

# SENATE BILL REPORT

## HB 1192

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As Reported By Senate Committee On:  
Commerce, Trade, Housing & Financial Institutions, April 1, 1999

**Title:** An act relating to the Washington economic development finance authority.

**Brief Description:** Adding to the definition of economic development activities.

**Sponsors:** Representatives Morris, Dunn, Miloscia, Veloria, Eickmeyer, DeBolt, Quall, Linville, Wolfe, Barlean, Kenney and Santos.

**Brief History:**

**Committee Activity:** Commerce, Trade, Housing & Financial Institutions: 3/30/99, 4/1/99 [DPA].

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### SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

**Majority Report:** Do pass as amended.

Signed by Senators Shin, Vice Chair; Benton, Deccio, Gardner, Hale, Heavey, Rasmussen, T. Sheldon and Winsley.

**Staff:** Susan Jones (786-7784)

**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 may conduct programs to provide nonrecourse revenue bond financing for project costs for economic development activities. The bonds may be taxable or tax exempt. These bonds are not the obligation of the state of Washington. Economic development activities means activities related to: manufacturing, processing, research, production, assembly, tooling, warehousing, pollution control, energy generating, conservation, transmission, and sports facilities and industrial parks. This definition does not include all activities which may be funded with tax exempt bonds under federal law.

**Summary of Amended Bill:** In addition to the above described activities, economic development activities include activities related to: airports, docks and wharves, mass commuting facilities, high speed intercity rail facilities, solid waste, federally qualified hazardous waste facilities and activities conducted within a federally designated enterprise or empowerment zone or geographic area of similar nature. Tax exempt status under federal law may be available for bonds issued for these additional activities.

Economic development activities also include activities related to public broadcasting. A bond issued for public broadcasting activities may be tax exempt under federal law if the bond qualifies as a nonprofit organization's bond.

WEDFA may not conduct programs to provide nonrecourse revenue bond financing for project costs for parking garages primarily for paid public use, sports stadiums or facilities, convention centers, or bridges primarily for motor vehicle use.

**Amended Bill Compared to Original Bill:** WEDFA may not conduct programs to provide nonrecourse revenue bond financing for project costs for parking garages primarily for paid public use, sports stadiums or facilities, convention centers, or bridges primarily for motor vehicle use. The term "disposal" is deleted after "solid waste".

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** WEDFA is in favor of the bill and was available for questions.

**Testimony Against:** None.

**Testified:** Jonathan Hayes, WEDFA (pro).