iv) which support the

1 relocation of businesses from nondistressed urban areas to rural
2 counties or rural natural resources impact areas; or (v) which
3 substantially support the trading of goods or services outside of the
4 state's borders.

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

7 (c) For projects which it finds will improve the opportunities for
8 the successful maintenance, establishment, or expansion of industrial
9 or commercial plants or will otherwise assist in the creation or
10 retention of long-term economic opportunities.

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

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

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

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

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

25 Before any financial assistance application is approved, the
26 political subdivision or the federally recognized Indian tribe seeking
27 the assistance must demonstrate to the community economic
28 revitalization board that no other timely source of funding is
29 available to it at costs reasonably similar to financing available from
30 the community economic revitalization board.

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