

# FINAL BILL REPORT

## HB 2612

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Synopsis as Enacted

**Brief Description:** Modifying provisions concerning the Hanford Area Economic Investment Fund.

**Sponsors:** By Representatives Grant, Hankins, Delvin and Veloria; by request of Department of Community, Trade, and Economic Development.

**House Committee on Technology, Telecommunications & Energy**  
**House Committee on Appropriations**  
**Senate Committee on Economic Development**

### **Background:**

In 1991 the Legislature established the Hanford Area Economic Investment Fund (Fund) in the custody of the State Treasurer. By law, the Fund was to be used for revolving loan funds, infrastructure projects, or other economic development and diversification projects, all in Benton and Franklin Counties. The law was later amended to allow a portion of the Fund to be used for reasonable Assistant Attorney General costs in support of the committee that was formed to make recommendations with respect to the use of the Fund.

Along with establishing the Hanford Area Economic Investment Fund in 1991, the Legislature created a committee to make recommendations to the Director of the Department of Trade and Economic Development (now the Department of Community, Trade and Economic Development, also known as CTED) regarding projects eligible to receive funding from the Hanford Area Economic Investment Fund. The committee comprises 11 members, appointed by the Governor, representing the elected leadership of Benton and Franklin counties and the cities of Richland, Kennewick, and Pasco; a Hanford area port district; the labor community; and the Hanford area business and financial community. Each member of the Committee resides or must be employed in Benton or Franklin County.

Specifically, under current law, the business that the committee may conduct is to:

- adopt its own bylaws;
- use the services of other governmental agencies;
- accept federal or state agency loans or grants for purposes of funding qualify revolving loan funds or other projects under the Hanford Area Economic Investment Fund;
- recommend to the Director of CTED rules for administration of the program, including terms and rates pertaining to its loans and criteria for awarding grants, loans, and financial guarantees;

- recommend to the Director of CTED a spending strategy for the moneys in the Hanford Area Economic Investment Fund, including five- and 10-year goals for economic development and diversification for use of the funds in Benton and Franklin Counties;
- recommend to the Director of CTED no more than two allocations eligible for funding per calendar year, subject to certain priorities;
- establish and administer a revolving fund; and
- make grants from the Hanford Area Economic Investment Fund.

**Summary:**

Existing law is modified to allow the Hanford Area Economic Investment Fund Committee: (1) to adopt rules for the administration of the Hanford Area Economic Investment Fund, including terms and rates pertaining to its loans and criteria for awarding grants, loans, and financial guarantees; and (2) to adopt a spending strategy for the moneys in the Hanford Area Economic Investment Fund, including five- and 10-year goals for economic development and diversification for use of the moneys in Franklin and Benton Counties. The requirement that the Hanford Area Economic Investment Fund Committee recommend rules and spending strategies to the Director of the Department of Community, Trade and Economic Development is eliminated.

**Votes on Final Passage:**

House	95	0
Senate	48	0

**Effective:** June 10, 2004