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**SUBSTITUTE HOUSE BILL 1992**

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**State of Washington**

**61st Legislature**

**2010 Regular Session**

**By** House Commerce & Labor (originally sponsored by Representatives Conway, Simpson, Wood, Moeller, Williams, Lias, Sullivan, and Chase)

READ FIRST TIME 02/03/10.

1       AN ACT Relating to the application of chapter 39.12 RCW to  
2 construction projects that involve tax incentives, loans, or public  
3 land that is sold or leased; and adding a new section to chapter 39.12  
4 RCW.

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

6       NEW SECTION.   **Sec. 1.** A new section is added to chapter 39.12 RCW  
7 to read as follows:

8       (1) This chapter applies to construction projects paid for in whole  
9 or in part by the equivalent of public funds.

10       (2) For purposes of this section, "paid for in whole or in part by  
11 the equivalent of public funds" means:

12       (a) Tax deferrals, exemptions, credits, or any other form of tax  
13 incentive established by the state or any county, municipality, or  
14 political subdivision created by its laws, and intended to promote  
15 economic development;

16       (b) Loans provided to a private entity by the state or any county,  
17 municipality, or political subdivision created by its law, or other  
18 assistance provided in connection with the bonding authority of the

1 state or any county, municipality, or political subdivision created by  
2 its laws that allows a private entity to obtain lower interest rates  
3 for financing of a construction project;

4 (c) Sales or transfers of public land or property to a private  
5 entity for less than fair market value by the state or any county,  
6 municipality, or political subdivision created by its laws; or

7 (d) Long-term leases of public land or property to a private entity  
8 for less than fair market value by the state or any county,  
9 municipality, or political subdivision created by its laws.

10 (3)(a) This section does not apply to construction contracts  
11 awarded before January 1, 2011.

12 (b) This section applies to construction contracts awarded on or  
13 after January 1, 2011, for all construction projects estimated to cost  
14 three million dollars or more and paid for in whole or in part by the  
15 equivalent of public funds.

16 (c) This section applies to construction contracts awarded on or  
17 after January 1, 2012, for all construction projects estimated to cost  
18 two million dollars or more and paid for in whole or in part by the  
19 equivalent of public funds.

20 (d) This section applies to construction contracts awarded on or  
21 after January 1, 2013, for all construction projects estimated to cost  
22 one million dollars or more and paid for in whole or in part by the  
23 equivalent of public funds.

24 (4) This section only applies to construction projects that would  
25 not have been covered by this chapter before the effective date of this  
26 section.

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