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**SUBSTITUTE SENATE BILL 5868**

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**State of Washington****53rd Legislature****1993 Regular Session**

**By** Senate Committee on Trade, Technology & Economic Development  
(originally sponsored by Senators Skratek, Bluechel, Sheldon, Erwin,  
Deccio, M. Rasmussen, Snyder, Gaspard and Winsley)

Read first time 03/03/93.

1 AN ACT Relating to consolidation of state agencies; amending RCW  
2 28C.18.060, 43.17.010, 43.17.020, 19.85.020, 42.17.319, 43.17.065,  
3 43.20A.750, 43.31.057, 43.31.085, 43.31.205, 43.31.409, 43.31.411,  
4 43.31.422, 43.31.504, 43.31.522, 43.31.524, 43.31.526, 43.31.621,  
5 43.31.641, 43.31.830, 43.31.840, 43.31.850, 43.160.020, 43.168.020,  
6 43.210.110, 43.63A.066, 43.63A.075, 43.63A.115, 43.63A.155, 43.63A.220,  
7 43.63A.230, 43.63A.245, 43.63A.247, 43.63A.260, 43.63A.275, 43.63A.300,  
8 43.63A.320, 43.63A.330, 43.63A.340, 43.63A.400, 43.63A.410, 43.63A.440,  
9 43.63A.450, 43.63A.460, 43.63A.600, and 43.105.020; reenacting and  
10 amending RCW 42.17.310; adding a new chapter to Title 43 RCW; creating  
11 new sections; repealing RCW 43.31.005, 43.31.015, 43.31.025, 43.31.035,  
12 43.31.045, 43.31.055, 43.31.065, 43.31.075, 43.31.095, 43.31.097,  
13 43.31.105, 43.31.115, 43.31.130, 43.31.135, 43.31.373, 43.31.375,  
14 43.31.377, 43.31.379, 43.31.381, 43.31.383, 43.31.387, 43.31.430,  
15 43.31.432, 43.31.434, 43.31.436, 43.31.438, 43.31.440, 43.31.442,  
16 43.31.651, 43.31.790, 43.31.800, 43.31.810, 43.31.820, 43.63A.020,  
17 43.63A.030, 43.63A.040, 43.63A.050, 43.63A.060, 43.63A.065, 43.63A.078,  
18 43.63A.095, 43.63A.100, 43.63A.130, 43.63A.140, 43.63A.210, 43.63A.560,  
19 43.165.020, 43.165.030, 43.165.040, 43.165.050, 43.165.060, 43.165.070,  
20 43.165.080, 43.165.090, 43.165.100, 43.165.900, and 43.165.901; and  
21 providing an effective date.

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

2 NEW SECTION. **Sec. 1.** The legislature finds that the long-term  
3 health of the state and its citizens depends upon the broad  
4 availability of family-wage jobs, the flexibility and innovativeness of  
5 business firms, the skills and capacity of the work force, local  
6 communities that are strong and adaptive, the availability of  
7 affordable housing, local and regional planning to anticipate and plan  
8 for changing circumstances, and infrastructure to support local social  
9 and economic needs, human services, and safe communities. These needs  
10 are tied to one another and are all critical to maintaining the state's  
11 quality of life and economic health in the face of changing  
12 circumstances.

13 The legislature further finds that as a result of the rapid pace of  
14 social and economic change, maintaining the quality of life and  
15 standard of living for the citizens of the state will require new and  
16 inventive responses by communities, firms, industries, and individuals.  
17 The state can play a helpful role in assisting such efforts by  
18 reorganizing state assistance efforts and requiring new partnerships at  
19 the local level and new relations between the state and industries and  
20 within industries.

21 The legislature finds that the consolidation of the department of  
22 trade and economic development and the department of community  
23 development into one department will improve the efficiency and  
24 effectiveness with which state services are delivered to build the  
25 skill and capacity of businesses and local communities to respond to  
26 economic change. Such a consolidation will increase the accountability  
27 to the public, the executive, and the legislature for the performance  
28 of economic and community development functions.

29 It is the intent of the legislature in consolidating the two  
30 agencies that the economic and community development functions be  
31 merged in a manner that allows the new department to direct state  
32 resources of significant scope and scale to (1) geographic areas with  
33 the greatest relative economic need and the fewest resources and (2)  
34 targeted sectors of the economy that have the greatest potential for  
35 either wealth generation through value-added production, or for  
36 negative economic impact on the state or substate regions. The  
37 legislature intends through this consolidation to encourage state  
38 actions to build and diversify the economy to encourage long-term,

1 family-wage employment and promote and assist in providing the physical  
2 and social infrastructure needed to support the creation and  
3 maintenance of such employment. It is also the intent of the  
4 legislature to support economic growth that is environmentally  
5 sustainable and employment that is derived from maintaining the  
6 environment and from sustainable use of natural resources.

7 It is the further intent of the legislature in this consolidation  
8 to maximize the use of local expertise and local community resources in  
9 the delivery of economic and community development services, and to  
10 ensure that the services offered are the ones desired by the state's  
11 community and business customers. The community services and community  
12 development services of the department, such as growth management,  
13 community services block grants, early childhood education, and the  
14 housing trust fund shall be administered in accord with their original  
15 implementing legislation.

16 NEW SECTION. **Sec. 2.** The purpose of this chapter is to establish  
17 the broad outline of the structure of the department of economic and  
18 community development, leaving specific details of its internal  
19 organization and management to those charged with its administration.

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

23 (1) "Associate development organization" means a local economic  
24 development nonprofit corporation.

25 (2) "Department" means the department of economic and community  
26 development.

27 (3) "Director" means the director of the department of economic and  
28 community development.

29 (4) "Small business" means any business entity, including a sole  
30 proprietorship, corporation, partnership, or other legal entity, that  
31 is owned and operated independently from all other businesses, that has  
32 the purpose of making a profit, and that has fifty or fewer employees.

33 (5) "Distressed area" has the meaning in RCW 43.165.010.

