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## Community & Economic Development & Trade Committee

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### HB 1252

**Brief Description:** Concerning the community economic revitalization board's project selection criteria.

**Sponsors:** Representatives Kenney, Smith, Bailey, Seaquist, Haler, Kristiansen, Kelley and Herrera; by request of Department of Community, Trade and Economic Development.

<p><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Revises the type, calculation and use of private sector wage data by the Community Economic Revitalization Board when considering construction projects.</li></ul>
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**Hearing Date:** 1/22/09

**Staff:** Meg Van Schoorl (786-7105)

**Background:**

The Community Economic Revitalization Board (CERB) is a statutorily authorized state board charged with financing publicly-owned economic development infrastructure improvements that encourage new business development and expansion in areas where growth is desired. Staffing for the CERB is provided by the Department of Community, Trade and Economic Development (DCTED). The CERB program provides local governments low-interest loans and, occasionally, grants, to help finance public facility projects. Traditional assistance in the CERB program is primarily targeted to rural communities. Counties, cities, towns, port districts, federally-recognized Indian tribes, special purpose districts, municipal corporations and quasi-municipal corporations with economic development purposes are eligible to apply. The CERB financing can be used for public facilities including, but not limited to, bridges, roads, domestic and industrial water, sanitary and storm sewers, and railroad spurs. In recent years, the Legislature has given the CERB responsibility for implementing the Job Development Fund (JDF) and Local Infrastructure Financing Tool (LIFT) programs.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

In the 2008 legislative session, the CERB statute was amended to require that, in addition to other threshold eligibility criteria, an application demonstrate convincing evidence that the median hourly wage of the private sector jobs will exceed the countywide median hourly wage. This requirement is to take effect July 1, 2009.

**Summary of Bill:**

An application to the CERB will not be required to demonstrate, as a threshold determinant of eligibility, convincing evidence that the median hourly wage of the private sector jobs created will exceed the countywide median hourly wage.

Instead, the CERB will consider, as the first of several prioritization factors, whether an application demonstrates convincing evidence that the annual average wage of the private sector jobs created will meet or exceed the countywide annual average private sector wage.

In rural counties where federal contract employment exceeds 10,000, the CERB must exclude federal contract employment wages when calculating the county's average annual wages for private sector jobs.

**Appropriation:** None.

**Fiscal Note:** Requested on January 15, 2009.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.