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HOUSE BILL 1969

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Hawkins, Dunshee, Appleton, Stanford, Takko, Warnick, Magendanz, Fey, Tarleton, and Smith

Read first time 02/26/13. Referred to Committee on Capital Budget.

1            AN ACT Relating to requiring the public works board to submit  
2 ranked project lists; amending RCW 43.155.070; and adding a new section  
3 to chapter 43.155 RCW.

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

5            **Sec. 1.** RCW 43.155.070 and 2012 c 196 s 9 are each amended to read  
6 as follows:

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

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

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

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

17            (2) Except where necessary to address a public health need or  
18 substantial environmental degradation, a county, city, or town planning  
19 under RCW 36.70A.040 must have adopted a comprehensive plan, including

1 a capital facilities plan element, and development regulations as  
2 required by RCW 36.70A.040. This subsection does not require any  
3 county, city, or town planning under RCW 36.70A.040 to adopt a  
4 comprehensive plan or development regulations before requesting or  
5 receiving a loan or loan guarantee under this chapter if such request  
6 is made before the expiration of the time periods specified in RCW  
7 36.70A.040. A county, city, or town planning under RCW 36.70A.040  
8 which has not adopted a comprehensive plan and development regulations  
9 within the time periods specified in RCW 36.70A.040 is not prohibited  
10 from receiving a loan or loan guarantee under this chapter if the  
11 comprehensive plan and development regulations are adopted as required  
12 by RCW 36.70A.040 before submitting a request for a loan or loan  
13 guarantee.

14 (3) In considering awarding loans for public facilities to special  
15 districts requesting funding for a proposed facility located in a  
16 county, city, or town planning under RCW 36.70A.040, the board must  
17 consider whether the county, city, or town planning under RCW  
18 36.70A.040 in whose planning jurisdiction the proposed facility is  
19 located has adopted a comprehensive plan and development regulations as  
20 required by RCW 36.70A.040.

21 ~~(4) ((The board must develop a priority process for public works~~  
22 ~~projects as provided in this section. The intent of the priority~~  
23 ~~process is to maximize the value of public works projects accomplished~~  
24 ~~with assistance under this chapter. The board must attempt to assure~~  
25 ~~a geographical balance in assigning priorities to projects. The board~~  
26 ~~must consider at least the following factors in assigning a priority to~~  
27 ~~a project:~~

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

31 ~~(b) Except as otherwise conditioned by RCW 43.155.110, whether the~~  
32 ~~entity receiving assistance is a Puget Sound partner, as defined in RCW~~  
33 ~~90.71.010;~~

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

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

1 ~~(e) Whether the applicant's permitting process has been certified~~  
2 ~~as streamlined by the office of regulatory assistance;~~

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

6 ~~(g) The cost of the project compared to the size of the local~~  
7 ~~government and amount of loan money available;~~

8 ~~(h) The number of communities served by or funding the project;~~

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

11 ~~(j) Whether the project is the acquisition, expansion, improvement,~~  
12 ~~or renovation by a local government of a public water system that is in~~  
13 ~~violation of health and safety standards, including the cost of~~  
14 ~~extending existing service to such a system;~~

15 ~~(k) Except as otherwise conditioned by RCW 43.155.120, and~~  
16 ~~effective one calendar year following the development of model~~  
17 ~~evergreen community management plans and ordinances under RCW~~  
18 ~~35.105.050, whether the entity receiving assistance has been~~  
19 ~~recognized, and what gradation of recognition was received, in the~~  
20 ~~evergreen community recognition program created in RCW 35.105.030;~~

21 ~~(l) The relative benefit of the project to the community,~~  
22 ~~considering the present level of economic activity in the community and~~  
23 ~~the existing local capacity to increase local economic activity in~~  
24 ~~communities that have low economic growth; and~~

25 ~~(m) Other criteria that the board considers advisable.~~

26 ~~(5)) Existing debt or financial obligations of local governments~~  
27 ~~may not be refinanced under this chapter. Each local government~~  
28 ~~applicant must provide documentation of attempts to secure additional~~  
29 ~~local or other sources of funding for each public works project for~~  
30 ~~which financial assistance is sought under this chapter.~~

31 ~~((6)) (5) Before November 1st of each even-numbered year, the~~  
32 ~~board must develop and submit to the appropriate fiscal committees of~~  
33 ~~the senate and house of representatives:~~

34 ~~(a) A description of the loans made under RCW 43.155.065,~~  
35 ~~43.155.068, and subsection ((9)) (8) of this section during the~~  
36 ~~preceding fiscal year; and~~

37 ~~(b) A ((prioritized)) ranked list of projects which are recommended~~  
38 ~~for funding by the legislature(, including one copy to the staff of~~

1 ~~each of the committees~~). The board must establish the ranked list  
2 based, at a minimum, on the factors provided in section 2 of this act.  
3 For each project on the ranked list, as well as for projects not being  
4 recommended for funding, the board must document the numerical ratings  
5 that were assigned to each evaluation factor. The list must include,  
6 but not be limited to, a description of each project and recommended  
7 financing, the terms and conditions of the loan or financial guarantee,  
8 the local government jurisdiction and unemployment rate, demonstration  
9 of the jurisdiction's critical need for the project and documentation  
10 of local funds being used to finance the public works project. The  
11 list must also include measures of fiscal capacity for each  
12 jurisdiction recommended for financial assistance, compared to  
13 authorized limits and state averages, including local government sales  
14 taxes; real estate excise taxes; property taxes; and charges for or  
15 taxes on sewerage, water, garbage, and other utilities.

16 ~~((+7))~~ (6) The board may not sign contracts or otherwise  
17 financially obligate funds from the public works assistance account  
18 before the legislature has appropriated funds for a specific list of  
19 public works projects. The legislature may remove projects from the  
20 list recommended by the board. The legislature may not change the  
21 order of the priorities recommended for funding by the board.

22 ~~((+8))~~ (7) Subsection ~~((+7))~~ (6) of this section does not apply  
23 to loans made under RCW 43.155.065, 43.155.068, and subsection ~~((+9))~~  
24 (8) of this section.

25 ~~((+9))~~ (8) Loans made for the purpose of capital facilities plans  
26 are exempted from subsection ~~((+7))~~ (6) of this section.

27 ~~((+10))~~ (9) To qualify for loans or pledges for solid waste or  
28 recycling facilities under this chapter, a city or county must  
29 demonstrate that the solid waste or recycling facility is consistent  
30 with and necessary to implement the comprehensive solid waste  
31 management plan adopted by the city or county under chapter 70.95 RCW.

32 ~~((+11))~~ (10) After January 1, 2010, any project designed to  
33 address the effects of storm water or wastewater on Puget Sound may be  
34 funded under this section only if the project is not in conflict with  
35 the action agenda developed by the Puget Sound partnership under RCW  
36 90.71.310.

1        NEW SECTION.   **Sec. 2.**   A new section is added to chapter 43.155 RCW  
2   to read as follows:

3        In order to identify high quality public works projects that merit  
4   funding by the legislature as required in RCW 43.155.070, the board  
5   must develop a process for evaluating, numerically rating, and ranking  
6   the applications submitted by local governments.   At a minimum, the  
7   board must base its ranking on the following factors, in descending  
8   order of priority:

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

11        (2) Whether the project is ready to proceed;

12        (3) Whether the project would affect the health and  
13   safety of a large percentage of the affected community's population;

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

16        (5) Whether the project consolidates or regionalizes systems;

17        (6) Whether the system is being well-managed in the present and for  
18   long-term sustainability; and

19        (7) Whether the project promotes the sustainable use of resources  
20   and environmental quality.

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