34 (6) "Impact area" means (a) distressed counties as defined in RCW  
35 43.165.010(3)(a); (b) subcounty areas in those counties which are not  
36 covered under (a) of this subsection which are timber impact areas as  
37 defined in RCW 43.31.601; (c) urban subcounty areas as defined in RCW

1 43.165.010(3)(c); and (d) areas not currently experiencing economic  
2 distress which the department anticipates as likely to experience  
3 distress in the near future, such as areas experiencing defense budget  
4 reductions or suffering dislocations from natural resource issues such  
5 as salmon recovery.

6 NEW SECTION. **Sec. 4.** A state department of economic and community  
7 development is created. The department shall be vested with all powers  
8 and duties established or transferred to it under this chapter and such  
9 other powers and duties as may be authorized by law.

10 NEW SECTION. **Sec. 5.** The executive head of the department shall  
11 be the director. The director shall be appointed by the governor with  
12 the consent of the senate, and shall serve at the pleasure of the  
13 governor. The director shall be paid a salary to be fixed by the  
14 governor in accordance with RCW 43.03.040.

15 NEW SECTION. **Sec. 6.** (1) The director shall supervise and  
16 administer the activities of the department and shall advise the  
17 governor and the legislature with respect to economic and community  
18 development matters affecting the state.

19 (a) The director may:

20 (i) Enter into contracts on behalf of the state to carry out the  
21 purposes of this chapter;

22 (ii) Act for the state in the initiation of or participation in any  
23 multigovernmental program relative to the purpose of this chapter; and

24 (iii) Accept gifts and grants, whether such grants be of federal or  
25 other funds;

26 (b) The director shall:

27 (i) Appoint such deputy directors, assistant directors, and up to  
28 seven special assistants as may be needed to administer the department.  
29 These employees are exempt from the provisions of chapter 41.06 RCW;

30 (ii) Prepare and submit for executive and legislative action on the  
31 budget for the department;

32 (iii) Submit recommendations for legislative actions as are deemed  
33 necessary to further the purposes of this chapter; and

34 (iv) Adopt rules in accordance with chapter 34.05 RCW and perform  
35 all other functions necessary and proper to carry out the purposes of  
36 this chapter.

1 (2) When federal or other funds are received by the department,  
2 they shall be promptly transferred to the state treasurer and  
3 thereafter expended only upon the approval of the director.

4 (3) The director may request information and assistance from all  
5 other agencies, departments, and officials of the state, and may  
6 reimburse such agencies, departments, or officials if such a request  
7 imposes any additional expenses upon any such agency, department, or  
8 official.

9 (4) The director shall, in carrying out the responsibilities of  
10 office, consult with governmental officials, private groups, and  
11 individuals and with officials of other states, and may, if the  
12 director deems it desirable, hold public hearings to obtain information  
13 to carry out the purposes of this chapter. All state agencies and  
14 their officials and the officials of any political subdivision of the  
15 state shall cooperate with and give such assistance to the department,  
16 including the submission of requested information, to allow the  
17 department to carry out its purposes under this chapter.

18 (5) The director may establish additional advisory or coordinating  
19 groups with the legislature, within state government, with state and  
20 other governmental units, with the private sector and nonprofit  
21 entities or in specialized subject areas as may be necessary to carry  
22 out the purposes of this chapter.

23 NEW SECTION. **Sec. 7.** The internal affairs of the department shall  
24 be under the control of the director in order that the director may  
25 manage the department in a flexible and intelligent manner as dictated  
26 by changing contemporary circumstances. Unless specifically limited by  
27 law, the director shall have complete charge and supervisory powers  
28 over the department. The director may create such administrative  
29 structures as the director deems appropriate, except as otherwise  
30 specified by law, and the director may employ such personnel as may be  
31 necessary in accordance with chapter 41.06 RCW.

32 NEW SECTION. **Sec. 8.** The department shall be responsible for  
33 promoting community and economic development within the state by  
34 assisting the state's communities to increase their quality of life and  
35 economic vitality and the state's businesses to maintain and increase  
36 their economic competitiveness, while maintaining a healthy  
37 environment. Community and economic development efforts shall include:

1 Efforts to increase economic opportunity; local planning to accommodate  
2 growth while maintaining a healthy environment; the promotion and  
3 provision of affordable housing and providing public infrastructure;  
4 business and trade development and assisting firms and industrial  
5 sectors to increase their competitiveness; technology development,  
6 transfer, and diffusion; community services; and public and public  
7 safety efforts. The department shall have the following functions and  
8 responsibilities:

9 (1) Provide advisory assistance to the governor, other state  
10 agencies, and the legislature on community and economic development  
11 matters and issues;

12 (2) Assist the governor in coordinating the activities of state  
13 agencies that have an impact on local government and communities;

14 (3) Cooperate with the legislature and the governor in the  
15 development and implementation of strategic plans for the state's  
16 community and economic development efforts;

17 (4) Provide technical and financial assistance to local  
18 governments, businesses and community-based organizations serving the  
19 communities of the state for the purpose of aiding and encouraging  
20 orderly, productive, and coordinated development of the state, and,  
21 unless stipulated otherwise, give priority to local communities with  
22 the greatest relative need and the fewest resources;

23 (5) Solicit private and federal grants for economic and community  
24 development programs and administer such programs in conjunction with  
25 other programs assigned to the department by the governor or the  
26 legislature;

27 (6) Administer community services programs directed to the poor and  
28 infirm through private, nonprofit organizations and units of general  
29 purpose local government and coordinate these programs with other  
30 community and economic development and self-sufficiency efforts of the  
31 department;

32 (7) Undertake business development and retention efforts in  
33 coordination with other state agencies, local governments, tribal  
34 governments, and public and private local development groups seeking  
35 new business investment and the expansion and retention of existing  
36 businesses, including providing assistance to local organizations to  
37 resolve environmental and natural resource issues related to economic  
38 development;

1 (8) Identify and work with Washington businesses that can use  
2 local, state, and federal assistance to increase domestic and foreign  
3 exports and that are capable of increasing production of goods and  
4 services;

5 (9) Market the state's products and services internationally in  
6 close cooperation with other private and public international trade  
7 efforts and act as a centralized location for the assimilation and  
8 distribution of trade information;

9 (10) Assist in the production, development, rehabilitation, and  
10 operation of owner-occupied or rental housing for low and moderate-  
11 income persons, and qualify as a participating state agency for all  
12 programs of the federal department of housing and urban development or  
13 its successor;

