

2 **SB 6247** - CONF REPT
3 By Conference Committee

4 ADOPTED 3/7/96

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

7 "Sec. 1. RCW 43.163.210 and 1994 c 238 s 4 are each amended to
8 read as follows:

9 For the purpose of facilitating economic development in the state
10 of Washington and encouraging the employment of Washington workers at
11 meaningful wages:

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

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

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

29 (i) To enter into financing agreements with eligible persons doing
30 business in Washington state, upon terms and on conditions consistent
31 with the purposes of this chapter, for the advancement of financial and
32 other assistance to the persons for the development of specific
33 products, procedures, and techniques, to be developed and produced in
34 this state, and to condition the agreements upon contractual assurances
35 that the benefits of increasing or maintaining employment and tax
36 revenues shall remain in this state and accrue to it;

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

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

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

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

15 (vi) Refer eligible persons to researchers or laboratories for the
16 purpose of testing and evaluating new products, processes, or
17 innovations; and

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

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

1 planning to operate businesses of special importance to Washington's
2 economy, including, but not limited to: (i) Existing resource-based
3 industries of agriculture, forestry, and fisheries; (ii) existing
4 advanced technology industries of electronics, computer and instrument
5 manufacturing, computer software, and information and design; and (iii)
6 emerging industries such as environmental technology, biotechnology,
7 biomedical sciences, materials sciences, and optics.

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

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

14 **Sec. 2.** RCW 43.180.160 and 1986 c 264 s 2 are each amended to read
15 as follows:

16 The total amount of outstanding indebtedness of the commission may
17 not exceed (~~one and one-half~~) two billion dollars at any time. The
18 calculation of outstanding indebtedness shall include the initial
19 principal amount of an issue and shall not include interest that is
20 either currently payable or that accrues as a part of the face amount
21 of an issue payable at maturity or earlier redemption. Outstanding
22 indebtedness shall not include notes or bonds as to which the
23 obligation of the commission has been satisfied and discharged by
24 refunding or for which payment has been provided by reserves or
25 otherwise.

26 NEW SECTION. **Sec. 3.** Section 1 of this act is necessary for the
27 immediate preservation of the public peace, health, or safety, or
28 support of the state government and its existing public institutions,
29 and shall take effect immediately."

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1 On page 1, line 1 of the title, after "development;" strike the
2 remainder of the title and insert "amending RCW 43.163.210 and
3 43.180.160; and declaring an emergency."

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