

SENATE BILL REPORT

SHB 1952

As of March 23, 2009

Title: An act relating to the building communities fund program competitive process.

Brief Description: Regarding the building communities fund program competitive process.

Sponsors: House Committee on Capital Budget (originally sponsored by Representatives Kenney, Ormsby, Blake, Flannigan, Maxwell, Pettigrew, Springer, Hudgins, Liias, Morrell, White, Conway, Hasegawa, Chase, Sullivan, Dickerson, Wood and Santos).

Brief History: Passed House: 3/06/09, 93-3.

Committee Activity: Economic Development, Trade & Innovation: 3/18/09.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Philip Brady (786-7460)

Background: The Building Communities Fund (BCF) Program was established in 2008 with a capital budget allocation of \$32 million, and makes targeted capital investments in distressed rural and urban communities. Funds can be used to acquire, construct, or rehabilitate facilities for delivery of nonresidential community services. These facilities must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons, and applicants for the BCF grants must demonstrate that their projects will offer a diverse set of activities that meet multiple community service objectives. The BCF grant assistance may not exceed 25 percent of total project cost, except under exceptional circumstances.

The Department of Community, Trade and Economic Development (CTED) administered a competitive application process in 2008, and submitted an unranked list of 27 projects as "qualified eligible" and an unranked list of 28 projects as "not recommended for funding" to the Governor and the Legislature. The appropriate fiscal committees of the Legislature may use the list to determine projects that receive capital funding for 2009-11.

Summary of Bill: The competitive process for the BCF Program grants is clarified in two respects: (1) an applicant can qualify for funding consideration by demonstrating that a proposed project will offer three or more distinct activities that meet a single community service objective; and (2) "exceptional circumstances," under which the CTED may reduce the amount of nonstate match required of an applicant, include but are not limited to natural

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disasters affecting projects; emergencies beyond an applicant's control; a delay that could result in a public health or safety threat; or instances where a community can quantifiably demonstrate exhaustion of all fundraising efforts.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.