14 (11) Participate with other states or subdivisions thereof in  
15 interstate programs and assist cities, counties, municipal  
16 corporations, governmental conferences or councils, and regional  
17 planning commissions to participate with other states and provinces or  
18 their subdivisions;

19 (12) Hold public hearings and meetings to carry out the purposes of  
20 this chapter;

21 (13) Market and coordinate the attraction of visitors and  
22 conventions to the state and the expansion of the tourism industry  
23 throughout the state in cooperation with the visitor industry, as well  
24 as public and private tourism development organizations;

25 (14) Promote, market, and encourage growth in the production of  
26 films and videos, as well as television commercials, within the state;

27 (15) Administer family services and programs to promote the state's  
28 policy as provided in RCW 74.14A.025;

29 (16) Conduct research and analysis in furtherance of the state's  
30 economic and community development efforts including maintenance of  
31 current information on market and economic trends as they affect  
32 different industrial sectors, geographic regions, and communities with  
33 special economic problems in the state;

34 (17) Provide support to strengthen local capacity for controlling  
35 risk to life and property that may result from fires and emergencies,  
36 and provide a comprehensive state-level focus for fire protection  
37 services, funding, and policy;

38 (18) Provide for the identification and preservation of the state's  
39 historical and cultural resources;

1 (19) Coordinate a comprehensive state program for mitigating,  
2 preparing for, responding to, and recovering from emergencies and  
3 disasters;

4 (20) Promote volunteerism and citizen service as a means for  
5 accomplishing local community and economic development goals and  
6 objectives; and

7 (21) Assist local governments to plan for new growth while  
8 preserving environmental quality and open space.

9 NEW SECTION. **Sec. 9.** (1) The director of the department of trade  
10 and economic development and the director of the department of  
11 community development shall, by November 15, 1993, jointly submit a  
12 plan to the governor for the consolidation and smooth transition of the  
13 department of trade and economic development and the department of  
14 community development into the department of economic and community  
15 development so that the departments will operate as a single entity on  
16 July 1, 1994.

17 (2) The plan shall include:

18 (a) Strategies for a sectoral focus, and a targeted geographic  
19 focus in the delivery of economic and community development services;

20 (b) Implementation steps for the department's efforts at:

21 (i) Technology transfer and technology diffusion;

22 (ii) Self-employment assistance and entrepreneurial development;

23 (iii) Enhancing the participation of the state's businesses in  
24 global trade;

25 (iv) Linking work force training to its other community and  
26 business assistance efforts;

27 (v) Cooperating with the governor and the legislature in developing  
28 strategic plans;

29 (vi) Assisting local governments in planning;

30 (vii) Addressing capital gaps;

31 (viii) Providing small business assistance;

32 (ix) Marketing and promotion of Washington products;

33 (x) Coordination of federal, state, and local community and  
34 economic development efforts with the state;

35 (xi) Maximizing federal economic and community development  
36 resources within the state;

37 (xii) Leveraging limited state resources and broadening the base of  
38 involvement by working collaboratively with private and public

1 institutes of higher education and other public, private, and nonprofit  
2 organizations;

3 (xiii) Encouraging a balance of economic growth between urban and  
4 rural areas;

5 (xiv) Addressing the special needs of economically disadvantaged  
6 communities and business sectors in transition; and

7 (xv) Increasing economic diversification.

8 (3) The establishment of benchmarks by which to measure progress  
9 and the evaluation of the performance and effectiveness of the  
10 department's efforts.

11 (4) In developing this plan, the directors shall consider existing  
12 functions and programs of both agencies and make recommendations for  
13 any changes in programs and functions.

14 (5) In developing this plan, the directors shall establish an  
15 advisory committee, including representatives of groups using services  
16 and programs of both agencies.

17 NEW SECTION. **Sec. 10.** In the next four years after the effective  
18 date of this section, the department shall pursue the following policy  
19 objectives:

20 (1) Develop, promote, and support partnerships at the local and  
21 regional level between local development organizations including local  
22 governments, associate development organizations, port districts,  
23 private industry councils, chambers of commerce, community colleges,  
24 vocational institutes, technical colleges, and other institutions of  
25 higher education;

26 (2) Diversify the state economy in economic sectors that offer the  
27 prospect of family-wage employment through (a) the establishment of  
28 flexible networks of firms and (b) identification of problems and  
29 opportunities in industrial competitiveness;

30 (3) Encourage environmentally sustainable development that  
31 maintains the health of the state's environment while providing  
32 employment.

33 NEW SECTION. **Sec. 11.** (1) The local economic development service  
34 program is established in the department. This program shall  
35 coordinate the delivery of economic development services to local  
36 communities or regional areas. It shall promote partnerships between  
37 the public and private sectors and between state and local officials to

1 encourage appropriate economic growth in communities throughout the  
2 state. The program shall promote local economic development by  
3 assisting businesses to start up, maintain, or expand their operations,  
4 by encouraging public infrastructure investment and private capital  
5 investment in local communities, and by expanding employment  
6 opportunities.

7 (2) The department's local economic development service program  
8 shall, among other things, (a) contract with associate development  
9 organizations for the delivery of economic development services to  
10 local communities or regional areas; (b) enter into interagency  
11 agreements with appropriate state agencies, such as the department of  
12 agriculture and the employment security department, to coordinate the  
13 delivery of economic development services to local communities or  
14 regional areas; (c) enter into agreements with other public  
15 organizations or institutions that provide economic development  
16 services, such as the small business development center, the Washington  
17 technology center, community colleges, vocational-technical institutes,  
18 the University of Washington, Washington State University, four-year  
19 colleges and universities, the federal small business administration,  
20 ports, and others, to coordinate the delivery of economic development  
21 services to local communities and regional areas; and (d) provide  
22 training, through contracts with public or private organizations, and  
23 other assistance to associate development organizations to the extent  
24 resources allow.

25 (3) The department shall coordinate economic development efforts to  
26 minimize program redundancy and maximize accessibility. The department  
27 shall work to develop links between the state and service users as well  
28 as among the service users themselves.

