

2 **SSB 5341 - H COMM AMD ADOPTED 4-9-97**

3 By Committee on Trade & Economic Development

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

7 "Sec. 1. RCW 43.163.090 and 1989 c 279 s 10 are each amended to
8 read as follows:

9 The authority shall adopt a general plan of economic development
10 finance objectives to be implemented by the authority during the period
11 of the plan. The authority may exercise the powers authorized under
12 this chapter prior to the adoption of the initial plan. In developing
13 the plan, the authority shall consider and set objectives for:

14 (1) Employment generation associated with the authority's programs;

15 (2) The application of funds to sectors and regions of the state
16 economy evidencing need for improved access to capital markets and
17 funding resources;

18 (3) Geographic distribution of funds and programs available through
19 the authority;

20 (4) Eligibility criteria for participants in authority programs;

21 (5) The use of funds and resources available from or through
22 federal, state, local, and private sources and programs;

23 (6) Standards for economic viability and growth opportunities of
24 participants in authority programs;

25 (7) New programs which serve a targeted need for financing
26 assistance within the purposes of this chapter; and

27 (8) Opportunities to improve capital access as evidenced by
28 programs existent in other states or as they are made possible by
29 results of private capital market circumstances.

30 The authority shall, as part of the finance plan required under
31 this section, develop an outreach and marketing plan designed to
32 increase its financial services to distressed counties. As used in
33 this section, "distressed counties" has the same meaning as distressed
34 area in RCW 43.168.020.

35 At least one public hearing shall be conducted by the authority on
36 the plan prior to its adoption. The plan shall be adopted by

1 resolution of the authority no later than November 15, 1990. The plan
2 shall be submitted to the chief clerk of the house of representatives
3 and secretary of the senate for transmittal to and review by the
4 appropriate standing committees no later than December 15, 1990. The
5 authority shall periodically update the plan as determined necessary by
6 the authority, but not less than once every two years. The plan or
7 updated plan shall include a report on authority activities conducted
8 since the commencement of authority operation or since the last plan
9 was reported, whichever is more recent, including a statement of
10 results achieved under the purposes of this chapter and the plan. Upon
11 adoption, the authority shall conduct its programs in observance of the
12 objectives established in the plan.

13 **Sec. 2.** RCW 43.163.210 and 1996 c 310 s 1 are each amended to read
14 as follows:

15 For the purpose of facilitating economic development in the state
16 of Washington and encouraging the employment of Washington workers at
17 meaningful wages:

18 (1) The authority may develop and conduct a program or programs to
19 provide nonrecourse revenue bond financing (~~((for the project costs for
20 no more than five economic development activities, per fiscal year,
21 included under the authority's general plan of economic development
22 finance objectives. In addition, the authority may issue tax exempt
23 bonds to finance ten manufacturing or processing activities, per fiscal
24 year, for which the total project cost is less than one million dollars
25 per project))~~)).

26 (2) The authority may (~~(also)~~) develop and conduct a program that
27 will stimulate and encourage the development of new products within
28 Washington state by the infusion of financial aid for invention and
29 innovation in situations in which the financial aid would not otherwise
30 be reasonably available from commercial sources. The authority is
31 authorized to provide nonrecourse revenue bond financing for this
32 program.

33 (a) For the purposes of this program, the authority shall have the
34 following powers and duties:

35 (i) To enter into financing agreements with eligible persons doing
36 business in Washington state, upon terms and on conditions consistent
37 with the purposes of this chapter, for the advancement of financial and
38 other assistance to the persons for the development of specific

1 products, procedures, and techniques, to be developed and produced in
2 this state, and to condition the agreements upon contractual assurances
3 that the benefits of increasing or maintaining employment and tax
4 revenues shall remain in this state and accrue to it;

5 (ii) Own, possess, and take license in patents, copyrights, and
6 proprietary processes and negotiate and enter into contracts and
7 establish charges for the use of the patents, copyrights, and
8 proprietary processes when the patents and licenses for products result
9 from assistance provided by the authority;

10 (iii) Negotiate royalty payments to the authority on patents and
11 licenses for products arising as a result of assistance provided by the
12 authority;

13 (iv) Negotiate and enter into other types of contracts with
14 eligible persons that assure that public benefits will result from the
15 provision of services by the authority; provided that the contracts are
16 consistent with the state Constitution;

17 (v) Encourage and provide technical assistance to eligible persons
18 in the process of developing new products;

19 (vi) Refer eligible persons to researchers or laboratories for the
20 purpose of testing and evaluating new products, processes, or
21 innovations; and

22 (vii) To the extent permitted under its contract with eligible
23 persons, to consent to a termination, modification, forgiveness, or
24 other change of a term of a contractual right, payment, royalty,
25 contract, or agreement of any kind to which the authority is a party.

26 (b) Eligible persons seeking financial and other assistance under
27 this program shall forward an application, together with an application
28 fee prescribed by rule, to the authority. An investigation and report
29 concerning the advisability of approving an application for assistance
30 shall be completed by the staff of the authority. The investigation
31 and report may include, but is not limited to, facts about the company
32 under consideration as its history, wage standards, job opportunities,
33 stability of employment, past and present financial condition and
34 structure, pro forma income statements, present and future markets and
35 prospects, integrity of management as well as the feasibility of the
36 proposed product and invention to be granted financial aid, including
37 the state of development of the product as well as the likelihood of
38 its commercial feasibility. After receipt and consideration of the
39 report set out in this subsection and after other action as is deemed

1 appropriate, the application shall be approved or denied by the
2 authority. The applicant shall be promptly notified of action by the
3 authority. In making the decision as to approval or denial of an
4 application, priority shall be given to those persons operating or
5 planning to operate businesses of special importance to Washington's
6 economy, including, but not limited to: (i) Existing resource-based
7 industries of agriculture, forestry, and fisheries; (ii) existing
8 advanced technology industries of electronics, computer and instrument
9 manufacturing, computer software, and information and design; and (iii)
10 emerging industries such as environmental technology, biotechnology,
11 biomedical sciences, materials sciences, and optics.

12 (3) The authority may also develop and implement, if authorized by
13 the legislature, such other economic development financing programs
14 adopted in future general plans of economic development finance
15 objectives developed under RCW 43.163.090.

16 (4) The authority may not issue any bonds for the programs
17 authorized under this section after June 30, 2000."

18 Correct the title accordingly.

19 EFFECT: Requires WEDFA to develop an outreach and marketing plan
20 to increase its financial services to distressed counties.

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