
HOUSE BILL 1627

State of Washington

65th Legislature

2017 Regular Session

By Representatives Ryu and McBride; by request of Washington State Housing Finance Commission

Read first time 01/25/17. Referred to Committee on Community Development, Housing & Tribal Affairs.

1 AN ACT Relating to nonprofit corporation facilities financing;
2 and amending RCW 43.180.300.

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

4 **Sec. 1.** RCW 43.180.300 and 1997 c 44 s 1 are each amended to
5 read as follows:

6 As used in RCW 43.180.310 through 43.180.360, the following terms
7 have the meanings indicated unless the context clearly requires
8 otherwise.

9 (1) "Construction" or "construct" means construction and
10 acquisition, whether by device, purchase, gift, lease, or otherwise.

11 (2) "Facilities" means land, rights in land, buildings,
12 structures, equipment, landscaping, utilities, approaches, roadways
13 and parking, handling and storage areas, and similar ancillary
14 facilities.

15 (3) "Financing document" means a lease, sublease, installment
16 sale agreement, conditional sale agreement, loan agreement, mortgage,
17 deed of trust guaranty agreement, or other agreement for the purpose
18 of providing funds to pay or secure debt service on revenue bonds.

19 (4) "Improvement" means reconstruction, remodeling,
20 rehabilitation, extension, and enlargement. "To improve" means to
21 reconstruct, to remodel, to rehabilitate, to extend, and to enlarge.

1 (5) "Nonprofit corporation" means a nonprofit organization
2 described under section 501(c)(3) of the Internal Revenue Code, or
3 similar successor provisions, any public development authority, or
4 any organization identified in RCW 43.185A.040.

5 (6) "Nonprofit facilities" means facilities owned or used by a
6 nonprofit corporation for any nonprofit activity described under
7 section 501(c)(3) of the Internal Revenue Code that qualifies such a
8 corporation for an exemption from federal income taxes under section
9 501(a) of the Internal Revenue Code, or similar successor provisions
10 provided that facilities which may be funded pursuant to chapter
11 28B.07, 35.82, (~~43.1807~~) or 70.37 RCW shall not be included in this
12 definition.

13 (7) "Project costs" means costs of (a) acquisition, construction,
14 and improvement of any facilities included in a nonprofit facility;
15 (b) architectural, engineering, consulting, accounting, and legal
16 costs related directly to the development, financing, and
17 construction of a nonprofit facility, including costs of studies
18 assessing the feasibility of a nonprofit facility; (c) finance costs,
19 including discounts, if any, the costs of issuing revenue bonds, and
20 costs incurred in carrying out any trust agreement; (d) interest
21 during construction and during the six months after estimated
22 completion of construction, and capitalized debt service or repair
23 and replacement or other appropriate reserves; (e) the refunding of
24 any outstanding obligations incurred for any of the costs outlined in
25 this subsection; and (f) other costs incidental to any of the costs
26 listed in this section.

27 (8) "Revenue bond" means a taxable or tax-exempt nonrecourse
28 revenue bond, nonrecourse revenue note, or other nonrecourse revenue
29 obligation issued for the purpose of providing financing to a
30 nonprofit corporation on an interim or permanent basis.

31 (9) "User" means one or more persons acting as lessee, purchaser,
32 mortgagor, or borrower under a financing document and may include a
33 party who transfers the right of use and occupancy to another party
34 by lease, sublease, or otherwise.

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