29 (4) It is the intent of the legislature that the associate  
30 development organizations contracted with under this program shall  
31 promote and coordinate, through local service agreements or other  
32 methods, the delivery of economic development services in their areas  
33 that are provided by public and private organizations, including state  
34 agencies.

35 (5) The legislature encourages local associate development  
36 organizations to form partnerships with other associate development  
37 organizations in their region to combine resources for better access to  
38 available services, to encourage regional delivery of state services,

1 and to more effectively build the local capacity of communities in the  
2 region.

3 (6)(a) The department shall divide the state into service delivery  
4 regions. In creating these regions, the department shall consult with  
5 associate development organizations, port districts, and other local  
6 economic development entities. The department may use a challenge  
7 grant process to carry out the purposes of this section. Each region  
8 shall meet the following criteria:

9 (i) Each region shall have a population of no less than one hundred  
10 thousand;

11 (ii) Each region shall contain at least one institution of higher  
12 education as defined in RCW 28B.10.016; and

13 (iii) Each region shall have organizations and resources capable of  
14 supporting the delivery of community and economic development services  
15 to all parts of the region.

16 The department shall minimize problems of accessibility to services  
17 that result from a geographically large region, and maximize  
18 commonalities between the communities in the region.

19 (b) In each service delivery region the department shall contract  
20 with one associate development organization or a consortium of such  
21 organizations, or another appropriate locally based organization to  
22 coordinate the delivery of economic development services within the  
23 region. The contracting organization shall work with local  
24 governments, associate development organizations, local chambers of  
25 commerce, private industry councils, port districts, labor groups,  
26 institutions of higher education, community action programs, and other  
27 appropriate private, public, or nonprofit community and economic  
28 development groups within the region and shall involve them in the  
29 planning for and delivery of economic and community development  
30 services required by this section.

31 The contracting organization shall designate five traded sectors of  
32 the region's economy that represent the five most significant sectors  
33 within the region. The contracting organization shall survey  
34 businesses and employees in these sectors on an annual basis to gather  
35 information on the sector's business needs, expansion plans, relocation  
36 decisions, training needs, potential layoffs, financing needs,  
37 availability of financing, and other appropriate information about  
38 economic trends and specific employer and employee needs in the region.  
39 The results of these surveys shall be compiled by the department.

1 The contracting organization shall be responsible for coordinating  
2 the delivery of those public or private training and technical  
3 assistance services required by the businesses and employees in the  
4 targeted sectors within its region, as indicated by survey responses.  
5 Such services shall include entrepreneurial training, job skills  
6 training, production process analysis, product development assistance,  
7 marketing, and financial and other management services. The  
8 contracting organization shall develop a list of individuals and firms  
9 qualified to meet specialized training or business development needs.

10 The department's selection of contracting organizations or  
11 consortiums shall be based on the sufficiency of the organization's or  
12 consortium's proposal to carry out the survey of targeted sectors  
13 within its region and coordinate the delivery of training and technical  
14 assistance as required by this section.

15 NEW SECTION. **Sec. 12.** The department shall work with private  
16 sector organizations, local governments, local economic development  
17 organizations, and institutions of higher education to assist in the  
18 development of a targeted sectors program. The targeted sectors may  
19 include, but are not limited to, software, forest products,  
20 biotechnology, environmental industries, aerospace, food processing,  
21 tourism, film and video, microelectronics, new materials, robotics, and  
22 machine tools. The department shall, on a continuing basis, evaluate  
23 the potential return to the state from devoting additional resources to  
24 a targeted sectors approach to economic development and including  
25 additional sectors in its efforts. The department shall use the  
26 sectorial surveys conducted in each service delivery region in  
27 formulating its sectorial strategies and in designating new targeted  
28 sectors.

29 In assisting in the development of a targeted sector, the  
30 department's activities may include, but are not limited to:

31 (1) Conducting focus group discussions, facilitating meetings, and  
32 conducting studies to identify members of the sector, appraise the  
33 current state of the sector, and identify issues of common concern  
34 within the sector;

35 (2) Supporting the formation of industry associations, publications  
36 of association directories, and related efforts to create or expand the  
37 activities or industry associations;

1 (3) Assisting in the formation of flexible networks by providing  
2 (a) trained agency employees or private sector consultants to act as  
3 flexible network brokers and (b) funding for potential flexible network  
4 participants for the purpose of organizing or implementing a flexible  
5 network;

6 (4) Helping establish research consortia;

7 (5) Conducting joint training and education programs and developing  
8 curricula related to the specific needs of targeted sectors;

9 (6) Promoting cooperative market development activities;

10 (7) Analyzing the need, feasibility, and cost of establishing  
11 product certification and testing facilities and services; and

12 (8) Providing for methods of electronic communication and  
13 information dissemination among firms and groups of firms to facilitate  
14 network activity.

15 By January 10th of each year, the department shall report in  
16 writing on its targeted sector programs to the legislature. The  
17 department's report shall include an appraisal of the sector,  
18 activities the department has undertaken to assist in the development  
19 of each sector, and recommendations to the legislature regarding  
20 activities that the state should implement but are currently beyond the  
21 scope of the department's program or resources.

22 NEW SECTION. **Sec. 13.** (1) The department shall establish a  
23 technical assistance and training program. The program shall be  
24 designed to increase the economic and community development skills  
25 available in local communities by providing training and funding for  
26 training for local citizens and businesses. Services shall be targeted  
27 to those communities most in need of state assistance and shall be  
28 provided in impact areas.

29 (2) The department shall provide direct technical assistance to  
30 local communities to strengthen their role in building their local  
31 economies. This assistance shall include, but not be limited to:

32 (a) Identifying emerging problems in impact areas for businesses,  
33 workers, and communities and providing timely assistance;

34 (b) Evaluating the economic health of a community including its  
35 economic base and its strengths, weaknesses, and opportunities;

36 (c) Assisting communities and nonprofit development entities in  
37 developing local economic development strategies, including the  
38 technical analysis necessary to carry out the strategies;

1 (d) Providing assistance to communities in broadening their local  
2 economic base, including providing management and financial assistance,  
3 entrepreneurial training, and assistance to firms in identifying new  
4 markets and introducing new processes;

5 (e) Assisting communities in responding to economic change,  
6 including supporting organizational and leadership development;

7 (f) Assisting local governments to facilitate the siting of  
8 businesses;

9 (g) Facilitating the formation of flexible networks among groups of  
10 businesses; and

11 (h) Providing technical and managerial assistance to small  
12 businesses including assistance in securing available financing and  
13 industrial modernization.

