

state revenues received in the state treasury and deposit in the general obligation bond retirement fund an amount equal to the amount certified by the state finance committee to be due on the payment date.

Bonds issued under section 1 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 5. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 1 of this act, and section 4 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 6. The bonds authorized in section 1 of this act shall be a legal investment for all state funds or funds under state control and for all funds of any other public body.

NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 8. Sections 1 through 6 of this act are each added to chapter 43.831 RCW.

Passed the House May 22, 1983.

Passed the Senate May 23, 1983.

Approved by the Governor June 13, 1983.

Filed in Office of Secretary of State June 13, 1983.

CHAPTER 60

[Engrossed Second Substitute House Bill No. 245]

**COMMUNITY ECONOMIC REVITALIZATION BOARD—MEMBERSHIP
MODIFIED—LOAN AND GRANT CONDITIONS—OUTSTANDING LOANS
AND GRANTS IN PIERCE, KING, AND SNOHOMISH COUNTY LIMITED—
UNFUNDED COMMUNITY DEVELOPMENT PROJECTS**

AN ACT Relating to economic development; amending section 2, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.020; amending section 3, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.030; amending section 6, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.060; amending section 7, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.070; amending section 8, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.080; and adding a new section to chapter 43.160 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 2, chapter 40, Laws of 1982 1st ex. sess. and RCW 43-160.020 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section ~~((applies))~~ apply throughout this chapter.

(1) "Board" means the community economic revitalization board.

(2) "Planning and community affairs agency" means that agency or any successor agency.

(3) "Unfunded community development projects" means projects submitted to the planning and community affairs agency by October 1, 1982, for funding under the community development block grant program.

Sec. 2. Section 3, chapter 40, Laws of 1982 1st ex. sess. and RCW 43-160.030 are each amended to read as follows:

(1) The community economic revitalization board is hereby created to exercise the powers granted under this chapter.

(2) The board shall consist of nine persons appointed by the governor and the director of commerce and economic development, the director of planning and community affairs, the director of revenue, the commissioner of employment security, and the chairmen of the committee on ~~((labor))~~ commerce and economic development of the house of representatives and the committee on commerce and labor of the senate, or the equivalent standing committees, for a total of ~~((fifteen))~~ seventeen members. The appointive members shall be as follows: A recognized private or public sector economist selected from the governor's council of economic advisors; one port district official; one county official; one city official; one representative of the public; one representative of small businesses each from: (a) The area west of Puget Sound ~~((or the Interstate 5 corridor, (b) the area east of the Cascade range and west of the Columbia river, and (c))~~, (b) the area east of Puget Sound and west of the Cascade range, (c) the area east of the Cascade range and west of the Columbia river, and (d) the area east of the Columbia river; one executive from large businesses each from the area west of the Cascades and the area east of the Cascades. The appointive members shall initially be appointed to terms as follows: Three members for one-year terms, three members for two-year terms, and three members for three-year terms which shall include the chairman. Thereafter each succeeding term shall be for three years. The representative from the governor's council of economic advisors shall serve as chairman of the board. The director of the department of commerce and economic development shall serve as vice chairman.

(3) Staff support shall be provided by the department of commerce and economic development.

(4) All appointive members of the board shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060 as now or hereafter amended.

(5) If a vacancy occurs by death, resignation, or otherwise of appointive members of the board, the governor shall fill the same for the unexpired term. Any members of the board, appointive or otherwise, may be removed for malfeasance or misfeasance in office, upon specific written charges by the governor, under chapter 34.04 RCW.

Sec. 3. Section 6, chapter 40, Laws of 1982 1st ex. sess. and RCW 43-.160.060 are each amended to read as follows:

The board is authorized to make direct loans to political subdivisions of the state for the purposes of assisting the political subdivisions in financing the cost of public facilities, including the cost of acquisition and development of land and improvements for public facilities, as well as the acquisition, construction, rehabilitation, alteration, expansion, or improvement of the facilities. Grants may also be authorized for purposes designated in this chapter, but only when grants are uniquely required.

Application for funds shall be made in the form and manner as the board may prescribe. The board shall not make a grant or loan unless the application includes convincing evidence that a specific private development or expansion is ready to occur and will only occur if the grant or loan is made. The board is instructed to fund those projects which will lead to the greatest employment once the initial project is completed. A responsible official of the political subdivision shall be present during board deliberations and provide information that the board requests.

Public facilities funds shall be used for projects to improve the opportunities for the successful maintenance, establishment, or expansion of industrial or commercial plants or will otherwise assist in the creation or retention of long-term economic opportunities. The board shall determine whether or not the projects will assist in alleviating unemployment.

Before any loan or grant application is approved, political subdivisions of the state must demonstrate to the community economic revitalization board that no other timely source of funding is available to them at costs reasonably similar to financing available from the community economic revitalization board.

