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HOUSE BILL 1474

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State of Washington

56th Legislature

1999 Regular Session

By Representatives Gombosky, Benson, Wood, Morris, D. Sommers, Schindler, Crouse, Miloscia, Eickmeyer, Veloria, Kessler, Linville, Kenney, Hatfield, Grant, Conway, Wolfe, Hurst, Santos and Lantz

Read first time 01/26/1999. Referred to Committee on Economic Development, Housing & Trade.

1 AN ACT Relating to a pilot project to assist small businesses in  
2 economically distressed areas; adding a new section to chapter 82.04  
3 RCW; creating new sections; making appropriations; and providing an  
4 expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that there is a need  
7 to increase economic opportunity in economically distressed  
8 communities. The legislature further finds that efforts to increase  
9 economic opportunity for residents of economically distressed  
10 communities must involve a collaborative effort between community and  
11 business development agencies, individual businesses, financial  
12 institutions, public sector agencies, institutions of higher education,  
13 and community residents. It is the intent of the legislature to  
14 support institutions of higher education in the establishment of  
15 collaborative efforts to provide technical assistance designed to  
16 increase economic opportunities for residents of economically  
17 distressed communities.

1        NEW SECTION.    **Sec. 2.**    (1) There is established a joint pilot  
2 project, between the University of Washington's business and economic  
3 development program and Washington State University's small business  
4 development center, designed to provide technical assistance to small  
5 business in economically distressed communities.

6        (2) The purposes of the project are to:

7        (a) Increase technical assistance to small businesses in both urban  
8 and rural communities of the state;

9        (b) Provide additional opportunities for students participating in  
10 the project to apply educational learning while assisting small  
11 businesses;

12        (c) Identify key predictors of success for businesses in  
13 economically distressed communities; and

14        (d) Develop models that can be replicated in other areas of the  
15 state to assist small businesses.

16        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 82.04 RCW  
17 to read as follows:

18        (1) There may be credited against the tax imposed by this chapter,  
19 the value of a contribution to a qualified institution of higher  
20 education for the purpose of increasing business and economic  
21 development opportunities for residents in distressed areas, for a  
22 business subject to taxation under this chapter.

23        (2) The credit allowed under this section is limited to an amount  
24 equal to one hundred percent of the value of the contribution. The  
25 total credits allowed under this section shall not exceed one hundred  
26 thousand dollars per calendar year.

27        (3) Prior to claiming the credit under this section, the business  
28 must obtain approval of the proposed contribution from the qualified  
29 institution of higher education and the department of revenue. The  
30 request of the business for approval must include a description of the  
31 proposed contribution and an estimate of the value of the proposed  
32 contribution.

33        (4) As used in this section:

34        (a) "Contribution" means either cash or other in-kind contributions  
35 or both.

36        (b) "Qualified institution of higher education" means the  
37 University of Washington or Washington State University.

38        (5) This section shall expire on December 31, 2002.

1        NEW SECTION.    **Sec. 4.**    The sum of one hundred thousand dollars, or  
2 as much thereof as may be necessary, is appropriated for the fiscal  
3 year ending June 30, 2000, from the general fund to the University of  
4 Washington for the purposes of section 2 of this act.    No portion of  
5 the appropriation under this section shall be used to pay indirect  
6 costs of the University of Washington or Washington State University.

7        NEW SECTION.    **Sec. 5.**    The sum of one hundred thousand dollars, or  
8 as much thereof as may be necessary, is appropriated for the fiscal  
9 year ending June 30, 2001, from the general fund to the University of  
10 Washington for the purposes of section 2 of this act.    No portion of  
11 the appropriation under this section shall be used to pay indirect  
12 costs of the University of Washington or Washington State University.

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