14 (3) The department shall administer a technical assistance funding  
15 pool for the delivery to impact areas of the technical assistance  
16 identified in this section.

17 (4) The department shall establish a community development training  
18 institute to provide intensive economic and community development  
19 skills training to local communities.

20 (5) The department shall establish an entrepreneurial development  
21 institute using a competitive bidding process among educational  
22 institutions and nonprofit development organizations.

23 NEW SECTION. **Sec. 14.** (1) To provide local communities with  
24 flexible sources of funding and client-based community and economic  
25 development programs, the department shall establish and operate a  
26 local development grant program. The program shall coordinate funding  
27 for eligible projects with other federal, state, local, private and  
28 nonprofit funding sources. Federal community development block grant  
29 funds administered by the state shall be administered in conjunction  
30 with this program and the department shall, within federal guidelines,  
31 give priority to economic development projects in the use of community  
32 development block grant funds.

33 (2) To be eligible to receive funds under this program an  
34 organization must be a local government, community-based organization,  
35 nonprofit development organization, port district, or Indian tribe.  
36 Any local government, associate development organization, or port  
37 district requesting funds shall demonstrate the participation of a

1 cultural, economic, and ethnic cross-section of the local community in  
2 the project, including business, labor, and educational institutions.

3 (3) In awarding grants under this program, preference shall be  
4 given to efforts that have the prospect of resulting in long-term,  
5 family-wage employment, to development that is environmentally  
6 sustainable, and to projects that are developed and supported jointly  
7 with nonstate partners. Funds shall not be used for entertainment or  
8 hosting. Funds granted for economic development projects require a  
9 contribution of local funds or resources to the project. No less than  
10 twenty-five percent of available grant funds awarded yearly under this  
11 program shall be awarded to nonprofit, community-based organizations,  
12 and no less than twenty-five percent of available grant funds awarded  
13 yearly under this program shall be awarded to associate development  
14 organizations.

15 (4) The grant program shall include the use of available community  
16 development block grant funds, loan fund or reserve fund resources to  
17 make grants to local development organizations for the establishment of  
18 revolving loan funds for microloans to low-income individuals wishing  
19 to become self-employed. Such grants shall be conditioned on the local  
20 development organization's (a) operating a structured entrepreneurial  
21 training program for its low-income clients and (b) requiring  
22 participation in the training program before awarding a microloan to  
23 those desiring a microloan.

24 **Sec. 15.** RCW 28C.18.060 and 1991 c 238 s 7 are each amended to  
25 read as follows:

26 The board, in cooperation with the operating agencies of the state  
27 training system shall:

28 (1) Concentrate its major efforts on planning, coordination  
29 evaluation, policy analysis, and recommending improvements to the  
30 state's training system.

31 (2) Advocate for the state training system and for meeting the  
32 needs of employers and the work force for work force education and  
33 training.

34 (3) Establish and maintain an inventory of the programs of the  
35 state training system, and related state programs, and perform a  
36 biennial assessment of the vocational education, training, and adult  
37 basic education and literacy needs of the state; identify ongoing and  
38 strategic education needs; and assess the extent to which employment,

1 training, vocational and basic education, rehabilitation services, and  
2 public assistance services represent a consistent, integrated approach  
3 to meet such needs.

4 (4) Develop and maintain a state comprehensive plan for work force  
5 training and education, including but not limited to, goals,  
6 objectives, and priorities for the state training system, and review  
7 the state training system for consistency with the state comprehensive  
8 plan. In developing the state comprehensive plan for work force  
9 training and education, the board shall use, but shall not be limited  
10 to: Economic, labor market, and populations trends reports in office  
11 of financial management forecasts; joint office of financial management  
12 and employment security department labor force, industry employment,  
13 and occupational forecasts; the results of scientifically based  
14 outcome, net-impact and cost-benefit evaluations; the needs of  
15 employers as evidenced in formal employer surveys and other employer  
16 input; and the needs of program participants and workers as evidenced  
17 in formal surveys and other input from program participants and the  
18 labor community.

19 (5) In consultation with the higher education coordinating board,  
20 review and make recommendations to the office of financial management  
21 and the legislature on operating and capital facilities budget requests  
22 for operating agencies of the state training system for purposes of  
23 consistency with the state comprehensive plan for work force training  
24 and education.

25 (6) Provide for coordination among the different operating agencies  
26 of the state training system at the state level and at the regional  
27 level.

28 (7) Develop a consistent and reliable data base on vocational  
29 education enrollments, costs, program activities, and job placements  
30 from publicly funded vocational education programs in this state.

31 (8) Establish standards for data collection and maintenance for the  
32 operating agencies of the state training system in a format that is  
33 accessible to use by the board. The board shall require a minimum of  
34 common core data to be collected by each operating agency of the state  
35 training system.

36 The board shall develop requirements for minimum common core data  
37 in consultation with the office of financial management and the  
38 operating agencies of the training system.

1 (9) Establish minimum standards for program evaluation for the  
2 operating agencies of the state training system, including, but not  
3 limited to, the use of common survey instruments and procedures for  
4 measuring perceptions of program participants and employers of program  
5 participants, and monitor such program evaluation.

6 (10) Every two years administer scientifically based outcome  
7 evaluations of the state training system, including, but not limited  
8 to, surveys of program participants, surveys of employers of program  
9 participants, and matches with employment security department payroll  
10 and wage files. Every five years administer scientifically based net-  
11 impact and cost-benefit evaluations of the state training system.

12 (11) In cooperation with the employment security department,  
13 provide for the improvement and maintenance of quality and utility in  
14 occupational information and forecasts for use in training system  
15 planning and evaluation. Improvements shall include, but not be  
16 limited to, development of state-based occupational change factors  
17 involving input by employers and employees, and delineation of skill  
18 and training requirements by education level associated with current  
19 and forecasted occupations.

