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**SUBSTITUTE SENATE BILL 5092**

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**State of Washington                      59th Legislature                      2005 Regular Session**

**By** Senate Committee on Agriculture & Rural Economic Development  
(originally sponsored by Senator Jacobsen)

READ FIRST TIME 02/24/05.

1            AN ACT Relating to the beginning farmers loan program; adding a new  
2 section to chapter 43.180 RCW; and creating a new section.

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

4            NEW SECTION.    **Sec. 1.** The legislature finds that there are a  
5 significant number of people from both urban and rural areas of the  
6 state with the training, expertise, and interest in initiating a  
7 livelihood in farming but who lack the financial resources to get  
8 started. The legislature also finds that the average age of existing  
9 farmers is increasing, the number of full-time commercial farms is  
10 decreasing, and an increasing concern that there will be insufficient  
11 young people who have both the capability and interest to fulfill the  
12 needs for the next generation.

13            The legislature finds that there are a significant number of new  
14 small farms in the state and a significant enrollment in agricultural  
15 courses offered by public community colleges and universities and the  
16 beginning farmer program offered by Washington State University  
17 cooperative extension.

18            The purpose of this act is to establish a program to test the  
19 feasibility, interest, and results of a beginning farmer loan program.

1        NEW SECTION.   **Sec. 2.**   A new section is added to chapter 43.180 RCW  
2 to read as follows:

3        (1) The commission may develop and implement a program to provide  
4 financing for beginning farmers.   In developing the program, the  
5 commission shall establish eligibility criteria for financing that will  
6 enable it to choose applicants who are likely to repay loans made or  
7 acquired by the commission and funded from the proceeds of commission  
8 bonds.

9        (2) The commission may:

10        (a) Issue revenue bonds as defined in RCW 43.180.020(1) for the  
11 purpose of financing loans to beginning farmers in accordance with RCW  
12 43.180.150;

13        (b) Do all things necessary to provide for the exemption of  
14 interest on its bonds from federal income taxation; and

15        (c) Participate fully in federal and other governmental programs  
16 and take such actions as are necessary and consistent with this chapter  
17 to secure to itself and the people of the state the benefits of those  
18 programs for beginning farmers.

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