

FINAL BILL REPORT

HB 1092

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Synopsis as Enacted

Brief Description: Modifying rural Washington loan fund provisions.

Sponsors: By Representatives Grant, Newhouse, Kristiansen and Linville; by request of Department of Community, Trade, and Economic Development.

House Committee on Economic Development, Agriculture & Trade
Senate Committee on International Trade & Economic Development

Background:

The Rural Washington Loan Fund (RWLF) is a federally-funded loan program administered by the Department of Community, Trade and Economic Development (DCTED). In order to receive a loan, an applicant's project must: result in the creation of employment opportunities, the maintenance of threatened employment, or development or expansion of business ownership by minorities and women; conform with federal rules and regulations governing the spending of federal community block grants; be of public benefit and for a public purpose; probably be successful; and need the loan in order to be completed. Except those made to women and minority owned businesses, 80 percent of the appropriated funds are to be made available for projects in distressed areas.

Sixty-six projects in 13 counties have received over \$16 million in public moneys leading to public development investment of over \$136 million. Federal requirements mandate that earnings on federal moneys remain with the program.

In general, the Treasurer credits the State General Fund monthly with all earnings credited to the Treasury Income Account. However, certain accounts and funds receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period. These accounts and funds include the Capitol Building Construction Account, the Drinking Water Assistance Account, and the Common School Construction Fund.

Summary:

The state Treasurer is directed to transfer monthly to the RWLF its proportionate share of earnings based upon the fund's average daily balance.

Votes on Final Passage:

House	95	0
Senate	45	0

Effective: July 1, 2005
July 1, 2006 (Section 2)