

2 **SHB 2529** - S COMM AMD

3 By Committee on Commerce & Labor

4 ADOPTED 3/3/98

5 Strike everything after the enacting clause and insert the  
6 following:

7 "**Sec. 1.** RCW 43.210.020 and 1990 1st ex.s. c 17 s 66 are each  
8 amended to read as follows:

9 A nonprofit corporation, to be known as the small business export  
10 finance assistance center, and branches subject to its authority, may  
11 be formed under chapter 24.03 RCW for the following public purposes:

12 (1) To assist small and medium-sized businesses in both urban and  
13 rural areas in the financing of export transactions.

14 (2) To provide, singly or in conjunction with other organizations,  
15 information and assistance to these businesses about export  
16 opportunities and financing alternatives.

17 ~~((3) To provide information to and assist those businesses  
18 interested in exporting products, including the opportunities available  
19 to them in organizing export trading companies under the United States  
20 export trading company act of 1982, for the purpose of increasing their  
21 comparative sales volume and ability to export their products to  
22 foreign markets.))~~

23 **Sec. 2.** RCW 43.210.030 and 1995 c 399 s 106 are each amended to  
24 read as follows:

25 The small business export finance assistance center and its  
26 branches shall be governed and managed by a board of ~~((nineteen))~~ seven  
27 directors appointed by the governor, with the advice of the board, and  
28 confirmed by the senate. The directors shall serve terms of ~~((six~~  
29 ~~years except that two of the original directors shall serve for two~~  
30 ~~years and two of the original directors shall serve for))~~ four years  
31 following the terms of service established by the initial appointments  
32 after the effective date of this section. Three appointees, including  
33 directors on the effective date of this section who are reappointed,  
34 must serve initial terms of two years and, if a director is reappointed  
35 that director may serve a consecutive four-year term. Four appointees,

1 including directors on the effective date of this section who are  
2 reappointed, must serve initial terms of four years and, if a director  
3 is reappointed that director may serve a consecutive four-year term.  
4 After the initial appointments, directors may serve two consecutive  
5 terms. The directors may provide for the payment of their expenses.  
6 The directors shall include ((a)) the director of community, trade, and  
7 economic development or the director's designee; representatives of ((a  
8 not-for-profit corporation formed for the purpose of facilitating  
9 economic development, at least two representatives of state financial  
10 institutions engaged in the financing of export transactions, a  
11 representative of a port district, and a representative of organized  
12 labor. Of the remaining board members, there shall be one  
13 representative of business from the area west of Puget Sound, one  
14 representative of business from the area east of Puget Sound and west  
15 of the Cascade range, one representative of business from the area east  
16 of the Cascade range and west of the Columbia river, one representative  
17 of business from the area east of the Columbia river, the director of  
18 the department of community, trade, and economic development, and the  
19 director of the department of agriculture. One of the directors shall  
20 be a representative of the public selected from the area in the state  
21 west of the Cascade mountain range and one director shall be a  
22 representative of the public selected from that area of the state east  
23 of the Cascade mountain range. One director shall be a representative  
24 of the public at large. The directors shall be broadly representative  
25 of geographic areas of the state, and the representatives of businesses  
26 shall represent at least four different industries in different sized  
27 businesses as follows: (a) One representative of a company employing  
28 fewer than one hundred persons; (b) one representative of a company  
29 employing between one hundred and five hundred persons; (c) one  
30 representative of a company employing more than five hundred persons;  
31 (d) one representative from an export management company; and (e) one  
32 representative from an agricultural or food processing company)) a  
33 large financial institution engaged in financing export transactions in  
34 the state of Washington; a small financial institution engaged in  
35 financing export transactions in the state of Washington; a large  
36 exporting company domiciled in the state of Washington; a small  
37 exporting company in the state of Washington; organized labor in a  
38 trade involved in international commerce; and a representative at  
39 large. To the extent possible, appointments to the board shall reflect

1 geographical balance and the diversity of the state population. Any  
2 vacancies on the board due to the expiration of a term or for any other  
3 reason shall be filled by appointment by the governor for the unexpired  
4 term.

