

CERTIFICATION OF ENROLLMENT

SENATE BILL 6247

Chapter 310, Laws of 1996

54th Legislature
1996 Regular Session

WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY
AND WASHINGTON STATE HOUSING FINANCE COMMISSION--REVISIONS

EFFECTIVE DATE: 6/6/96 - Except section 1 which becomes effective
on 3/30/96.

Passed by the Senate March 7, 1996
YEAS 44 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House March 7, 1996
YEAS 93 NAYS 5

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved March 30, 1996

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6247** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 30, 1996 - 4:44 p.m.

**Secretary of State
State of Washington**

SENATE BILL 6247

AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1996 Regular Session

By Senators Sheldon, Roach, Long, Quigley, Owen, Hale, Fairley, Swecker
and Drew

Read first time 01/09/96. Referred to Committee on Ways & Means.

1 AN ACT Relating to economic development; amending RCW 43.163.210
2 and 43.180.160; and declaring an emergency.

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

4 **Sec. 1.** RCW 43.163.210 and 1994 c 238 s 4 are each amended to read
5 as follows:

6 For the purpose of facilitating economic development in the state
7 of Washington and encouraging the employment of Washington workers at
8 meaningful wages:

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

17 (2) The authority may also develop and conduct a program that will
18 stimulate and encourage the development of new products within
19 Washington state by the infusion of financial aid for invention and

1 innovation in situations in which the financial aid would not otherwise
2 be reasonably available from commercial sources. The authority is
3 authorized to provide nonrecourse revenue bond financing for this
4 program.

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

7 (i) To enter into financing agreements with eligible persons doing
8 business in Washington state, upon terms and on conditions consistent
9 with the purposes of this chapter, for the advancement of financial and
10 other assistance to the persons for the development of specific
11 products, procedures, and techniques, to be developed and produced in
12 this state, and to condition the agreements upon contractual assurances
13 that the benefits of increasing or maintaining employment and tax
14 revenues shall remain in this state and accrue to it;

15 (ii) Own, possess, and take license in patents, copyrights, and
16 proprietary processes and negotiate and enter into contracts and
17 establish charges for the use of the patents, copyrights, and
18 proprietary processes when the patents and licenses for products result
19 from assistance provided by the authority;

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

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

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

29 (vi) Refer eligible persons to researchers or laboratories for the
30 purpose of testing and evaluating new products, processes, or
31 innovations; and

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

36 (b) Eligible persons seeking financial and other assistance under
37 this program shall forward an application, together with an application
38 fee prescribed by rule, to the authority. An investigation and report
39 concerning the advisability of approving an application for assistance

1 shall be completed by the staff of the authority. The investigation
2 and report may include, but is not limited to, facts about the company
3 under consideration as its history, wage standards, job opportunities,
4 stability of employment, past and present financial condition and
5 structure, pro forma income statements, present and future markets and
6 prospects, integrity of management as well as the feasibility of the
7 proposed product and invention to be granted financial aid, including
8 the state of development of the product as well as the likelihood of
9 its commercial feasibility. After receipt and consideration of the
10 report set out in this subsection and after other action as is deemed
11 appropriate, the application shall be approved or denied by the
12 authority. The applicant shall be promptly notified of action by the
13 authority. In making the decision as to approval or denial of an
14 application, priority shall be given to those persons operating or
15 planning to operate businesses of special importance to Washington's
16 economy, including, but not limited to: (i) Existing resource-based
17 industries of agriculture, forestry, and fisheries; (ii) existing
18 advanced technology industries of electronics, computer and instrument
19 manufacturing, computer software, and information and design; and (iii)
20 emerging industries such as environmental technology, biotechnology,
21 biomedical sciences, materials sciences, and optics.

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

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

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

30 The total amount of outstanding indebtedness of the commission may
31 not exceed (~~(one and one-half)~~) two billion dollars at any time. The
32 calculation of outstanding indebtedness shall include the initial
33 principal amount of an issue and shall not include interest that is
34 either currently payable or that accrues as a part of the face amount
35 of an issue payable at maturity or earlier redemption. Outstanding
36 indebtedness shall not include notes or bonds as to which the
37 obligation of the commission has been satisfied and discharged by

1 refunding or for which payment has been provided by reserves or
2 otherwise.

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

Passed the Senate March 7, 1996.

Passed the House March 7, 1996.

Approved by the Governor March 30, 1996.

Filed in Office of Secretary of State March 30, 1996.