
HOUSE BILL 1872

State of Washington 58th Legislature 2003 Regular Session

By Representatives Blake, Voloria, Chase, Santos and Hatfield

Read first time 02/12/2003. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to linked deposit loans for assistive technology;
2 amending RCW 43.86A.030; and adding a new chapter to Title 43 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) The legislature finds that providing
5 access to appropriate assistive technology for children and adults with
6 disabilities, including seniors with age-related conditions such as
7 vision and hearing loss, is a matter of public interest. Access to
8 such technology can play a vital role in achieving high quality of
9 life. Investments in assistive technology also are cost-effective
10 because they reduce the risk of secondary injuries, make it possible
11 for people to live at home rather than in long-term care, and provide
12 a foundation for success in education and employment, thereby reducing
13 the high rates of unemployment and poverty experienced by Washington
14 residents with disabilities.

15 (2) The legislature also finds that current public and private
16 funding sources are inadequate, or not suited, to meet the assistive
17 technology needs of many sectors of the population and that it is
18 necessary for the state to establish a program to create alternative
19 financing arrangements to help individuals with disabilities acquire

1 the assistive technology they need to achieve their potential in
2 education, employment, independent living, transportation, recreation,
3 and community life. Access to such technology can play a vital role in
4 achieving high quality of life.

5 (3) The legislature further finds that many small businesses and
6 nonprofit organizations do not have the financial resources they need
7 to make their places of business and business activities accessible to
8 and usable by clients and employees with disabilities. Many small
9 businesses and nonprofit entities also lack the financing they need to
10 acquire the assistive devices and services that enable them to hire and
11 retain employees with disabilities. Low interest loans and other
12 alternative financing arrangements are needed to help small businesses,
13 nonprofits, and other qualified entities purchase the assistive devices
14 and services and make the program and building access modifications
15 needed to fully include individuals with disabilities.

16 NEW SECTION. **Sec. 2.** The disabilities access linked deposit
17 lending program is created. The program will be administered by the
18 department of community, trade, and economic development. The director
19 shall contract with other public and private entities and undertake all
20 other activities necessary to carry out the purposes of this chapter.

21 NEW SECTION. **Sec. 3.** The definitions in this section apply
22 throughout this chapter unless the context clearly requires otherwise.

23 (1) "Access modifications" means modifications to facilities,
24 programs, and buildings, including residential and nonresidential
25 buildings, to improve access and use by individuals with disabilities.

26 (2) "Assistive technology" means any item, piece of equipment, or
27 device that enables an individual with a disability to improve his or
28 her functional capabilities, independence, or quality of life, and any
29 service that directly assists an individual with a disability in the
30 selection, acquisition, or use of an assistive technology device.

31 (3) "Individual with a disability" means an individual with a
32 physical, mental, or sensory disability within the meaning of chapter
33 49.60 RCW.

34 (4) "Qualifying borrowers" means nonprofit community development
35 financial institutions that provide low interest loans for purchases of
36 assistive technology and access modifications.

1 NEW SECTION. **Sec. 4.** (1) Funds made available under this chapter
2 may be used to make low interest loans to, and equity equivalent
3 investments in, community development financial institutions that
4 provide financing and related services for purchases of assistive
5 technology and access modifications. As used in this chapter,
6 qualifying loans are loans that:

7 (a) Have terms that do not exceed ten years;

8 (b) Are made to qualified borrowers;

9 (c) Are made where the interest rate on the loan to the qualified
10 borrower does not exceed an interest rate that is two hundred basis
11 points below the interest rate the qualified public depository would
12 charge for a loan for a similar purpose and a similar term; and

13 (d) Are made where the points or fees charged at loan closing do
14 not exceed one percent of the loan amount.

15 (2) In setting interest rates of time certificates of deposits, the
16 state treasurer shall offer rates so that a two hundred basis point
17 preference will be given to the qualified public depository. In no
18 case shall the state treasurer give a preference where the effective
19 interest rates on the time certificates of deposits are less than two
20 percent.

21 NEW SECTION. **Sec. 5.** The state treasurer shall establish a linked
22 deposit program for investment of deposits into qualified public
23 depositories. As a condition of participating in the program,
24 qualified public depositories must make qualifying loans as provided in
25 section 4 of this act. The state treasurer may purchase a certificate
26 of deposit that is equal to the amount of the qualifying loan made by
27 the qualified public depository or may purchase a certificate of
28 deposit that is equal to the aggregate amount of two or more qualifying
29 loans made by one or more qualified public depositories.

30 **Sec. 6.** RCW 43.86A.030 and 1993 c 512 s 33 are each amended to
31 read as follows:

32 (1) Funds held in public depositories not as demand deposits as
33 provided in RCW 43.86A.020 and 43.86A.030, shall be available for a
34 time certificate of deposit investment program according to the
35 following formula: The state treasurer shall apportion to all
36 participating depositories an amount equal to five percent of the three

1 year average mean of general state revenues as certified in accordance
2 with Article VIII, section 1(b) of the state Constitution, or fifty
3 percent of the total surplus treasury investment availability,
4 whichever is less. Within thirty days after certification, those funds
5 determined to be available according to this formula for the time
6 certificate of deposit investment program shall be deposited in
7 qualified public depositories. These deposits shall be allocated among
8 the participating depositories on a basis to be determined by the state
9 treasurer.

10 (2) The state treasurer may use up to fifty million dollars per
11 year of all funds available under this section for the purposes of RCW
12 43.86A.060 and up to two million five hundred thousand dollars per year
13 of all funds available under this section for the purposes of chapter
14 43.-- RCW (sections 1 through 5 and 7 of this act). The amounts made
15 available to these public depositories shall be equal to the amounts of
16 outstanding loans made under RCW 43.86A.060 and chapter 43.-- RCW
17 (sections 1 through 5 and 7 of this act).

18 (3) The formula so devised shall be a matter of public record
19 giving consideration to, but not limited to deposits, assets, loans,
20 capital structure, investments or some combination of these factors.
21 However, if in the judgment of the state treasurer the amount of
22 allocation for certificates of deposit as determined by this section
23 will impair the cash flow needs of the state treasury, the state
24 treasurer may adjust the amount of the allocation accordingly.

25 NEW SECTION. Sec. 7. The state and those acting as its agents are
26 not liable in any manner for payment of the principal or interest on
27 qualifying loans made under this chapter. Any delay in payments or
28 defaults on the part of the borrower does not in any manner affect the
29 deposit agreement between the qualified public depository and the state
30 treasurer.

31 NEW SECTION. Sec. 8. Sections 1 through 5 and 7 of this act
32 constitute a new chapter in Title 43 RCW.

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