

# SENATE BILL REPORT

## SB 6371

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As Reported By Senate Committee On:  
Government Operations, February 6, 1998

**Title:** An act relating to implementing the capital facilities elements of comprehensive plans adopted under the growth management act.

**Brief Description:** Creating a growth management infrastructure account to assist counties and cities in financing capital facilities.

**Sponsors:** Senators McCaslin, Haugen, Swecker, Bauer, Anderson, Winsley and Goings.

**Brief History:**

**Committee Activity:** Government Operations: 1/30/98, 2/6/98 [DPS-WM].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS

**Majority Report:** That Substitute Senate Bill No. 6371 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators McCaslin, Chair; Hale, Vice Chair; Anderson, Haugen, Horn and T. Sheldon.

**Staff:** Genevieve Pisarski (786-7488)

**Background:** Under the Growth Management Act, cities and counties are required to plan for capital facilities; ensure that their land use, capital facilities, and financing plans are coordinated and consistent; and make capital budget decisions in conformity with their plans. State agencies are required to comply with the local plans. There is a state-imposed excise tax on the sale of real property at the rate of one and twenty-eight one-hundredths percent of the selling price, and seven and seven-tenths percent of the proceeds is deposited into the public works assistance account.

**Summary of Substitute Bill:** The Legislature finds that population growth creates a need for capital facilities which exceeds existing available funding and establishes the growth management infrastructure account, primarily to assist cities and counties with financing and constructing capital facilities identified in growth management plans, and also to assist with state facilities required by the plans. In addition to the percentage of proceeds from the state-imposed excise tax on the sale of real property that is deposited in the public works assistance account, 50 percent of the proceeds from that excise tax must be deposited in the growth management infrastructure account. The account shall be among those receiving monthly distributions of their proportionate share of earnings from the treasury income account based on their average daily balance. Proceeds of bonds, transfers from state funds or accounts, federal funds, repayments and interest payments, and money from any other lawful source may be placed in the account. Expenditures shall only be made after appropriation and by authorization of the public works board. A state agency responsible for required state facilities is authorized to request appropriation.

**Substitute Bill Compared to Original Bill:** It is clarified that the amount deposited to the public works assistance account and the amount deposited to the growth management infrastructure account are each deducted from the proceeds of the excise tax.

**Appropriation:** None.

**Fiscal Note:** Requested on January 19, 1998.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Counties need the ability to remedy deficiencies in state facilities. Providing infrastructure so as not to stop growth is a struggle. Only 60 percent of the \$5 billion needed for infrastructure is available.

**Testimony Against:** Taking proceeds away from the general fund may cause problems. Transportation funding is also needed. The amount proposed for the infrastructure account must be in addition to the amount currently going to the public works assistance account.

**Testified:** Dennis Scott, Spokane County Public Works (pro); Doug Levy, Ascent 21 (pro); Chuck Williams, Clark County (pro); Paul Parker, WSAC (pro); Dick Ducharme, Utilities Contractors Association (con); Duke Schaub, AGC (con), Dave Williams, AWC (pro).