

# SENATE BILL REPORT

## HB 2779

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As Reported By Senate Committee On:  
Commerce & Labor, February 27, 1998

**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:** Commerce & Labor: 2/20/98, 2/27/98 [DP].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

**Staff:** Patrick Woods (786-7430)

**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. 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 WEDFA are not obligations of the state of Washington.

Currently, 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:** This bill will allow the program to gain a track record prior to a sunset evaluation. In addition, by raising the outstanding bond debt limit the program will be able to serve more businesses in the state without the concern of bumping up against the current bond debt limit.

**Testimony Against:** None.

**Testified:** Jonathan Hayes, Washington Economic Development Finance Authority (pro).