Sec. 4. Section 7, chapter 40, Laws of 1982 1st ex. sess. and RCW 43-.160.070 are each amended to read as follows:

(1) Public facilities loans and grants, when authorized by the board, are subject to the following conditions:

(a) The moneys in the public facilities construction loan revolving account shall be used solely to fulfill commitments arising from loans or grants authorized in this chapter. The total outstanding amount which the board shall dispense at any time pursuant to this section shall not exceed the moneys available from the account. The total amount of outstanding loans and grants in Pierce, King, and Snohomish counties shall never exceed sixty percent of the total amount of outstanding loans and grants disbursed by the board.

(b) Financial assistance through the loans or grants may be used directly or indirectly for any facility for public purposes, including, but not limited to, sewer or other waste disposal facilities, arterials, bridges, access roads, port facilities, or water distribution and purification facilities.

(c) On contracts made for public facilities loans the board shall determine the interest rate which loans shall bear. The interest rate shall not exceed ten percent per annum. The board may provide reasonable terms and conditions for repayment for loans as the board determines. The loans shall not exceed twenty years in duration.

(d) Repayments of loans made under the contracts for public facilities construction loans shall be paid into the public facilities construction loan revolving account.

(2) When every feasible effort has been made to provide loans and loans are not possible, the board may provide grants upon finding that unique circumstances exist.

NEW SECTION. Sec. 5. There is added to chapter 43.160 RCW a new section to read as follows:

The planning and community affairs agency shall identify, evaluate, and certify a list of unfunded community development projects for funding of grant awards under this chapter. The criteria used shall include: (1) The rating of projects under the state community development block grant program; (2) unemployment in the project area; (3) short-term jobs created; and (4) project readiness. Projects certified by the planning and community affairs agency shall be reviewed for approval by the community economic revitalization board.

Sec. 6. Section 8, chapter 40, Laws of 1982 1st ex. sess. and RCW 43.160.080 are each amended to read as follows:

There shall be a fund known as the public facilities construction loan revolving fund, which shall consist of all moneys collected under this chapter and any moneys appropriated to it by law: PROVIDED, That seventy-five percent of all principal and interest payments on loans made with the proceeds deposited in the fund under section 901, chapter ... (ESHB 55), Laws of 1983 1st ex. sess. shall be deposited in the general fund as reimbursement for debt service payments on the bonds authorized in RCW 43.83.... (section 1, chapter ... (ESHB 57), Laws of 1983 1st ex. sess.). ~~((Funds remaining in any accounts created under RCW 43.31A.320 shall be automatically transferred to the public facilities construction loan revolving fund when the economic assistance authority is terminated.))~~ The state treasurer shall be custodian of the revolving fund. Disbursements from the revolving fund shall be on authorization of the board. In order to maintain an effective expenditure and revenue control, the public facilities construction loan revolving fund shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditures and payment of obligations from the fund.

Moneys in this fund not needed to meet the current expenses and obligations of the board shall be invested in the manner authorized for moneys in revolving funds. Any interest earned shall be deposited in this fund and shall be used for the purposes specified in this chapter. The state treasurer shall render reports to the board advising of the status of any funds invested, the market value of the assets as of the date the statement is rendered, and the income received from the investments during the period covered by the report.

Passed the House May 24, 1983.

Passed the Senate May 24, 1983.

Approved by the Governor June 13, 1983.

Filed in Office of Secretary of State June 13, 1983.

CHAPTER 61

[Substitute House Bill No. 296]
SCHOOL TRANSPORTATION

AN ACT Relating to school transportation; amending section 28A.24.055, chapter 223, Laws of 1969 ex. sess. as last amended by section 10, chapter 265, Laws of 1981 and RCW 28A.24.055; amending section 1, chapter 265, Laws of 1981 and RCW 28A.41.505; amending section 2, chapter 265, Laws of 1981 and RCW 28A.41.510; amending section 3, chapter 265, Laws of 1981 and RCW 28A.41.515; amending section 4, chapter 265, Laws of 1981 as amended by section 2, chapter 24, Laws of 1982 1st ex. sess. and RCW 28A.41.520; amending section 5, chapter 265, Laws of 1981 as amended by section 3, chapter 24, Laws of 1982 1st ex. sess. and RCW 28A.41.525; amending section 8, chapter 264, Laws of 1981 and RCW 28A.44.220; and repealing section 12, chapter 265, Laws of 1981 and RCW 28A.04.350.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 28A.24.055, chapter 223, Laws of 1969 ex. sess. as last amended by section 10, chapter 265, Laws of 1981 and RCW 28A.24.055 are each amended to read as follows:

The operation of each local school district's student transportation program is declared to be the responsibility of the respective board of directors, and each board of directors shall determine such matters as which individual students shall be transported and what routes shall be most efficiently utilized. State moneys allocated to local districts for student transportation shall be spent only for student transportation activities, but need not be spent by the local district in the same manner as calculated and allocated by the state.

A school district is authorized to provide for the transportation of students enrolled in the school or schools of the district both in the case of students who reside within the boundaries of the district and of students who reside outside the boundaries of the district.