

# **The Governor's Veto Doesn't Save the Public Works Assistance Account**

June 27, 2016

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There is a belief out there that the Governor's veto of Section 935 of the supplemental budget saved the Public Works Assistance Account (PWAA). All the veto really did was to push the budget discussion of what to do with the \$200 million plus of loan repayments into the 2017-2019 biennial budget deliberations starting in January of 2017.

The redirection of the loan repayments to K-12 education will not solve the legislature's problem with fully funding the McCleary obligation. Long term sustainable solutions are what is needed from the legislature, not fund shifts and sweeps. The question becomes what will they do when all the dedicated funds are gone?

Low cost, user-friendly infrastructure financing along with technical assistance has been the backbone of the PWAA. It has been used to keep utility rates affordable for the citizens of our state. Over the last 30 years, the difference between loans from the PWAA and what municipalities and special purpose districts would have paid if they would have had to access the bond market is estimated to be between \$50 and \$100 million dollars – real savings to the rate payers of Washington State.

The Public Works Board and staff are putting together a package to present to the Governor for the 2017-2019 Legislative session. It will include traditional funding, preconstruction dollars, emergency funding and infrastructure loans in support of affordable housing.

It's time that the legislature put the importance of low cost – user friendly infrastructure financing back in their priorities for moving Washington State forward into the future.