H-4125.1				

## SECOND SUBSTITUTE HOUSE BILL 2587

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State of Washington 62nd Legislature 2012 Regular Session

By House Capital Budget (originally sponsored by Representatives Carlyle, Haler, Fitzgibbon, Jinkins, Asay, Dunshee, Lytton, Ormsby, Warnick, Walsh, Pettigrew, Kenney, and Santos)

READ FIRST TIME 02/03/12.

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- AN ACT Relating to a competitive grant program for arts and cultural facilities; and amending RCW 43.63A.750.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 43.63A.750 and 2006 c 371 s 235 are each amended to read as follows:
  - (1) A competitive grant program <u>is created</u> to assist <u>the following</u> nonprofit <u>arts and cultural</u> organizations in acquiring, constructing, or rehabilitating <u>the organization's facilities:</u> Performing arts <u>organizations</u>, art museums, ((and)) cultural ((facilities is created)) organizations, zoos, aquariums, and technology and science centers. To be eligible, a zoo or aquarium must be an organization accredited by the association of zoos and aquariums and a technology and science center must be an organization that meets the requirements to be a member of the association of science technology centers.
- 15 (2)(a) The department shall submit a list of recommended 16 ((performing arts, art museum projects, and cultural organization)) 17 <u>facilities</u> projects, for organizations listed in subsection (1) of this 18 <u>section</u>, that are eligible for funding to the governor and the 19 legislature in the department's biennial capital budget request

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- beginning with the 2001-2003 biennium and thereafter. The list, in priority order, shall include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. The total amount of recommended state funding for projects on a biennial project list shall not exceed ((twelve)) sixteen million dollars.
  - (b) The department shall establish a competitive process to prioritize applications for state assistance as follows:

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- (i) The department shall conduct a statewide solicitation of project applications from nonprofit organizations, local governments, and other entities, as determined by the department. The department shall evaluate and rank applications in consultation with a citizen advisory committee, including a representative from the state arts commission, using objective criteria. The evaluation and ranking process shall also consider local community support for projects and an examination of existing assets that applicants may apply to projects.
- (ii) The department may establish the amount of state grant assistance for individual project applications but the amount shall not exceed twenty percent of the estimated total capital cost or actual cost of a project, whichever is less. The remaining portions of the project capital cost shall be a match from nonstate sources. nonstate match may include cash, the value of real property when solely for the purpose of the project, and acquired contributions. The department is authorized to set matching requirements for individual projects. State assistance may be used to fund separate definable phases of a project if the project demonstrates adequate progress and has secured the necessary match funding.
- (iii) The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects. In contracts for grants authorized under this section, the department shall include provisions requiring that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of

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- 1 interest on state of Washington general obligation bonds issued most
- 2 closely to the date of authorization of the grant.

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