



March 16, 2016

Sen. Linda Evans Parlette  
305 Legislative Building  
PO Box 40412  
Olympia, WA 98504

Rep. Cary Condotta  
425B Legislative Building  
PO Box 40600  
Olympia, WA 98504

Rep. Brad Hawkins  
122G Legislative Building  
PO Box 40600  
Olympia, WA 98504

Dear Sen. Parlette, Rep. Condotta and Rep. Hawkins:

We have learned that the Senate’s new budget proposal would divert \$154 million in loan repayments from the Public Works Trust Fund (PWTF) in the 2017-2019 biennium. This unfortunate proposal follows a decision during the 2013-2015 biennium to sweep over \$500 million dedicated tax dollars from the account to help balance the state’s budget. The PWTF is already vulnerable; the current proposal to redirect the proceeds from existing loan repayments will leave the program with no capacity to issue new PWTF loans. As local government entities, we strongly oppose eliminating the PWTF.

Since 1985, the PWTF has been a source of low-cost funding for critical infrastructure projects in Washington State. Since its inception, the account has made over 2,000 low-interest loans to more than 780 jurisdictions - totaling \$2.6 billion. Historically, the PWTF receives more than \$100 million in loan repayments and another \$45 million from dedicated tax revenue on an annual basis. In recent years, however, the PWTF has been “raided” for other purposes. If this continues, the financing needs of local government jurisdictions for infrastructure projects may go unmet or could be serviced at higher borrowing costs. This would make road, water and wastewater improvement projects more costly and negatively affect local taxpayers and utility ratepayers.

The Chelan County Port District, Chelan County, the Chelan County PUD, and our cities are asking our 12<sup>th</sup> District delegation to oppose the provision in Senate Bill 6667 that would divert PWTF loan repayments. We stand ready to coordinate with legislative staff, local mayors, and other stakeholders to protect this important public infrastructure program.

Sincerely,\*

Port of Chelan County

Chelan County PUD

Chelan County

City of Cashmere  
City of Chelan  
City of Entiat  
City of Leavenworth  
City of Wenatchee

\*Due to the short timeframe, signatures were not collected for this letter, but it is sent on behalf of our organizations.