20 (12) Provide for the development of common course description  
21 formats, common reporting requirements, and common definitions for  
22 operating agencies of the training system.

23 (13) Provide for effectiveness and efficiency reviews of the state  
24 training system.

25 (14) In cooperation with the higher education coordinating board,  
26 facilitate transfer of credit policies and agreements between  
27 institutions of the state training system, and encourage articulation  
28 agreements for programs encompassing two years of secondary work force  
29 education and two years of postsecondary work force education.

30 (15) In cooperation with the higher education coordinating board,  
31 facilitate transfer of credit policies and agreements between private  
32 training institutions and institutions of the state training system.

33 (16) Participate in the development of coordination criteria for  
34 activities under the job training partnership act with related programs  
35 and services provided by state and local education and training  
36 agencies.

37 (17) Make recommendations to the commission of student assessment,  
38 the state board of education, and the superintendent of public  
39 instruction, concerning basic skill competencies and essential core

1 competencies for K-12 education. Basic skills for this purpose shall  
2 be reading, writing, computation, speaking, and critical thinking,  
3 essential core competencies for this purpose shall be English, math,  
4 science/technology, history, geography, and critical thinking. The  
5 board shall monitor the development of and provide advice concerning  
6 secondary curriculum which integrates vocational and academic  
7 education.

8 (18) Establish and administer programs for marketing and outreach  
9 to businesses and potential program participants.

10 (19) Facilitate the location of support services, including but not  
11 limited to, child care, financial aid, career counseling, and job  
12 placement services, for students and trainees at institutions in the  
13 state training system, and advocate for support services for trainees  
14 and students in the state training system.

15 (20) Facilitate private sector assistance for the state training  
16 system, including but not limited to: Financial assistance, rotation  
17 of private and public personnel, and vocational counseling.

18 (21) Facilitate programs for school-to-work transition that combine  
19 classroom education and on-the-job training in industries and  
20 occupations without a significant number of apprenticeship programs.

21 (22) Encourage and assess progress for the equitable representation  
22 of racial and ethnic minorities, women, and people with disabilities  
23 among the students, teachers, and administrators of the state training  
24 system. Equitable, for this purpose, shall mean substantially  
25 proportional to their percentage of the state population in the  
26 geographic area served. This function of the board shall in no way  
27 lessen more stringent state or federal requirements for representation  
28 of racial and ethnic minorities, women, and people with disabilities.

29 (23) Participate in the planning and policy development of governor  
30 set-aside grants under P.L. 97-300, as amended.

31 (24) Administer veterans' programs, licensure of private vocational  
32 schools, the job skills program, and the Washington award for  
33 vocational excellence.

34 (25) Allocate funding from the state job training trust fund.

35 (26) Work with the director of the department of economic and  
36 community development to ensure the coordination of work force training  
37 efforts with that department's technology diffusion, self-employment,  
38 and business start-up efforts.

39 (27) Adopt rules as necessary to implement this chapter.

1 The board may delegate to the director any of the functions of this  
2 section.

3 **Sec. 16.** RCW 43.17.010 and 1989 1st ex.s. c 9 s 810 are each  
4 amended to read as follows:

5 There shall be departments of the state government which shall be  
6 known as (1) the department of social and health services, (2) the  
7 department of ecology, (3) the department of labor and industries, (4)  
8 the department of agriculture, (5) the department of fisheries, (6) the  
9 department of wildlife, (7) the department of transportation, (8) the  
10 department of licensing, (9) the department of general administration,  
11 (10) the department of (~~trade and~~) economic and community  
12 development, (11) the department of veterans affairs, (12) the  
13 department of revenue, (13) the department of retirement systems, (14)  
14 the department of corrections, and (15) (~~the department of community~~  
15 ~~development, and (16))~~) the department of health, which shall be  
16 charged with the execution, enforcement, and administration of such  
17 laws, and invested with such powers and required to perform such  
18 duties, as the legislature may provide.

19 **Sec. 17.** RCW 43.17.020 and 1989 1st ex.s. c 9 s 811 are each  
20 amended to read as follows:

21 There shall be a chief executive officer of each department to be  
22 known as: (1) The secretary of social and health services, (2) the  
23 director of ecology, (3) the director of labor and industries, (4) the  
24 director of agriculture, (5) the director of fisheries, (6) the  
25 director of wildlife, (7) the secretary of transportation, (8) the  
26 director of licensing, (9) the director of general administration, (10)  
27 the director of (~~trade and~~) economic and community development, (11)  
28 the director of veterans affairs, (12) the director of revenue, (13)  
29 the director of retirement systems, (14) the secretary of corrections,  
30 and (15) (~~the director of community development, and (16))~~) the  
31 secretary of health.

32 Such officers, except the secretary of transportation, shall be  
33 appointed by the governor, with the consent of the senate, and hold  
34 office at the pleasure of the governor. The director of wildlife,  
35 however, shall be appointed according to the provisions of RCW  
36 77.04.080. If a vacancy occurs while the senate is not in session, the  
37 governor shall make a temporary appointment until the next meeting of

1 the senate. A temporary director of wildlife shall not serve more than  
2 one year. The secretary of transportation shall be appointed by the  
3 transportation commission as prescribed by RCW 47.01.041.

4 NEW SECTION. **Sec. 18.** The department of community development is  
5 hereby abolished and its powers, duties, and functions are hereby  
6 transferred to the department of economic and community development.

7 NEW SECTION. **Sec. 19.** All reports, documents, surveys, books,  
8 records, files, papers, or written material in the possession of the  
9 department of community development shall be delivered to the custody  
10 of the department of economic and community development. All cabinets,  
11 furniture, office equipment, motor vehicles, and other tangible  
12 property employed by the department of community development shall be  
13 made available to the department of economic and community development.  
14 All funds, credits, or other assets held by the department of community  
15 development shall be assigned to the department of economic and  
16 community development.

17 Any appropriations made to the department of community development  
18 shall, on the effective date of this section, be transferred and  
19 credited to the department of economic and community development.

