
HOUSE BILL 2768

State of Washington

62nd Legislature

2012 Regular Session

By Representatives Tharinger, Warnick, Dunshee, Jinkins, and Lytton;
by request of Washington State Department of Commerce

Read first time 02/03/12. Referred to Committee on Capital Budget.

1 AN ACT Relating to the public works board; amending RCW 43.155.020,
2 43.155.030, 43.155.050, and 43.155.070; adding new sections to chapter
3 43.155 RCW; and repealing RCW 43.155.010, 43.155.040, 43.155.055,
4 43.155.060, 43.155.065, 43.155.068, 43.155.075, 43.155.100, 43.155.110,
5 and 43.155.120.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.155 RCW
8 to read as follows:

9 (1) The legislature finds that while local governments are
10 responsible for creating, developing, managing, financing, operating,
11 and maintaining local infrastructure systems, state priority policy
12 objectives are served by investing financial and technical resources in
13 these local systems. A significant backlog of projects to repair and
14 improve local public infrastructure systems exists. The state intends
15 to strategically invest resources to address this backlog and to
16 promote the following priority policy objectives:

- 17 (a) Preserving, enhancing, or achieving public health and safety;
18 (b) Protecting the state's environment;
19 (c) Promoting economic development;

1 (d) Encouraging well-managed local infrastructure systems; and

2 (e) Sustaining the state's infrastructure assistance capacity.

3 (2) It is the policy of the state of Washington to encourage self-
4 reliance by local governments in meeting their public works needs, to
5 finance critical local public works projects, and to provide
6 infrastructure-related technical assistance to local governments.

7 **Sec. 2.** RCW 43.155.020 and 2009 c 565 s 33 are each amended to
8 read as follows:

9 Unless the context clearly requires otherwise, the definitions in
10 this section shall apply throughout this chapter.

11 (1) "Board" means the public works board created in RCW 43.155.030.

12 (2) "Capital facility plan" means a capital facility plan required
13 by the growth management act under chapter 36.70A RCW or, for local
14 governments not fully planning under the growth management act, a plan
15 required by the public works board.

16 (3) "Contingent loan agreement" means an agreement between the
17 state and a traditional eligible jurisdiction or a nontraditional
18 eligible jurisdiction in which the state provides an absolute and
19 unconditional commitment to make a loan to a traditional eligible
20 jurisdiction or a nontraditional eligible jurisdiction from the public
21 works assistance account in order to enhance the credit of the
22 borrower.

23 (4) "Department" means the department of commerce.

24 (~~(4) "Financing guarantees" means the pledge of money in the~~
25 ~~public works assistance account, or money to be received by the public~~
26 ~~works assistance account, to the repayment of all or a portion of the~~
27 ~~principal of or interest on obligations issued by local governments to~~
28 ~~finance public works projects.))~~

29 (5) "Director" means the director of the department.

30 (6) "Emergency" means a public works project made necessary by a
31 natural disaster or an immediate and emergent threat to the public
32 health and safety due to unforeseen or unavoidable circumstances as
33 evidenced by a local government declaration.

34 (7) "Financial assistance" means loans, contingent loan agreements,
35 and forgivable loans.

36 (8) "Forgivable loan" means a loan for which a portion of the

1 principal and interest may be forgiven upon meeting certain criteria
2 and contract loan provisions.

3 (9) "Local government((s))" ((means cities, towns, counties,
4 special purpose districts, and any other municipal corporations or
5 quasi-municipal corporations in the state excluding school districts
6 and port districts)) means every city, county, town, port district,
7 district, or other public agency authorized by law to require the
8 execution of public work.

