

FINAL BILL REPORT

HB 1025

C 4 L 07

Synopsis as Enacted

Brief Description: Recommending authorization for projects by the public works board.

Sponsors: By Representatives Rolfes, Newhouse, Lovick, Armstrong, Dunshee, Eickmeyer, Ericks, Blake, Morrell, Kenney, P. Sullivan, Wallace, Moeller, Warnick, Chase and Miloscia; by request of Department of Community, Trade, and Economic Development.

House Committee on Capital Budget
Senate Committee on Ways & Means

Background:

The Public Works Assistance Account (PWAA), commonly known as the Public Works Trust Fund, was created by the Legislature in 1985 to provide a source of loan funds to assist local governments and special purpose districts with infrastructure projects.

The Public Works Board (Board), within the Department of Community, Trade and Economic Development (CTED), is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the following public works systems: bridges, roads, water and sewage systems, and solid waste and recycling facilities. All local governments, except port districts and school districts, are eligible to receive loans. The account receives dedicated revenue from: utility and sales taxes on water, sewer service, and garbage collection; a portion of the real estate excise tax; and loan repayments.

The PWAA appropriation is made in the Capital Budget, but the project list is submitted annually in separate legislation. The CTED received an appropriation of \$288.9 million from the Public Works Assistance Account in the 2005-07 Capital Budget. The funding is available for public works project loans in the 2006 and 2007 loan cycles.

Each year, the Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may remove projects from the list, but it may not add any projects or change the order of project priorities. Legislative approval is not required for pre-construction activities, planning loans, or emergency loans.

Summary:

As recommended by the Board, 19 public works project loans totaling \$71 million are authorized for the 2007 loan cycle. The 19 authorized projects fall into the following categories: (1) six domestic water projects totaling \$16.2 million; and (2) 13 sanitary sewer projects totaling \$54.8 million.

Votes on Final Passage:

House 94 0
Senate 48 0

Effective: March 12, 2007