20 Whenever any question arises as to the transfer of any personnel,  
21 funds, books, documents, records, papers, files, equipment, or other  
22 tangible property used or held in the exercise of the powers and the  
23 performance of the duties and functions transferred, the director of  
24 financial management shall make a determination as to the proper  
25 allocation and certify the same to the state agencies concerned.

26 NEW SECTION. **Sec. 20.** All employees of the department of  
27 community development are transferred to the jurisdiction of the  
28 department of economic and community development. All employees  
29 classified under chapter 41.06 RCW, the state civil service law, are  
30 assigned to the department of economic and community development to  
31 perform their usual duties upon the same terms as formerly, without any  
32 loss of rights, subject to any action that may be appropriate  
33 thereafter in accordance with the laws and rules governing state civil  
34 service.

1        NEW SECTION.    **Sec. 21.** All rules and all pending business before  
2 the department of community development shall be continued and acted  
3 upon by the department of economic and community development. All  
4 existing contracts and obligations shall remain in full force and shall  
5 be performed by the department of economic and community development.

6        NEW SECTION.    **Sec. 22.** The transfer of the powers, duties,  
7 functions, and personnel of the department of community development  
8 shall not affect the validity of any act performed prior to the  
9 effective date of this section.

10       NEW SECTION.    **Sec. 23.** If apportionments of budgeted funds are  
11 required because of the transfers directed by sections 19 through 22 of  
12 this act, the director of financial management shall certify the  
13 apportionments to the agencies affected, the state auditor, and the  
14 state treasurer. Each of these shall make the appropriate transfer and  
15 adjustments in funds and appropriation accounts and equipment records  
16 in accordance with the certification.

17       NEW SECTION.    **Sec. 24.** Nothing contained in sections 18 through 23  
18 of this act may be construed to alter any existing collective  
19 bargaining unit or the provisions of any existing collective bargaining  
20 agreement until the agreement has expired or until the bargaining unit  
21 has been modified by action of the personnel board as provided by law.

22       NEW SECTION.    **Sec. 25.** The department of trade and economic  
23 development is hereby abolished and its powers, duties, and functions  
24 are hereby transferred to the department of economic and community  
25 development.

26       NEW SECTION.    **Sec. 26.** All reports, documents, surveys, books,  
27 records, files, papers, or written material in the possession of the  
28 department of trade and economic development shall be delivered to the  
29 custody of the department of economic and community development. All  
30 cabinets, furniture, office equipment, motor vehicles, and other  
31 tangible property employed by the department of trade and economic  
32 development shall be made available to the department of economic and  
33 community development. All funds, credits, or other assets held by the

1 department of trade and economic development shall be assigned to the  
2 department of economic and community development.

3 Any appropriations made to the department of trade and economic  
4 development shall, on the effective date of this section, be  
5 transferred and credited to the department of economic and community  
6 development.

7 Whenever any question arises as to the transfer of any personnel,  
8 funds, books, documents, records, papers, files, equipment, or other  
9 tangible property used or held in the exercise of the powers and the  
10 performance of the duties and functions transferred, the director of  
11 financial management shall make a determination as to the proper  
12 allocation and certify the same to the state agencies concerned.

13 NEW SECTION. **Sec. 27.** All employees of the department of trade  
14 and economic development are transferred to the jurisdiction of the  
15 department of economic and community development. All employees  
16 classified under chapter 41.06 RCW, the state civil service law, are  
17 assigned to the department of economic and community development to  
18 perform their usual duties upon the same terms as formerly, without any  
19 loss of rights, subject to any action that may be appropriate  
20 thereafter in accordance with the laws and rules governing state civil  
21 service.

22 NEW SECTION. **Sec. 28.** All rules and all pending business before  
23 the department of trade and economic development shall be continued and  
24 acted upon by the department of economic and community development.  
25 All existing contracts and obligations shall remain in full force and  
26 shall be performed by the department of economic and community  
27 development.

28 NEW SECTION. **Sec. 29.** The transfer of the powers, duties,  
29 functions, and personnel of the department of trade and economic  
30 development shall not affect the validity of any act performed prior to  
31 the effective date of this section.

32 NEW SECTION. **Sec. 30.** If apportionments of budgeted funds are  
33 required because of the transfers directed by sections 26 through 29 of  
34 this act, the director of financial management shall certify the  
35 apportionments to the agencies affected, the state auditor, and the

1 state treasurer. Each of these shall make the appropriate transfer and  
2 adjustments in funds and appropriation accounts and equipment records  
3 in accordance with the certification.

4 NEW SECTION. **Sec. 31.** Nothing contained in sections 25 through 30  
5 of this act may be construed to alter any existing collective  
6 bargaining unit or the provisions of any existing collective bargaining  
7 agreement until the agreement has expired or until the bargaining unit  
8 has been modified by action of the personnel board as provided by law.

9 **Sec. 32.** RCW 19.85.020 and 1989 c 374 s 1 are each amended to read  
10 as follows:

11 Unless the context clearly indicates otherwise, the definitions in  
12 this section apply through this chapter.

13 (1) "Small business" has the meaning given in ((RCW 43.31.025(4)))  
14 section 3 of this act.

15 (2) "Small business economic impact statement" means a statement  
16 meeting the requirements of RCW 19.85.040 prepared by a state agency  
17 pursuant to RCW 19.85.030.

18 (3) "Industry" means all of the businesses in this state in any one  
19 three-digit standard industrial classification as published by the  
20 United States department of commerce.

21 **Sec. 33.** RCW 42.17.310 and 1992 c 139 s 5 and 1992 c 71 s 12 are  
22 each reenacted and amended to read as follows:

23 (1) The following are exempt from public inspection and copying:

24 (a) Personal information in any files maintained for students in  
25 public schools, patients or clients of public institutions or public  
26 health agencies, or welfare recipients.

27 (b) Personal information in files maintained for employees,  
28 appointees, or elected officials of any public agency to the extent  
29 that disclosure would violate their right to privacy.

30 (c) Information required of any taxpayer in connection with the  
31 assessment or collection of any tax if the disclosure of the  
32 information to other persons would (i) be prohibited to such persons by  
33 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result  
34 in unfair competitive disadvantage to the taxpayer.

