
**Technology & Economic Development
Committee**

HB 2417

Brief Description: Changing membership provisions of the Washington economic development finance authority.

Sponsors: Representatives Haler and Wylie.

Brief Summary of Bill

- Changes the legislative members of the Washington Economic Development Finance Authority to nonvoting members.

Hearing Date: 1/28/14

Staff: Kelly Leonard (786-7147).

Background:

Washington Economic Development Finance Authority.

The Washington Economic Development Finance Authority (WEDFA) is an independent agency within the executive branch of state government. The Legislature created WEDFA to act as a financial conduit without using state funds or lending the credit of the state or local governments, and to participate in federal, state, and local economic development programs.

The WEDFA is directed to develop innovative approaches to the problem of unmet capital needs for small and medium-sized businesses in Washington. The WEDFA can issue nonrecourse economic development bonds on both a taxable and tax-exempt basis to support qualifying projects. Qualifying projects may include advance financing to eligible farmers, manufacturing facilities, and processing facilities. The WEDFA cannot assist retail projects. The WEDFA does not receive any governmental financial support, either directly or indirectly for its bonds, nor does it receive any appropriation of state funds for its administration.

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.

Governing Board of the WEDFA.

WEDFA is governed by a seventeen-member board. The membership is defined by state law as follows:

- Department of Commerce Director;
- Department of Agriculture Director;
- State Treasurer;
- Four legislative members, including one member from each caucus in the House of Representatives appointed by the Speaker of The House, and one member from each caucus in the Senate appointed by the President of the Senate; and
- Ten public members appointed by the Governor on the basis of their interest or expertise in trade, agriculture, or business finance or jobs creation and development, of which one must be a representative of women-owned businesses, one must be a representative of minority-owned businesses, and three must reside east of the Cascades.

The chair of the WEDFA board is appointed by the Governor from the public members. The term of the public members, including the chair, is four years from the date of appointment.

All members are voting members. A majority of the membership constitutes a quorum.

Summary of Bill:

Changes are made to the governing board of the WEDFA. The four legislative members are changed to nonvoting members. A majority of the voting membership constitutes a quorum.

Appropriation: None.

Fiscal Note: Not requested.

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