9 ~~((6) "Public works project" means a project of a local government~~
10 ~~for the planning, acquisition, construction, repair, reconstruction,~~
11 ~~replacement, rehabilitation, or improvement of streets and roads,~~
12 ~~bridges, water systems, or storm and sanitary sewage systems and solid~~
13 ~~waste facilities, including recycling facilities. A planning project~~
14 ~~may include the compilation of biological, hydrological, or other data~~
15 ~~on a county, drainage basin, or region necessary to develop a base of~~
16 ~~information for a capital facility plan.~~

17 ~~(7) "Solid waste or recycling project" means remedial actions~~
18 ~~necessary to bring abandoned or closed landfills into compliance with~~
19 ~~regulatory requirements and the repair, restoration, and replacement of~~
20 ~~existing solid waste transfer, recycling facilities, and landfill~~
21 ~~projects limited to the opening of landfill cells that are in existing~~
22 ~~and permitted landfills.~~

23 ~~(8) "Technical assistance" means training and other services~~
24 ~~provided to local governments to: (a) Help such local governments~~
25 ~~plan, apply, and qualify for loans and financing guarantees from the~~
26 ~~board, and (b) help local governments improve their ability to plan~~
27 ~~for, finance, acquire, construct, repair, replace, rehabilitate, and~~
28 ~~maintain public facilities.))~~

29 (10) "Nontraditional jurisdiction" means port districts.

30 (11) "Nontraditional project" means any local government
31 infrastructure project included in its adopted capital facilities plan
32 or equivalent that does not meet the definition of traditional project,
33 and excludes rolling stock.

34 (12) "Nontraditional system" means telecommunications, energy,
35 flood levees, public buildings and facilities, rail, criminal justice
36 facilities, and parks and recreation facilities.

37 (13) "Planning project" means the process through which a

1 jurisdiction creates and adopts a capital facilities plan, a system
2 plan, or equivalent.

3 (14) "Policy objectives" means state priorities that guide the
4 investment of public works assistance account funds and are composed of
5 the following:

6 (a) Preservation, enhancement, or achievement of public health and
7 safety;

8 (b) Protection of the state's environment;

9 (c) Promotion of economic development;

10 (d) Encouraging well-managed local infrastructure systems; and

11 (e) Sustaining the state infrastructure assistance network.

12 (15) "Preconstruction" means activities including but not limited
13 to project planning, design, engineering, bid document preparation,
14 environmental studies, right-of-way acquisition, and other
15 nonconstruction preliminary phases of public works projects as
16 determined by the board.

17 (16) "Public works project" means a nontraditional or traditional
18 project.

19 (17) "Technical assistance" means training and other services
20 provided to local governments to:

21 (a) Plan, apply, and qualify for financial assistance;

22 (b) Improve their ability to plan for, finance, acquire, construct,
23 reconstruct, and maintain infrastructure systems; and

24 (c) Improve their capacity to manage and operate their
25 infrastructure systems in a manner consistent with long-term
26 sustainability.

27 (18) "Traditional eligible jurisdictions" means counties, cities,
28 towns, special purpose districts, and any other municipal or quasi-
29 municipal corporations excluding school districts and port districts.

30 (19) "Traditional eligible systems" means drinking water systems,
31 sanitary sewer systems, storm water systems, solid waste/recycling
32 systems, bridges, and roadways.

33 (20) "Traditional project" means a project listed in a local
34 government's capital facilities plan or equivalent that results in the
35 planning, acquisition, construction, repair, reconstruction,
36 replacement, rehabilitation, or improvement of a traditional eligible
37 system and excludes rolling stock.

1 **Sec. 3.** RCW 43.155.030 and 1999 c 153 s 58 are each amended to
2 read as follows:

3 (1) The public works board is hereby created.

