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HOUSE BILL 1691

State of Washington 66th Legislature 2019 Regular Session

By Representatives Peterson, Fey, Chapman, Doglio, Appleton, Kirby, Pollet, and Gregerson

Read first time 01/28/19. Referred to Committee on Capital Budget.

- AN ACT Relating to funding and administering local government infrastructure by the public works board; amending RCW 43.155.020, 77.95.170, and 82.18.040; reenacting and amending RCW 43.155.050;
- 4 adding a new section to chapter 43.155 RCW; providing an effective
- 5 date; and declaring an emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 43.155.020 and 2017 3rd sp.s. c 10 s 2 are each 8 amended to read as follows:
- 9 The definitions in this section apply throughout this chapter 10 unless the context clearly requires otherwise.
- 11 (1) "Board" means the public works board created in RCW 12 43.155.030.
- 13 (2) "Capital facility plan" means a capital facility plan
 14 required by the growth management act under chapter 36.70A RCW or,
 15 for local governments not fully planning under the growth management
 16 act, a plan required by the public works board.
 - (3) "Department" means the department of commerce.
- 18 (4) "Financing guarantees" means the pledge of money in the 19 public works assistance account, or money to be received by the 20 public works assistance account, to the repayment of all or a portion

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of the principal of or interest on obligations issued by local governments to finance public works projects.

- (5) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasimunicipal corporations in the state excluding school districts and port districts.
- (6) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, or storm and sanitary sewage systems, lead remediation of drinking water systems, and solid waste facilities, including recycling facilities. A planning project may include the compilation of biological, hydrological, or other data on a county, drainage basin, or region necessary to develop a base of information for a capital facility plan. Public works projects may include natural or green infrastructure measures that complement the project and demonstrate enhanced life-cycle cost or performance gains.
- (7) "Solid waste or recycling project" means remedial actions necessary to bring abandoned or closed landfills into compliance with regulatory requirements and the repair, restoration, and replacement of existing solid waste transfer, recycling facilities, and landfill projects limited to the opening of landfill cells that are in existing and permitted landfills.
- (8) "Technical assistance" means training and other services provided to local governments to: (a) Help such local governments plan, apply, and qualify for loans, grants, and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.
- (9) "Value planning" means a uniform approach to assist ((in)) decision making at the predesign stage through systematic evaluation of potential alternatives to solving an identified problem and addressing innovation, affordability, environmental performance, and local economic development.
- **Sec. 2.** RCW 43.155.050 and 2017 3rd sp.s. c 10 s 5 and 2017 3rd sp.s. c 1 s 974 are each reenacted and amended to read as follows:
- 37 <u>(1)(a)</u> The public works assistance account is hereby established 38 in the state treasury. Money may be placed in the public works 39 assistance account from the proceeds of bonds when authorized by the

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legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving ((account [fund])) fund and the drinking water assistance account to provide for state match requirements under federal law.

- (b) Not more than twenty percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter.
- (c) Except as provided for in (d) and (e) of this subsection, not more than ten percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. ((During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund, the water pollution control revolving account [fund], and the drinking water assistance account such amounts as reflect the excess fund balance of the account.))
- (d) Up to one percent of the biennial capital budget appropriation to the public works board may be provided as grants to entities for the purpose of value planning. The value planning grant may be up to sixty thousand dollars per capital project.
- (e) During fiscal years 2020 through 2030, taxes collected under RCW 82.18.040 and deposited into the public works assistance account must be prioritized for grants to address fish barriers consistent with the comprehensive strategy to maximize habitat value of culvert correction investments, as recommended by the fish passage barrier removal board established in RCW 77.95.160.
- (2) During the ((2015-2017 and)) 2017-2019 fiscal ((biennia)) biennium, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, and the voluntary stewardship program. ((During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the state general fund such amounts as specified by the legislature.))
- (3) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the public

