

FINAL BILL REPORT

SSB 5341

C 257 L 97
Synopsis as Enacted

Brief Description: Revising authority of the Washington economic development authority to finance projects.

Sponsors: Senate Committee on Commerce & Labor (originally sponsored by Senators Roach, Sheldon and Rasmussen).

Senate Committee on Commerce & Labor
House Committee on Trade & Economic Development

Background: In 1989 the Legislature created the Washington Economic Development Finance Authority (WEDFA) to help meet the capital needs of small and medium-sized businesses.

WEDFA is authorized to issue nonrecourse revenue bonds to carry out its programs. The bonds may be issued on either a tax-exempt or taxable basis. These bonds are not obligations of the state of Washington. Under current law, WEDFA may not issue bonds for more than five economic development projects per year.

In 1995, WEDFA initiated a program to help businesses finance manufacturing and processing equipment. Under this program, WEDFA may issue small industrial revenue bonds to businesses for the purchase of new equipment. These small bond issuances are for manufacturing or processing projects with individual total project costs of less than \$1 million, and are limited to ten per year.

Summary: The limitation on WEDFA's financing of five economic development activities per year is removed. The limitation on ten small issue bonds per year is removed.

WEDFA is required to develop an outreach and marketing plan to increase its financial services to distressed counties.

Votes on Final Passage:

Senate	47	1	
House	98	0	(House amended)
Senate	43	1	(Senate concurred)

Effective: July 27, 1997