4 (2) The board shall be composed of thirteen members appointed by
5 the governor for terms of four years(~~(, except that five members~~
6 ~~initially shall be appointed for terms of two years)~~). The board shall
7 include: (a) Three members, two of whom shall be elected officials and
8 one shall be (~~(a public works manager)~~) an appointed official,
9 appointed from a list of (~~(at least six)~~) persons nominated by the
10 association of Washington cities or its successor; (b) three members,
11 two of whom shall be elected officials and one shall be (~~(a public~~
12 ~~works manager)~~) an appointed official, appointed from a list of (~~(at~~
13 ~~least six)~~) persons nominated by the Washington state association of
14 counties or its successor; (c) (~~(three members appointed from a list of~~
15 ~~at least six persons nominated jointly by the Washington public utility~~
16 ~~districts association and a state association of water sewer districts,~~
17 ~~or their successors; and (d))~~) one member appointed from a list of
18 persons nominated by the Washington public utility districts
19 association or its successor; (d) two members appointed from a list of
20 persons nominated by the state association of water-sewer districts or
21 its successor; and (e) four members appointed from the general public.
22 In appointing the four general public members, the governor shall
23 endeavor to balance the geographical composition of the board and to
24 include members with special expertise in relevant fields such as
25 public finance, architecture and civil engineering, and public works
26 construction. The governor shall appoint one of the general public
27 members of the board as chair. The term of the chair shall coincide
28 with the term of the governor.

29 (3) (~~(Staff support to the board shall be provided by the~~
30 ~~department.~~

31 ~~(4))~~ Members of the board shall receive no compensation but shall
32 be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

33 (~~(+5))~~ (4) If a vacancy on the board occurs by death, resignation,
34 or otherwise, the governor shall fill the vacant position for the
35 unexpired term. Each vacancy in a position appointed from lists
36 provided by the associations under subsection (2) of this section shall
37 be filled from a list of (~~(at least three)~~) persons nominated by the

1 relevant association or associations. Any members of the board(~~(~~
2 ~~appointive or otherwise,~~) may be removed by the governor for cause in
3 accordance with RCW 43.06.070 and 43.06.080.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.155 RCW
5 to read as follows:

6 (1) In order to aid the financing of public works projects, the
7 board:

8 (a) May execute contracts or otherwise financially obligate funds
9 from the public works assistance account for projects approved for
10 funding by the board;

11 (b) Shall manage the public works assistance account in such a way
12 as to ensure its sustainability;

13 (c) May make low-interest, interest-free, or forgivable loans to
14 local governments for:

15 (i) Traditional and nontraditional projects;

16 (ii) Traditional and nontraditional preconstruction projects;

17 (iii) Capital facilities planning or equivalent;

18 (iv) Assisting local governments to pay all or a portion of the
19 principal of or interest on obligations issued to finance
20 infrastructure projects pursuant to contingent loan agreements;

21 (v) Emergency projects for traditional eligible jurisdictions in
22 traditional eligible systems; and

23 (vi) Investment grade efficiency audits;

24 (d) May require such terms and conditions and may charge such rates
25 of interest on its loans as it deems necessary or convenient to carry
26 out the purposes of this chapter. Money received from local
27 governments in repayment of loans made under this section must be paid
28 into the public works assistance account for uses consistent with this
29 chapter;

30 (e) May not refinance existing debt or financial obligations of
31 local governments;

32 (f) May coordinate with the Washington state treasurer, who, on
33 behalf of the state of Washington, may prescribe the terms of and enter
34 into a contingent loan agreement between the state and a local
35 government if the state treasurer determines that such a contingent
36 loan agreement is financially prudent and is consistent with the
37 provisions of this chapter. Contingent loan agreements may be entered

1 into by the state treasurer only with local governments whose limited
2 tax general obligations or senior revenue obligations, as applicable to
3 the obligations concerned, are rated not higher than A1 or A+ by at
4 least one of the nationally recognized rating agencies. The state's
5 obligation to make any loan to a local government pursuant to the terms
6 of a contingent loan agreement is subject to appropriation from the
7 public works assistance account. The office of the state treasurer may
8 charge a fee to local governments to recover the costs of creating the
9 contingent loan agreements; and

10 (g) May create such subaccounts in the public works assistance
11 account as the board deems necessary to carry out the purposes of this
12 chapter.

13 (2) In order to provide for the state of Washington's obligations
14 under the terms of contingent loan agreements, the legislature must
15 make provision, from time to time in appropriations acts, for such
16 amounts as may be required to make timely payments from the public
17 works assistance account.

