

Chapter 326-70 WAC

LINKED DEPOSIT PROGRAM

WAC

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WAC 326-70-010 Linked deposit program—Purpose and intent. The purpose of this program is to facilitate access to capital for minority and women's business enterprises certified under chapter 39.19 RCW. The intent of these rules is to increase the number of minority and women business owners participating in the program and decrease the wait period between enrollment approval and funding.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-010, filed 1/22/08, effective 2/22/08.]

WAC 326-70-020 Definitions. The following words and terms have specific meaning as used in this chapter which may be different from their meaning elsewhere in this title.

(1) "Business" means an entity that is certified as a MBE, WBE, MWBE or CBE under chapter 39.19 RCW.

(2) "Office" means the Washington state office of minority and women's business enterprises (OMWBE).

(3) "Owner" means any person(s) holding a majority ownership interest in a business certified under chapter 39.19 RCW.

(4) "Person" means one or more individuals, partnerships, associations, organizations, corporations, cooperatives, limited liability companies, legal representatives, trustees and receivers, or any group of persons.

(5) "Principal amount" means the amount of the loan as of the time the loan is initiated (not its declining balance from time to time).

(6) "Program" means the linked deposit program authorized under RCW 43.86A.060.

(7) "Treasurer" means the office of the state treasurer.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-020, filed 1/22/08, effective 2/22/08.]

WAC 326-70-035 Loan and enrollment limits. (1) The total principal amount of a single qualified loan shall not exceed one million dollars.

(2) The total principal amount of qualified loans under the program that any one business may receive over the lifetime of the business shall not exceed five million dollars.

(3) The total principal amount of qualified loans that an owner of one or more businesses may enroll in the program during her/his lifetime shall be five million dollars.

(4) The number of qualified loans that any one business may enroll in the program over the lifetime of the business

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shall not be limited: Provided, That a statement regarding the number of full-time or part-time jobs to be created or saved by each new enrollment is filed with the office at the time of enrollment.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-035, filed 1/22/08, effective 2/22/08.]

WAC 326-70-040 Funding eligibility. All qualified public depositaries desiring to enroll a qualified loan in the linked deposit program shall complete and submit a loan enrollment form to the office for approval. The loan must be to a business certified under chapter 39.19 RCW and the form must be signed by the owner having the majority ownership interest in the business. The office shall review all forms received by the twenty-fifth day of each calendar month and forward a list of approved enrollments to the treasurer by the fifth working day of the following month.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-040, filed 1/22/08, effective 2/22/08.]

WAC 326-70-050 Funding priority—Established. Funding shall occur on a monthly basis as funds are available. First-time enrollments must be first to receive funding in the month they are approved. If available funds are insufficient to cover the remaining enrollments in a given month, the unfunded enrollments must be first to receive funding in the subsequent month. First-time enrollments in that month will be funded following the funding of enrollments brought forward from the previous month(s). See illustration below.

Loan Application		Funded?			
Loan ID	First Loan?	Dec. 07	Jan. 08	Feb. 08	Mar. 08
D-1	Y	Y			
D-2	Y	Y			
D-3	N	Y			
D-4	N	N	Y		
D-5	N	N	N	Y	
D-6	N	N	N	N	Y
J-1	Y	—	N	N	Y
J-2	N	—	N	N	N
J-3	N	—	N	N	N
F-1	Y	—	—	N	Y
F-2	Y	—	—	N	Y
F-3	N	—	—	N	N
F-4	N	—	—	N	N

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Loan Application		Funded?			
Loan ID	First Loan?	Dec. 07	Jan. 08	Feb. 08	Mar. 08
M-1	Y	—	—	—	N
M-2	N	—	—	—	N

Note: In the Loan ID column, the alpha character identifies the month in which the enrollment was approved. After three months on the list, unfunded enrollments (other than first-timers) will be funded in alternating order with first-time enrollments. First-timers that are unfunded after six months will be given priority and not subjected to alternating. (See WAC 326-70-060)

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-050, filed 1/22/08, effective 2/22/08.]

WAC 326-70-060 Funding priority—Adjusted. (a) Approved but unfunded enrollments on the effective date of these rules shall be funded prior to enrollments approved after the effective date of these rules.

(b) The funding list will be reviewed and updated each month in a manner that maintains the priority of first-time enrollments for the current month while providing funding for others that have been unfunded for at least three months.

(c) When a first-time enrollment remains unfunded after six months due to lack of available funds, it must be funded with available funds before all other enrollments.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-060, filed 1/22/08, effective 2/22/08.]

WAC 326-70-065 Accountability. Qualified public depositaries shall report current loan balances each month on all loans to the treasurer.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-065, filed 1/22/08, effective 2/22/08.]

WAC 326-70-070 Applicability of rules. This chapter shall apply to all enrollment requests to the linked deposit program: Provided, That sections WAC 326-70-050 and 326-70-060 shall apply only to enrollments approved after the effective date of the rules adoption. Enrollments received prior to the effective date of the rule shall be funded in the order received, subject to availability of funds.

[Statutory Authority: RCW 39.19.030, 43.86A.060, and 2007 c 500 §§ 1 and 2. WSR 08-03-116, § 326-70-070, filed 1/22/08, effective 2/22/08.]