

# HOUSE BILL REPORT

## HB 2779

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**As Reported By House Committee On:**  
Trade & Economic Development

**Title:** An act relating to the Washington economic development finance authority.

**Brief Description:** Extending the Washington economic development finance authority.

**Sponsors:** Representatives Dunn and Morris.

**Brief History:**

**Committee Activity:**

Trade & Economic Development: 2/5/98 [DP].

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### HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Eickmeyer, Assistant Ranking Minority Member; Alexander; Ballasiotes; Mason; McDonald and Morris.

**Staff:** Kenny Pittman (786-7392).

**Background:** The Washington Economic Development Finance Authority (WEDFA) was created by the Legislature in 1989 to help meet the capital needs of small- and medium-sized businesses, in particular businesses located in distressed counties. The WEDFA is authorized to issue nonrecourse revenue bonds to carry out its programs. The bonds may be issued on either a tax-exempt or taxable basis. The bonds issued by the WEDFA are not obligations of the state of Washington.

Currently, the WEDFA may not have more than \$250 million in outstanding bond debt at any time and the authority to issue bonds for its programs expires June 30, 2000.

**Summary of Bill:** The Washington Economic Development Finance Authority (WEDFA) outstanding bond debt limit is increased from \$250 million to \$500 million. The authority to issue bonds for the WEDFA programs is extended from June 30, 2000 to June 30, 2004.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** WEDFA has provided needed financing to small- and medium-sized businesses. These businesses create needed jobs throughout the state. The proposed changes will allow WEDFA to continue meeting the financing needs of business.

**Testimony Against:** None.

**Testified:** Representative Dunn, prime sponsor (pro); and Jonathan Hayes, Washington Economic Development Finance Authority (pro).