18 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.155 RCW
19 to read as follows:

20 The board shall provide technical assistance to local governments
21 in accordance with board policy.

22 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.155 RCW
23 to read as follows:

24 The board shall:

25 (1) Beginning in June 2014 and every four years thereafter, provide
26 the governor and legislature with a comprehensive assessment of local
27 infrastructure needs and potential resources within the state to meet
28 those needs;

29 (2) In consultation with the office of the state treasurer,
30 recommend to the governor and the legislature the amount of resources
31 from the public works assistance account to be appropriated for
32 contingent loan agreements;

33 (3) Establish and maintain collaborative relations with
34 governmental, private, and other financing organizations, advocate
35 groups, and other stakeholders associated with infrastructure
36 financing;

- 1 (4) Provide information and advice to the governor and legislature
2 on matters related to local government infrastructure financing; and
3 (5) At the direction of the governor, provide information and
4 advocacy at the national level on matters related to local government
5 infrastructure financing.

6 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.155 RCW
7 to read as follows:

8 The board shall:

9 (1) Consistent with the guidelines issued by the office of
10 financial management and in consultation with the department, prepare
11 biennial operating and capital budgets and, as needed, update these
12 budgets during the biennium;

13 (2) Accept or reject, from any state or federal agency, loans or
14 grants for the planning or financing of any public works project and
15 enter into agreements with any such agency concerning the loans or
16 grants;

17 (3) Accept or reject any gifts, grants, or loans of funds,
18 property, or financial or other aid in any form from any other source
19 on any terms and conditions that are not in conflict with this chapter;

20 (4) Adopt rules under chapter 34.05 RCW as necessary to carry out
21 the purposes of this chapter; and

22 (5) Do all acts and things necessary or convenient to carry out the
23 powers expressly granted or implied under this chapter.

24 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.155 RCW
25 to read as follows:

26 (1) The department shall:

27 (a) In collaboration with the board, and in accordance with the
28 board's operating budget, provide staff to the board necessary to
29 efficiently and effectively carry out the duties of this chapter; and

30 (b) Submit the board's operating and capital budgets in accordance
31 with guidelines set by the office of financial management.

32 (2) The director shall:

33 (a) Be accountable to the board for operating and capital
34 expenditures from the account;

35 (b) Report to the board not less than quarterly; and

1 (c) Represent the interests and concerns of the board as a member
2 of the governor's executive cabinet.

3 **Sec. 9.** RCW 43.155.050 and 2011 1st sp.s. c 50 s 951 are each
4 amended to read as follows:

5 (1) The public works assistance account is hereby established in
6 the state treasury. Money may be placed in the public works assistance
7 account from the proceeds of bonds when authorized by the legislature
8 or from any other lawful source. Money in the public works assistance
9 account shall be used to make loans ~~((and to give financial~~
10 guarantees)), forgivable loans, and payments required under contingent
11 loan agreements to local governments for public works projects. Moneys
12 in the account may also be appropriated to provide for state match
13 requirements ~~((under federal law for projects and activities conducted~~
14 and financed by the board under the drinking water assistance account))
15 for federal programs.

16 (2) Not more than fifteen percent of the biennial capital budget
17 appropriation to the public works board from this account may be
18 ~~((expended or))~~ obligated for preconstruction loans, emergency loans,
19 or loans for capital facility planning under this chapter; of this
20 amount, not more than ten percent of the biennial capital budget
21 appropriation may be expended for emergency loans and not more than one
22 percent of the biennial capital budget appropriation may be expended
23 for capital facility planning loans. ~~((For the 2007-2009 biennium,~~
24 moneys in the account may be used for grants for projects identified in
25 section 138, chapter 488, Laws of 2005 and section 1033, chapter 520,
26 Laws of 2007. During the 2009-2011 fiscal biennium, sums in the public
27 works assistance account may be used for the water pollution control
28 revolving fund program match in section 3013, chapter 36, Laws of 2010
29 1st sp. sess. During the 2009-2011 fiscal biennium, the legislature
30 may transfer from the job development fund to the general fund such
31 amounts as reflect the excess fund balance of the fund.)) During the
32 2011-2013 fiscal biennium, the legislature may transfer from the public
33 works assistance account to the general fund, the water pollution
34 control revolving account, and the drinking water assistance account
35 such amounts as reflect the excess fund balance of the account.

