

# HOUSE BILL REPORT

## ESHB 1662

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As Amended by the Senate

**Title:** An act relating to the community economic revitalization board.

**Brief Description:** Reauthorizing the community economic revitalization board.

**Sponsors:** By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Wineberry, Shin, Forner, Sheldon, Wang, Riley, Ogden, Silver, Valle, Jones, Holm, Basich, Rayburn, Jacobsen, Kremen, Cooke and J. Kohl; by request of Department of Trade and Economic Development.)

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, February 18, 1993, DPS;  
Capital Budget, March 4, 1993, DPS(TEH-A CB);  
Passed House, March 13, 1993, 98-0;  
Amended by Senate.

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**HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING.**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Wineberry, Chair; Shin, Vice Chair; Forner, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Campbell; Casada; Conway; Morris; Schoesler; Sheldon; Springer; Valle; and Wood.

**Staff:** Charlie Gavigan (786-7340).

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**HOUSE COMMITTEE ON CAPITAL BUDGET**

**Majority Report:** The substitute bill by Committee on Trade, Economic Development & Housing be substituted therefor and the substitute bill as amended by Committee on Capital Budget do pass. Signed by 12 members: Representatives Wang, Chair; Ogden, Vice Chair; Sehlin, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Brough; Eide; R. Fisher; Jacobsen; Jones; Romero; Sommers; and Thomas.

**Staff:** Karl Herzog (786-7271).

**Background:** The Community Economic Revitalization Board (CERB) program was created by the Legislature in 1982 to provide loans or grants to counties, cities, and ports for economic development-related infrastructure. The loan or grant must be necessary to bring an identified business or development into the community.

The CERB program was expanded in 1991 to provide funds for feasibility studies and public infrastructure projects that support industrial and tourism development in timber-impacted communities. In addition, there is a Department of Transportation/CERB grant program which supports state highway improvement projects.

Fifty percent of CERB funds are required to go to projects in designated distressed or timber-dependent communities.

CERB expires on June 30, 1993.

**Summary of Bill:** The expiration date of the statute authorizing CERB is extended indefinitely. The board must report to the Legislature by June 30, 1999, on the effectiveness of the CERB program. This report must include a recommendation on whether CERB should be continued, modified, or terminated.

The board is directed to forward a copy of any application for financial assistance to encourage the development of a recycling facility to the Department of Ecology and to notify the department of any decision regarding the application. The protections under the Public Records Act are extended to proprietary information submitted in an application for CERB loans or program services.

**EFFECT OF SENATE AMENDMENT(S):** The Senate striking amendment does not remove the reference to the use of CERB funds for "acquisition" of real property, which conflicts with another provision that prohibits this. The Senate amendment requires a biennial report to the Legislature; the House required a report in June 1999.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed, except for section 7 which is effective immediately.

**Testimony For:** (Trade, Economic Development & Housing) CERB is an effective program that enables local governments to provide the infrastructure necessary for businesses to

locate or expand. CERB has created or retained nearly 11,000 full-time, direct jobs since its inception 10 years ago. The program has been a key part of assistance to timber communities.

(Capital Budget) CERB has been an effective catalyst for local economic development efforts. The Legislative Budget Committee recommended that CERB be continued.

**Testimony Against:** (Trade, Economic Development & Housing) None.

(Capital Budget) None.

**Witnesses:** (Trade, Economic Development & Housing) Robert Cowan, Community Economic Revitalization Board (pro); George Rohrbacher, Klickitat Economic Development Council (pro); and Scott Taylor, Washington Public Ports Association (pro).

(Capital Budget) Robert Cowan, Community Economic Revitalization Board (pro); Donna Batch, Department of Trade and Economic Development (pro); Wendy Paulin, Port of Centralia (pro); and Scott Taylor, Washington Public Ports Association (pro).

**VOTE ON FINAL PASSAGE:**

Yeas 98