

2 SSB 5387 - H COMM AMD

3 By Committee on Economic Development, Housing & Trade

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5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 43.163.010 and 1994 c 238 s 1 and 1994 c 92 s 498 are
8 each reenacted and amended to read as follows:

9 As used in this chapter, the following words and terms have the
10 following meanings, unless the context requires otherwise:

11 (1) "Authority" means the Washington economic development finance
12 authority created under RCW 43.163.020 or any board, body, commission,
13 department or officer succeeding to the principal functions of the
14 authority or to whom the powers conferred upon the authority shall be
15 given by law;

16 (2) "Bonds" means any bonds, notes, debentures, interim
17 certificates, conditional sales or lease financing agreements, lines of
18 credit, forward purchase agreements, investment agreements, and other
19 banking or financial arrangements, guaranties, or other obligations
20 issued by or entered into by the authority. Such bonds may be issued
21 on either a tax-exempt or taxable basis;

22 (3) "Borrower" means one or more public or private persons or
23 entities acting as lessee, purchaser, mortgagor, or borrower who has
24 obtained or is seeking to obtain financing either from the authority or
25 from an eligible banking organization that has obtained or is seeking
26 to obtain funds from the authority to finance a project. A borrower
27 may include a party who transfers the right of use and occupancy to
28 another party by lease, sublease or otherwise, or a party who is
29 seeking or has obtained a financial guaranty from the authority;

30 (4) "Eligible banking organization" means any organization subject
31 to regulation by the director of the department of financial
32 institutions, any national bank, federal savings and loan association,
33 and federal credit union located within this state;

34 (5) "Eligible export transaction" means any preexport or export
35 activity by a person or entity located in the state of Washington
36 involving a sale for export and product sale which, in the judgment of

1 the authority: (a) Will create or maintain employment in the state of
2 Washington, (b) will obtain a material percent of its value from
3 manufactured goods or services made, processed or occurring in
4 Washington, and (c) could not otherwise obtain financing on reasonable
5 terms from an eligible banking organization;

6 (6) "Eligible farmer" means any person who is a resident of the
7 state of Washington and whose specific acreage qualifying for receipts
8 from the federal department of agriculture under its conservation
9 reserve program is within the state of Washington;

10 (7) "Eligible person" means an individual, partnership,
11 corporation, or joint venture carrying on business, or proposing to
12 carry on business within the state and is seeking financial assistance
13 under RCW 43.163.210;

14 (8) "Financial assistance" means the infusion of capital to persons
15 for use in the development and exploitation of specific inventions and
16 products;

17 (9) "Financing document" means an instrument executed by the
18 authority and one or more persons or entities pertaining to the
19 issuance of or security for bonds, or the application of the proceeds
20 of bonds or other funds of, or payable to, the authority. A financing
21 document may include, but need not be limited to, a lease, installment
22 sale agreement, conditional sale agreement, mortgage, loan agreement,
23 trust agreement or indenture, security agreement, letter or line of
24 credit, reimbursement agreement, insurance policy, guaranty agreement,
25 or currency or interest rate swap agreement. A financing document also
26 may be an agreement between the authority and an eligible banking
27 organization which has agreed to make a loan to a borrower;

28 (10) "Plan" means the general plan of economic development finance
29 objectives developed and adopted by the authority, and updated from
30 time to time, as required under RCW 43.163.090;

31 (11) "Economic development activities" means activities related to:
32 Manufacturing, processing, research, production, assembly, tooling,
33 warehousing, airports, docks and wharves, mass commuting facilities,
34 high-speed intercity rail facilities, public broadcasting, pollution
35 control, solid waste, federally qualified hazardous waste facilities,
36 energy generating, conservation, or transmission facilities, and sports
37 facilities and industrial parks, and activities conducted within a
38 federally designated enterprise or empowerment zone or geographic area
39 of similar nature. "Economic development activities" does not include

1 the construction of a parking facility, unless the parking facility is
2 a component of an eligible economic development activity financed under
3 this chapter;

4 (12) "Project costs" means costs of:

5 (a) Acquisition, lease, construction, reconstruction, remodeling,
6 refurbishing, rehabilitation, extension, and enlargement of land,
7 rights to land, buildings, structures, docks, wharves, fixtures,
8 machinery, equipment, excavations, paving, landscaping, utilities,
9 approaches, roadways and parking, handling and storage areas, and
10 similar ancillary facilities, and any other real or personal property
11 included in an economic development activity;

12 (b) Architectural, engineering, consulting, accounting, and legal
13 costs related directly to the development, financing, acquisition,
14 lease, construction, reconstruction, remodeling, refurbishing,
15 rehabilitation, extension, and enlargement of an activity included
16 under subsection (11) of this section, including costs of studies
17 assessing the feasibility of an economic development activity;

18 (c) Finance costs, including the costs of credit enhancement and
19 discounts, if any, the costs of issuing revenue bonds, and costs
20 incurred in carrying out any financing document;

21 (d) Start-up costs, working capital, capitalized research and
22 development costs, capitalized interest during construction and during
23 the eighteen months after estimated completion of construction, and
24 capitalized debt service or repair and replacement or other appropriate
25 reserves;

26 (e) The refunding of any outstanding obligations incurred for any
27 of the costs outlined in this subsection; and

28 (f) Other costs incidental to any of the costs listed in this
29 section;

30 (13) "Product" means a product, device, technique, or process that
31 is or may be exploitable commercially. "Product" does not refer to
32 pure research, but shall be construed to apply to products, devices,
33 techniques, or processes that have advanced beyond the theoretic stage
34 and are readily capable of being, or have been, reduced to practice;

35 (14) "Financing agreements" means, and includes without limitation,
36 a contractual arrangement with an eligible person whereby the authority
37 obtains rights from or in an invention or product or proceeds from an
38 invention or product in exchange for the granting of financial and
39 other assistance to the person.

1 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and takes effect
4 immediately."

5 Correct the title.

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