36 (3) Not more than ten percent of the biennial capital budget
37 appropriation to the board from the public works assistance account may

1 be obligated by the board as forgivable loans for traditional projects.
2 Based on conditions set in rule by the board, the board may obligate
3 not more than fifty percent forgivable loan to any traditional project.

4 **Sec. 10.** RCW 43.155.070 and 2009 c 518 s 16 are each amended to
5 read as follows:

6 (1) To qualify for loans or pledges under this chapter the board
7 must determine that a local government meets all of the following
8 conditions:

9 (a) The city or county must be imposing a tax under chapter 82.46
10 RCW at a rate of at least one-quarter of one percent;

11 (b) The local government must have developed a capital facility
12 plan; and

13 (c) The local government must be using all local revenue sources
14 which are reasonably available for funding public works, taking into
15 consideration local employment and economic factors.

16 (2) Except where necessary to address a public health need or
17 substantial environmental degradation, a county, city, or town planning
18 under RCW 36.70A.040 (~~must have adopted a comprehensive plan,~~
19 ~~including a capital facilities plan element, and development~~
20 ~~regulations as required by RCW 36.70A.040. This subsection does not~~
21 ~~require any county, city, or town planning under RCW 36.70A.040 to~~
22 ~~adopt a comprehensive plan or development regulations before requesting~~
23 ~~or receiving a loan or loan guarantee under this chapter if such~~
24 ~~request is made before the expiration of the time periods specified in~~
25 ~~RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040~~
26 ~~which has not adopted a comprehensive plan and development regulations~~
27 ~~within the time periods specified in RCW 36.70A.040 is not prohibited~~
28 ~~from receiving a loan or loan guarantee under this chapter if the~~
29 ~~comprehensive plan and development regulations are adopted as required~~
30 ~~by RCW 36.70A.040 before submitting a request for a loan or loan~~
31 ~~guarantee)) may not receive financial assistance under this chapter
32 unless it has adopted a comprehensive plan, including a capital
33 facilities plan element, and development regulations as required by RCW
34 36.70A.040. This subsection does not require any county, city, or town
35 planning under RCW 36.70A.040 to adopt a comprehensive plan or
36 development regulations before requesting or receiving financial
37 assistance under this chapter if such request is made before the~~

1 expiration of the time periods specified in RCW 36.70A.040. A county,
2 city, or town planning under RCW 36.70A.040 that has not adopted a
3 comprehensive plan and development regulations within the time periods
4 specified in RCW 36.70A.040 is not prohibited from receiving financial
5 assistance under this chapter if the comprehensive plan and development
6 regulations are adopted as required by RCW 36.70A.040 before submitting
7 a request for financial assistance.

8 (3) In considering awarding (~~loans~~) financial assistance for
9 public facilities to special districts requesting funding for a
10 proposed facility located in a county, city, or town planning under RCW
11 36.70A.040, the board shall consider whether the county, city, or town
12 planning under RCW 36.70A.040 in whose planning jurisdiction the
13 proposed facility is located has adopted a comprehensive plan and
14 development regulations as required by RCW 36.70A.040.

