

HOUSE BILL REPORT

HB 1808

*As Reported By House Committee on:
Trade & Economic Development
Appropriations*

Title: An act relating to child care facility fund.

Brief Description: Pertaining to the child care facility fund.

Sponsor(s): Representatives Wineberry, Miller, Wood, Belcher, Rasmussen, Forner, H. Myers, R. King, Silver, Leonard, Fraser, Winsley, Phillips and Mitchell; by request of Dept. of Trade and Economic Development.

Brief History:

Reported by House Committee on:
Trade & Economic Development, March 1, 1991, DPS;
Appropriations, March 9, 1991, DPS(TED)-A.

**HOUSE COMMITTEE ON
TRADE & ECONOMIC DEVELOPMENT**

Majority Report: *That Substitute House Bill No. 1808 be substituted therefor, and the substitute bill do pass.* Signed by 11 members: Representatives Cantwell, Chair; Sheldon, Vice Chair; Forner, Ranking Minority Member; Betrozoff, Assistant Ranking Minority Member; Ferguson; Kremen; Ludwig; Moyer; Rasmussen; Riley; and Roland.

Staff: Charlie Gavigan (786-7340).

Background: The Child Care Facility Fund was established in 1989. The fund makes one-time loans, grants, or loan guarantees to individuals, businesses, and other organizations to start or expand a licensed child care facility. The loans, grants, or loan guarantees cannot exceed \$25,000.

The Child Care Facility Fund is administered by the Department of Trade and Economic Development's Business Assistance Center through a five member committee.

Summary of Substitute Bill: The Child Care Facility Fund becomes a revolving loan fund.

Substitute Bill Compared to Original Bill: Authorization to pay for administrative expenses from the Child Care Facility Fund is removed.

Fiscal Note: Requested February 14, 1991.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This allows the loan repayments to be added to the fund and used without specific appropriations. There are no funds currently in the department's budget for administrative expenses.

Testimony Against: None.

Witnesses: Representative Jesse Wineberry; David Dougherty, Department of Trade and Economic Development (supports); Beryl Cheal, Department of Trade and Economic Development (supports); Lonnie Johns Brown, National Organization for Women (supports); and Margie Reeves, Washington Association for Education of Children (supports).

**HOUSE COMMITTEE ON
APPROPRIATIONS**

Majority Report: *The substitute bill by Committee on Trade & Economic Development be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass.* Signed by 29 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Bowman; Braddock; Brekke; Dorn; Ebersole; Ferguson; Fuhrman; Hine; Holland; May; McLean; Mielke; Nealey; Peery; Pruitt; Rust; H. Sommers; Sprengle; Valle; Vance; Wang; and Wineberry.

Staff: Wayne Kawakami (786-7384).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Trade & Economic Development: The amendment allows employee organizations to apply for loans, grants, and loan guarantees, provided that the application is submitted jointly with the businesses or employers.

Fiscal Note: Available.

Effective Date of Substitute Bill as Amended: Ninety days after adjournment of session in which bill is passed.

Testimony For: Current status of funds to businesses is five loans and three grants for a total of about \$195,000.

Testimony Against: None.

Witnesses: Fred Ramirez, Department of Trade & Economic Development; and Cheal Beal, Department of Trade & Economic Development.