

SB 6046-S - DIGEST

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Finds that, in many areas of the state, the lack of necessary infrastructure and vacant brownfields act as an impediment to economic growth.

Finds that public improvements to brownfields, carried out in accordance with local economic development plans, will encourage investment in job-producing private development and will expand the public tax base.

Declares an intent to promote and facilitate the orderly development and economic stability of communities in the state. It is the purpose of this chapter to provide financial resources to assist local jurisdictions in the financing of public improvements which are needed to encourage private development where this development would not otherwise occur due to the presence of contaminated property and other environmental considerations.

Provides that local jurisdictions with local economic development projects approved by the department of community, trade, and economic development as provided under this act may enter into an agreement with the Washington economic development finance authority regarding the issuance of bonds for the purpose of financing local economic development project costs. The agreement shall require that the local jurisdiction: (1) Collect from any lessee of property associated with a local economic development project a payment in an amount at least equal to all leasehold excise taxes that would be imposed on and collected with respect to property associated with the completed local economic development project but for the exemption granted by this act;

(2) Pledge the cleanup payments collected to the payment of these bonds; and

(3) Stop collection of cleanup payments when the bond obligations have been satisfied and notify the lessee of the obligation to pay any leasehold excise taxes which may be due subsequently.

Creates the local economic development project financing account in the state treasury. The proceeds of all leasehold excise taxes imposed on and collected with respect to property associated with a completed local economic development project shall be deposited into the local economic development project financing account.

Declares that all leasehold interests in completed local economic development projects financed under this act are exempt from tax under chapter 82.29A RCW for the period of time lessees are making cleanup payments as required by this act.