15 (~~4~~) (~~The board shall develop a priority process for public works~~
16 ~~projects as provided in this section. The intent of the priority~~
17 ~~process is to maximize the value of public works projects accomplished~~
18 ~~with assistance under this chapter. The board shall attempt to assure~~
19 ~~a geographical balance in assigning priorities to projects. The board~~
20 ~~shall consider at least the following factors in assigning a priority~~
21 ~~to a project:~~

22 (~~a~~) ~~Whether the local government receiving assistance has~~
23 ~~experienced severe fiscal distress resulting from natural disaster or~~
24 ~~emergency public works needs;~~

25 (~~b~~) ~~Except as otherwise conditioned by RCW 43.155.110, whether the~~
26 ~~entity receiving assistance is a Puget Sound partner, as defined in RCW~~
27 ~~90.71.010;~~

28 (~~c~~) ~~Whether the project is referenced in the action agenda~~
29 ~~developed by the Puget Sound partnership under RCW 90.71.310;~~

30 (~~d~~) ~~Whether the project is critical in nature and would affect the~~
31 ~~health and safety of a great number of citizens;~~

32 (~~e~~) ~~Whether the applicant has developed and adhered to guidelines~~
33 ~~regarding its permitting process for those applying for development~~
34 ~~permits consistent with section 1(2), chapter 231, Laws of 2007;~~

35 (~~f~~) ~~The cost of the project compared to the size of the local~~
36 ~~government and amount of loan money available;~~

37 (~~g~~) ~~The number of communities served by or funding the project;~~

1 ~~(h) Whether the project is located in an area of high unemployment,~~
2 ~~compared to the average state unemployment;~~

3 ~~(i) Whether the project is the acquisition, expansion, improvement,~~
4 ~~or renovation by a local government of a public water system that is in~~
5 ~~violation of health and safety standards, including the cost of~~
6 ~~extending existing service to such a system;~~

7 ~~(j) Except as otherwise conditioned by RCW 43.155.120, and~~
8 ~~effective one calendar year following the development of model~~
9 ~~evergreen community management plans and ordinances under RCW~~
10 ~~35.105.050, whether the entity receiving assistance has been~~
11 ~~recognized, and what gradation of recognition was received, in the~~
12 ~~evergreen community recognition program created in RCW 35.105.030;~~

13 ~~(k) The relative benefit of the project to the community,~~
14 ~~considering the present level of economic activity in the community and~~
15 ~~the existing local capacity to increase local economic activity in~~
16 ~~communities that have low economic growth; and~~

17 ~~(l) Other criteria that the board considers advisable.~~

18 ~~(5) Existing debt or financial obligations of local governments~~
19 ~~shall not be refinanced under this chapter. Each local government~~
20 ~~applicant shall provide documentation of attempts to secure additional~~
21 ~~local or other sources of funding for each public works project for~~
22 ~~which financial assistance is sought under this chapter.~~

23 ~~(6) Before November 1st of each even-numbered year, the board shall~~
24 ~~develop and submit to the appropriate fiscal committees of the senate~~
25 ~~and house of representatives a description of the loans made under RCW~~
26 ~~43.155.065, 43.155.068, and subsection (9) of this section during the~~
27 ~~preceding fiscal year and a prioritized list of projects which are~~
28 ~~recommended for funding by the legislature, including one copy to the~~
29 ~~staff of each of the committees. The list shall include, but not be~~
30 ~~limited to, a description of each project and recommended financing,~~
31 ~~the terms and conditions of the loan or financial guarantee, the local~~
32 ~~government jurisdiction and unemployment rate, demonstration of the~~
33 ~~jurisdiction's critical need for the project and documentation of local~~
34 ~~funds being used to finance the public works project. The list shall~~
35 ~~also include measures of fiscal capacity for each jurisdiction~~
36 ~~recommended for financial assistance, compared to authorized limits and~~
37 ~~state averages, including local government sales taxes; real estate~~

1 ~~excise taxes; property taxes; and charges for or taxes on sewerage,~~
2 ~~water, garbage, and other utilities.~~

3 ~~(7) The board shall not sign contracts or otherwise financially~~
4 ~~obligate funds from the public works assistance account before the~~
5 ~~legislature has appropriated funds for a specific list of public works~~
6 ~~projects. The legislature may remove projects from the list~~
7 ~~recommended by the board. The legislature shall not change the order~~
8 ~~of the priorities recommended for funding by the board.~~