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- 1 works assistance account to the education legacy trust account. It is
- 2 the intent of the legislature that this policy will be continued in
- 3 subsequent fiscal biennia.
- 4 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.155
- 5 RCW to read as follows:
- 6 The public works board shall perform grant and contract
- 7 management for the grants issued to address fish barriers pursuant to
- 8 RCW 43.155.050(1)(e).
- 9 **Sec. 4.** RCW 77.95.170 and 2014 c 120 s 3 are each amended to 10 read as follows:
- 11 (1) The department may coordinate with the recreation and
- 12 conservation office or public works board in the administration of
- 13 all state grant programs specifically designed to assist state
- 14 agencies, private landowners, tribes, organizations, and volunteer
- 15 groups in identifying and removing impediments to salmonid fish
- 16 passage. The transportation improvement board or public works board
- 17 may administer all grant programs specifically designed to assist
- 18 cities, counties, and other units of local governments with fish
- 19 passage barrier corrections associated with transportation projects.
- 20 All grant programs must be administered and be consistent with the
- 21 following:
- 22 (a) Salmonid-related corrective projects, inventory, assessment,
- 23 and prioritization efforts;
- (b) Salmonid projects subject to a competitive application
- 25 process; and
- 26 (c) A minimum dollar match rate that is consistent with the
- 27 funding authority's criteria. If no funding match is specified, a
- 28 match amount of at least twenty-five percent per project is required.
- 29 For local, private, and volunteer projects, in-kind contributions may
- 30 be counted toward the match requirement.
- 31 (2) Priority shall be given to projects that match the principles
- 32 provided in RCW 77.95.180.
- 33 (3) All projects subject to this section shall be reviewed and
- 34 approved by the fish passage barrier removal board created in RCW
- 35 77.95.160 or an alternative oversight committee designated by the
- 36 state legislature.
- 37 (4) Other agencies that administer natural resource-based grant
- 38 programs shall use fish passage selection criteria that are

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consistent with this section when those programs are addressing fish passage barrier removal projects.

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- (5) (a) The department shall establish a centralized database directory of all fish passage barrier information. The database directory must include, but is not limited to, existing fish passage inventories, fish passage projects, grant program applications, and other databases. These data must be used to coordinate and assist in habitat recovery and project mitigation projects.
- (b) The department must develop a barrier inventory training program that qualifies participants to perform barrier inventories and develop data that enhance the centralized database. The department may decide the qualifications for participation. However, employees and volunteers of conservation districts and regional salmon recovery groups must be given priority consideration.
- 15 **Sec. 5.** RCW 82.18.040 and 2017 3rd sp.s. c 10 s 15 are each 16 amended to read as follows:
 - (1) Taxes collected under this chapter must be held in trust until paid to the state. Except as otherwise provided in this subsection (1), taxes received by the state must be deposited in the public works assistance account created in RCW 43.155.050. ((For the period beginning July 1, 2011, and ending June 30, 2015, taxes received by the state under this chapter must be deposited in the general fund for general purpose expenditures. For fiscal years 2016, 2017, and 2018, one-half of the taxes received by the state under this chapter must be deposited in the general fund for general purpose expenditures and the remainder deposited in the education legacy trust account created in RCW 83.100.230.)) For fiscal year((s)) 2019 ((through 2023)), taxes received by the state under this chapter must be deposited in the education legacy trust account created in RCW 83.100.230. For fiscal years 2020 through 2030, taxes received by the state under this chapter must be deposited in the public works assistance account created in RCW 43.155.050 and prioritized for grants to address fish barriers, consistent with recommendations by the fish passage barrier removal board established in RCW 77.95.160. Any person collecting the tax who appropriates or converts the tax collected is guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. If a taxpayer fails to pay the tax imposed by this chapter to the person charged with collection of the tax and the

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person charged with collection fails to pay the tax to the department, the department may, in its discretion, proceed directly against the taxpayer for collection of the tax.

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- (2) The tax is due from the taxpayer within twenty-five days from the date the taxpayer is billed by the person collecting the tax.
- (3) The tax is due from the person collecting the tax at the end of the tax period in which the tax is received from the taxpayer. If the taxpayer remits only a portion of the total amount billed for taxes, consideration, and related charges, the amount remitted must be applied first to payment of the solid waste collection tax and this tax has priority over all other claims to the amount remitted.
- NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2019.

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