5 **Sec. 3.** RCW 43.210.040 and 1987 c 505 s 43 are each amended to  
6 read as follows:

7 (1) The small business export finance assistance center formed  
8 under RCW 43.210.020 and 43.210.030 shall have the powers granted under  
9 chapter 24.03 RCW. In exercising such powers, the center may:

10 (a) Solicit and accept grants, contributions, and any other  
11 financial assistance from the federal government, federal agencies, and  
12 any other sources to carry out its purposes;

13 ~~(b) ((Make loans to Washington businesses with annual sales of~~  
14 ~~twenty-five million dollars or less for the purpose of financing~~  
15 ~~exports of goods or services by those businesses to buyers in foreign~~  
16 ~~countries. Loans by the small business export finance assistance~~  
17 ~~center under this chapter shall not compete with nor be a substitute~~  
18 ~~for available loans by a bank or other financial institution and shall~~  
19 ~~only be considered upon a financial institution's assurance that such~~  
20 ~~loan is not available;~~

21 ~~(c) Provide loan guarantees on loans made by financial institutions~~  
22 ~~to businesses with annual sales of one hundred million dollars or less~~  
23 ~~for the purpose of financing exports of goods or services by those~~  
24 ~~businesses to buyers in foreign countries;~~

25 ~~(d) Establish and regulate the terms and conditions of any such~~  
26 ~~loans and loan guarantees and charges for interest and services~~  
27 ~~connected therewith;~~

28 ~~(e))~~ Provide assistance to businesses with annual sales of two  
29 hundred million dollars or less in obtaining loans and guarantees of  
30 loans made by financial institutions for the purpose of financing  
31 export of goods or services from the state of Washington;

32 ~~(c)~~ Provide export ((financial)) finance and risk mitigation  
33 counseling to Washington exporters with annual sales of ((one)) two  
34 hundred million dollars or less, provided that such counseling is not  
35 practicably available from a Washington for-profit business. For such  
36 counseling, the center may charge ((such)) reasonable fees as it  
37 determines are necessary((--))i

1        ~~((f))~~ (d) Provide assistance in obtaining export credit insurance  
2 or alternate forms of foreign risk mitigation to facilitate the export  
3 of goods and services from the state of Washington;

4        (e) Be available as a teaching resource to both public and private  
5 sponsors of workshops and programs relating to the financing and risk  
6 mitigation aspects of exporting products and services from the state of  
7 Washington;

8        (f) Develop a comprehensive inventory of export-financing  
9 resources, both public and private, including information on resource  
10 applicability to specific countries and payment terms;

11        (g) Contract with the federal government and its agencies to become  
12 a program administrator for federally provided ~~((country risk))~~ loan  
13 guarantee and export credit insurance programs ~~((and for the purposes~~  
14 of this chapter)); and

15        ~~((g))~~ (h) Take whatever action may be necessary to accomplish the  
16 purposes set forth in this chapter.

17        (2) The center may not use any Washington state funds or funds  
18 which come from the public treasury of the state of Washington to make  
19 loans or to make any payment under a loan guarantee agreement. Under  
20 no circumstances may the center use any funds received under RCW  
21 43.210.050 to make or assist in making any loan or to pay or assist in  
22 paying any amount under a loan guarantee agreement. Debts of the  
23 center shall be center debts only and may be satisfied only from the  
24 resources of the center. The state of Washington shall not in any way  
25 be liable for such debts.

26        (3) The small business export finance assistance center shall make  
27 every effort to seek nonstate funds for its continued operation.

28        (4) The small business export finance assistance center may receive  
29 such gifts, grants, and endowments from public or private sources as  
30 may be made from time to time, in trust or otherwise, for the use and  
31 benefit of the purposes of the small business export finance assistance  
32 center and expend the same or any income therefrom according to the  
33 terms of the gifts, grants, or endowments."

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ADOPTED 3/3/98  
4 In line 2 of the title, after "center;" strike the remainder of the  
5 title and insert "and amending RCW 43.210.020, 43.210.030, and  
6 43.210.040."

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