9 ~~(8) Subsection (7) of this section does not apply to loans made~~
10 ~~under RCW 43.155.065, 43.155.068, and subsection (9) of this section.~~

11 ~~(9) Loans made for the purpose of capital facilities plans shall be~~
12 ~~exempted from subsection (7) of this section.~~

13 ~~(10) To qualify for loans or pledges for solid waste or recycling~~
14 ~~facilities under this chapter, a city or county must demonstrate that~~
15 ~~the solid waste or recycling facility is consistent with and necessary~~
16 ~~to implement the comprehensive solid waste management plan adopted by~~
17 ~~the city or county under chapter 70.95 RCW.~~

18 ~~(11) After January 1, 2010, any project designed to address the~~
19 ~~effects of storm water or wastewater on Puget Sound may be funded under~~
20 ~~this section only if the project is not in conflict with the action~~
21 ~~agenda developed by the Puget Sound partnership under RCW 90.71.310))~~
22 In considering awarding financial assistance, the board must consider:

23 (a) Whether the entity receiving assistance is a Puget Sound
24 partner, as defined in RCW 90.71.010. Entities that are not eligible
25 to be a Puget Sound partner due to geographic location, composition,
26 exclusion from the scope of the action agenda developed by the Puget
27 Sound partnership under RCW 90.71.310, or for any other reason, may not
28 be given less preferential treatment than Puget Sound partners; and

29 (b) Whether the project is referenced in the action agenda
30 developed by the Puget Sound partnership under RCW 90.71.310.

31 NEW SECTION. Sec. 11. A new section is added to chapter 43.155
32 RCW to read as follows:

33 The intent of the project selection process is to promote state
34 policy objectives and to maximize the value of projects financed under
35 this chapter. When demand for local financing exceeds available
36 resources from the public works assistance account, some or all of the

1 following criteria may be used by the board to prioritize projects for
2 financing:

3 (1) Achieving balanced distribution of funds by geography, system
4 type, and jurisdiction type;

5 (2) Whether the project would affect the health and safety of a
6 large percentage of the affected community's population;

7 (3) Whether the project consolidates or regionalizes systems;

8 (4) Whether the project is located in an area of high unemployment,
9 compared to the average state unemployment;

10 (5) Whether the system is being well-managed in the present and for
11 long-term sustainability; and

12 (6) Other criteria that the board considers advisable.

13 NEW SECTION. **Sec. 12.** The following acts or parts of acts are
14 each repealed:

15 (1) RCW 43.155.010 (Legislative findings and policy) and 1996 c 168
16 s 1 & 1985 c 446 s 7;

17 (2) RCW 43.155.040 (General powers of the board) and 1985 c 446 s
18 10;

19 (3) RCW 43.155.055 (Water storage projects and water systems
20 facilities subaccount) and 2003 c 330 s 1;

21 (4) RCW 43.155.060 (Public works financing powers--Competitive bids
22 on projects) and 1988 c 93 s 2 & 1985 c 446 s 11;

23 (5) RCW 43.155.065 (Emergency public works projects) and 2001 c 131
24 s 3, 1990 c 133 s 7, & 1988 c 93 s 1;

25 (6) RCW 43.155.068 (Loans for preconstruction activities) and 2001
26 c 131 s 4 & 1995 c 363 s 2;

27 (7) RCW 43.155.075 (Loans for public works projects--Statement of
28 environmental benefits--Development of outcome-focused performance
29 measures) and 2001 c 227 s 10;

30 (8) RCW 43.155.100 (Water conservation account) and 2002 c 329 s
31 11;

32 (9) RCW 43.155.110 (Puget Sound partners) and 2007 c 341 s 25; and

33 (10) RCW 43.155.120 (Administering funds--Preference to an
34 evergreen community) and 2008 c 299 s 30.

--- END ---