
HOUSE JOINT MEMORIAL 4011

State of Washington **58th Legislature** **2003 Regular Session**

By Representatives Veloria, Skinner, Eickmeyer, Santos, Rockefeller, Chase, Linville, Upthegrove and Edwards

Read first time 02/07/2003. Referred to Committee on Trade & Economic Development.

1 WHEREAS, Washington has developed many world class companies
2 producing family wage jobs and benefits; and

3 WHEREAS, Washington continues to be home to entrepreneurs and
4 innovative technologies; and

5 WHEREAS, The further development of many of our emerging businesses
6 depends on access to capital; and

7 WHEREAS, Businesses that receive private equity investments created
8 264,000 jobs; and

9 WHEREAS, Businesses that receive venture capital investments
10 generated two times the sales and paid three times the federal income
11 tax as the average nonventure capital-backed public company per \$1000
12 of assets; and

13 WHEREAS, Venture capital investment in Washington firms provided
14 returns of 15.3 percent to the Washington State Pension Fund over the
15 past 10 years; and

16 WHEREAS, Private equity investments by the State Investment Board
17 would strengthen the local venture capital infrastructure and increase
18 access to capital for local companies; and

19 WHEREAS, Investment in Washington firms would help accelerate
20 economic growth and increase the tax base; and

1 WHEREAS, There are investments in Washington firms that can be done
2 prudently and without a breach of the State Investment Board's
3 fiduciary duties; and

4 WHEREAS, Many individual private equity investment decisions for
5 the State Investment Board are made by the Board's General Partners or
6 Fund Managers;

7 NOW, THEREFORE, Your Memorialists respectfully request that the
8 State Investment Board develop a policy to encourage prudent investment
9 of the private equity funds under its management and care in more
10 Washington firms; and

11 BE IT RESOLVED, That copies of this Memorial be immediately
12 transmitted to the State Investment Board.

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