

Archived: Friday, April 08, 2016 10:23:29 AM
From: [Smith, Barbara \(COM\)](#)
Sent: Friday, April 08, 2016 10:21:37 AM
To: [Smith, Barbara \(COM\)](#)
Subject: FW: PLEASE SUPPORT Public Works Trust Board
Response requested: No
Importance: Normal

From: <jcummins@wallawallawa.gov<mailto:jcummins@wallawallawa.gov>>
Date: March 14, 2016 at 1:43:38 PM PDT
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Subject: PLEASE SUPPORT Public Works Trust Board

Simply put . . . it's time to stand up and support the Public Works Trust Fund which is vital for economic development for cities throughout Washington State.

On Friday, March 11th, the Senate budget writers proposed a new draft supplemental operating budget that included a dramatic new sweep of the Public Works Assistance Account (the account that funds the Public Works Trust Fund).

If this action is approved, \$154 million of loan repayments due to come into the account in the next biennium would divert to the state's operating budget. For all intents and purposes, this action will kill the Public Works Trust Fund.

The trust fund is the premier loan program for local government infrastructure projects such as drinking water, sanitary sewer, stormwater, and streets. It is funded by tax increases on local utilities, housing activity, and repayment of previous loans. Over time, the Legislature has diverted funds to the state's operating budget, but these diversions were episodic and temporary. Coupled with the diversion of tax revenues since 2013, this proposal would sweep resources now and into the next biennium.

In addition to this sweep, Senate budget materials point to a bill and proposed constitutional amendment that would allow the state to issue bonds to provide market rate financing to cities that do not frequently access the private bond market. While this bill is a positive tool, it would only provide modest support for a narrow range of cities, and is not a replacement for more than a billion dollars of infrastructure resources swept in recent years.

Not only am I personally concerned about this Senate proposed sweep, but House leadership recently indicated at a media event that they would consider going along with this action.

I hope each of you know how important the state's support is to help your city fund basic infrastructure. Whether or not your city takes advantage of this specific program, long-standing taxes would remain, but no longer provide local infrastructure support.

Please . . .

- * Do not support the sweep of infrastructure funds proposed in the Senate's proposed budget, and communicate this to your leadership;
- * Cities need the Public Works Trust Fund to help fund basic infrastructure;
- * This sweep would complete the diversion of more than a billion dollars of infrastructure funds previously dedicated to local governments, without any equivalent plan to replace the significant loss; and
- * Cities are the state's economic engine, and a strong infrastructure is critical to local and statewide economic growth.

STRONG CITIES MAKES A STRONG STATE!

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