

2 **SB 6247** - H COMM AMD **ADOPTED 2-28-96**

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 43.163.210 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 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
15 preservation of the public peace, health, or safety, or support of the  
16 state government and its existing public institutions, and shall take  
17 effect immediately."

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