
ENGROSSED HOUSE BILL 1167

State of Washington

61st Legislature

2009 Regular Session

By Representatives Hasegawa, Kenney, Simpson, Chase, and Santos

Read first time 01/14/09. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to the linked deposit program; creating new
2 sections; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that the linked
5 deposit program is not accessible to many certified small businesses
6 that the program was created to serve. The legislature further finds
7 that the increased involvement of community development financial
8 institutions in the linked deposit program could increase the
9 participation of these small businesses. The legislature intends that
10 the office of minority and women's business enterprises report to the
11 legislature with an analysis of barriers faced by certified small
12 businesses that are currently not able to participate in the linked
13 deposit program and make recommendations on how to overcome those
14 barriers.

15 NEW SECTION. **Sec. 2.** By December 1, 2009, the office of minority
16 and women's business enterprises shall, in consultation with the state
17 treasurer and within existing resources, submit a report with
18 recommendations to the legislature that addresses the following issues:

1 (1) The availability of sources of capital for certified borrowers,
2 including the amounts and interest rates for that capital;

3 (2) The loans that are not being funded for certified borrowers
4 under the current program and why those loans are not being funded;

5 (3) The availability of other sources of capital in the marketplace
6 for those nonfunded loans of certified borrowers, including the amounts
7 and interest rates for that capital;

8 (4) Whether there are other institutions that may be willing to
9 make those loans that are currently not being made to certified
10 borrowers under the program;

11 (5) Whether the program could be modified to encourage lenders to
12 make those loans that are not currently being made to certified
13 borrowers and whether the cost of those loans would be a barrier;

14 (6) A review of how other states seek to increase access to capital
15 for borrowers that traditionally lack access to capital; and

16 (7) The role community development financial institutions could
17 play in mitigating the cost of lending to certified borrowers who are
18 not currently being served by the program.

19 NEW SECTION. **Sec. 3.** This act expires July 1, 2010.

--- END ---