

2SHB 1252 - S COMM AMD

By Committee on Economic Development, Trade & Innovation

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 43.160.060 and 2008 c 327 s 5 are each amended to
4 read as follows:

5 The board is authorized to make direct loans to political
6 subdivisions of the state and to federally recognized Indian tribes for
7 the purposes of assisting the political subdivisions and federally
8 recognized Indian tribes in financing the cost of public facilities,
9 including development of land and improvements for public facilities,
10 project-specific environmental, capital facilities, land use,
11 permitting, feasibility, and marketing studies and plans; project
12 design, site planning, and analysis; project debt and revenue impact
13 analysis; as well as the construction, rehabilitation, alteration,
14 expansion, or improvement of the facilities. A grant may also be
15 authorized for purposes designated in this chapter, but only when, and
16 to the extent that, a loan is not reasonably possible, given the
17 limited resources of the political subdivision or the federally
18 recognized Indian tribe and the finding by the board that financial
19 circumstances require grant assistance to enable the project to move
20 forward. However, no more than twenty-five percent of all financial
21 assistance approved by the board in any biennium may consist of grants
22 to political subdivisions and federally recognized Indian tribes.

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

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

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

29 (b) For any project that evidence exists would result in a

1 development or expansion that would displace existing jobs in any other
2 community in the state.

3 (c) For a project the primary purpose of which is to facilitate or
4 promote gambling.

5 (d) For a project located outside the jurisdiction of the applicant
6 political subdivision or federally recognized Indian tribe.

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

8 (a) For a project demonstrating convincing evidence that a specific
9 private development or expansion is ready to occur and will occur only
10 if the public facility improvement is made that:

11 (i) Results in the creation of significant private sector jobs or
12 significant private sector capital investment as determined by the
13 board and is consistent with the state comprehensive economic
14 development plan developed by the Washington economic development
15 commission pursuant to chapter 43.162 RCW, once the plan is adopted;
16 and

17 (ii) Will improve the opportunities for the successful maintenance,
18 establishment, or expansion of industrial or commercial plants or will
19 otherwise assist in the creation or retention of long-term economic
20 opportunities;

21 (b) For a project that cannot meet the requirement of (a) of this
22 subsection but is a project that:

23 (i) Results in the creation of significant private sector jobs or
24 significant private sector capital investment as determined by the
25 board and is consistent with the state comprehensive economic
26 development plan developed by the Washington economic development
27 commission pursuant to chapter 43.162 RCW, once the plan is adopted;

28 (ii) Is part of a local economic development plan consistent with
29 applicable state planning requirements;

30 (iii) Can demonstrate project feasibility using standard economic
31 principles; and

32 (iv) Is located in a rural community as defined by the board, or a
33 rural county;

34 (c) For site-specific plans, studies, and analyses that address
35 environmental impacts, capital facilities, land use, permitting,
36 feasibility, marketing, project engineering, design, site planning, and
37 project debt and revenue impacts, as grants not to exceed fifty
38 thousand dollars.

1 (3) The board shall develop guidelines for local participation and
2 allowable match and activities.

3 (4) An application must demonstrate local match and local
4 participation, in accordance with guidelines developed by the board.

5 (5) An application must be approved by the political subdivision
6 and supported by the local associate development organization or local
7 workforce development council or approved by the governing body of the
8 federally recognized Indian tribe.

9 (6) The board may allow de minimis general system improvements to
10 be funded if they are critically linked to the viability of the
11 project.

12 (7) An application must demonstrate convincing evidence that the
13 median hourly wage of the private sector jobs created after the project
14 is completed will ((exceed)) be no less than five percent below the
15 countywide median hourly wage in the private sector. For counties with
16 an annual unemployment rate that is one hundred fifty percent or more
17 of the state unemployment rate, an application must demonstrate
18 convincing evidence that the median hourly wage of the private sector
19 jobs created after the project is completed will be no less than ten
20 percent below the countywide median hourly wage of the private sector.
21 In rural counties that have federal contract employment over ten
22 thousand, the calculation of the countywide median hourly wage in the
23 private sector must exclude the wages of private sector jobs provided
24 under federal contract.

25 (8) The board shall prioritize each proposed project according to:

26 (a) The relative benefits provided to the community by the jobs the
27 project would create, not just the total number of jobs it would create
28 after the project is completed, but also giving consideration to the
29 unemployment rate in the area in which the jobs would be located;

30 (b) The rate of return of the state's investment, including, but
31 not limited to, the leveraging of private sector investment,
32 anticipated job creation and retention, and expected increases in state
33 and local tax revenues associated with the project;

34 (c) Whether the proposed project offers a health insurance plan for
35 employees that includes an option for dependents of employees;

36 (d) Whether the public facility investment will increase existing
37 capacity necessary to accommodate projected population and employment
38 growth in a manner that supports infill and redevelopment of existing

1 urban or industrial areas that are served by adequate public
2 facilities. Projects should maximize the use of existing
3 infrastructure and provide for adequate funding of necessary
4 transportation improvements; and

5 (e) Whether the applicant has developed and adhered to guidelines
6 regarding its permitting process for those applying for development
7 permits consistent with section 1(2), chapter 231, Laws of 2007.

8 (9) A responsible official of the political subdivision or the
9 federally recognized Indian tribe shall be present during board
10 deliberations and provide information that the board requests.

11 Before any financial assistance application is approved, the
12 political subdivision or the federally recognized Indian tribe seeking
13 the assistance must demonstrate to the community economic
14 revitalization board that no other timely source of funding is
15 available to it at costs reasonably similar to financing available from
16 the community economic revitalization board."

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17 On page 1, line 2 of the title, after "selection;" strike the
18 remainder of the title and insert "and amending RCW 43.160.060."

EFFECT: Applicants for CERB funds must demonstrate convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will not be lower than 5 percent below the countywide median hourly wage of the private sector. For counties with unemployment that is 150 percent or more of state unemployment, the median hourly wage of the private sector jobs created is to be no lower than 10 percent below the countywide median hourly wage of the private sector. In rural counties where federal contract employment exceeds 10,000, CERB is to exclude federal contract employment wages when calculating the county's median wages for private sector jobs.

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