35 (d) Specific intelligence information and specific investigative  
36 records compiled by investigative, law enforcement, and penology

1 agencies, and state agencies vested with the responsibility to  
2 discipline members of any profession, the nondisclosure of which is  
3 essential to effective law enforcement or for the protection of any  
4 person's right to privacy.

5 (e) Information revealing the identity of persons who are witnesses  
6 to or victims of crime or who file complaints with investigative, law  
7 enforcement, or penology agencies, other than the public disclosure  
8 commission, if disclosure would endanger any person's life, physical  
9 safety, or property. If at the time a complaint is filed the  
10 complainant, victim or witness indicates a desire for disclosure or  
11 nondisclosure, such desire shall govern. However, all complaints filed  
12 with the public disclosure commission about any elected official or  
13 candidate for public office must be made in writing and signed by the  
14 complainant under oath.

15 (f) Test questions, scoring keys, and other examination data used  
16 to administer a license, employment, or academic examination.

17 (g) Except as provided by chapter 8.26 RCW, the contents of real  
18 estate appraisals, made for or by any agency relative to the  
19 acquisition or sale of property, until the project or prospective sale  
20 is abandoned or until such time as all of the property has been  
21 acquired or the property to which the sale appraisal relates is sold,  
22 but in no event shall disclosure be denied for more than three years  
23 after the appraisal.

24 (h) Valuable formulae, designs, drawings, and research data  
25 obtained by any agency within five years of the request for disclosure  
26 when disclosure would produce private gain and public loss.

27 (i) Preliminary drafts, notes, recommendations, and intra-agency  
28 memorandums in which opinions are expressed or policies formulated or  
29 recommended except that a specific record shall not be exempt when  
30 publicly cited by an agency in connection with any agency action.

31 (j) Records which are relevant to a controversy to which an agency  
32 is a party but which records would not be available to another party  
33 under the rules of pretrial discovery for causes pending in the  
34 superior courts.

35 (k) Records, maps, or other information identifying the location of  
36 archaeological sites in order to avoid the looting or depredation of  
37 such sites.

1 (l) Any library record, the primary purpose of which is to maintain  
2 control of library materials, or to gain access to information, which  
3 discloses or could be used to disclose the identity of a library user.

4 (m) Financial information supplied by or on behalf of a person,  
5 firm, or corporation for the purpose of qualifying to submit a bid or  
6 proposal for (a) a ferry system construction or repair contract as  
7 required by RCW 47.60.680 through 47.60.750 or (b) highway construction  
8 or improvement as required by RCW 47.28.070.

9 (n) Railroad company contracts filed prior to July 28, 1991, with  
10 the utilities and transportation commission under RCW 81.34.070, except  
11 that the summaries of the contracts are open to public inspection and  
12 copying as otherwise provided by this chapter.

13 (o) Financial and commercial information and records supplied by  
14 private persons pertaining to export services provided pursuant to  
15 chapter 43.163 RCW and chapter 53.31 RCW.

16 (p) Financial disclosures filed by private vocational schools under  
17 chapter 28C.10 RCW.

18 (q) Records filed with the utilities and transportation commission  
19 or attorney general under RCW 80.04.095 that a court has determined are  
20 confidential under RCW 80.04.095.

21 (r) Financial and commercial information and records supplied by  
22 businesses during application for loans or program services provided by  
23 chapters 43.163 (~~(RCW and chapters 43.31, 43.63A)~~), 43.-- (sections 1  
24 through 8, 10 through 14, and 76 of this act), and 43.168 RCW.

25 (s) Membership lists or lists of members or owners of interests of  
26 units in timeshare projects, subdivisions, camping resorts,  
27 condominiums, land developments, or common-interest communities  
28 affiliated with such projects, regulated by the department of  
29 licensing, in the files or possession of the department.

30 (t) All applications for public employment, including the names of  
31 applicants, resumes, and other related materials submitted with respect  
32 to an applicant.

33 (u) The residential addresses and residential telephone numbers of  
34 employees or volunteers of a public agency which are held by the agency  
35 in personnel records, employment or volunteer rosters, or mailing lists  
36 of employees or volunteers.

37 (v) The residential addresses and residential telephone numbers of  
38 the customers of a public utility contained in the records or lists  
39 held by the public utility of which they are customers.

1 (w) Information obtained by the board of pharmacy as provided in  
2 RCW 69.45.090.

3 (x) Information obtained by the board of pharmacy or the department  
4 of health and its representatives as provided in RCW 69.41.044,  
5 69.41.280, and 18.64.420.

6 (y) Financial information, business plans, examination reports, and  
7 any information produced or obtained in evaluating or examining a  
8 business and industrial development corporation organized or seeking  
9 certification under chapter 31.24 RCW.

10 (z) Financial and commercial information supplied to the state  
11 investment board by any person when the information relates to the  
12 investment of public trust or retirement funds and when disclosure  
13 would result in loss to such funds or in private loss to the providers  
14 of this information.

15 (aa) Financial and valuable trade information under RCW 51.36.120.

16 (bb) Client records maintained by an agency that is a domestic  
17 violence program as defined in RCW 70.123.020 or a rape crisis center  
18 as defined in RCW 70.125.030.

19 (cc) Information that identifies a person who, while an agency  
20 employee: (i) Seeks advice, under an informal process established by  
21 the employing agency, in order to ascertain his or her rights in  
22 connection with a possible unfair practice under chapter 49.60 RCW  
23 against the person; and (ii) requests his or her identity or any  
24 identifying information not be disclosed.

25 (dd) Business related information protected from public inspection  
26 and copying under RCW 15.86.110.

27 (2) Except for information described in subsection (1)(c)(i) of  
28 this section and confidential income data exempted from public  
29 inspection pursuant to RCW 84.40.020, the exemptions of this section  
30 are inapplicable to the extent that information, the disclosure of  
31 which would violate personal privacy or vital governmental interests,  
32 can be deleted from the specific records sought. No exemption may be  
33 construed to permit the nondisclosure of statistical information not  
34 descriptive of any readily identifiable person or persons.

35 (3) Inspection or copying of any specific records exempt under the  
36 provisions of this section may be permitted if the superior court in  
37 the county in which the record is maintained finds, after a hearing  
38 with notice thereof to every person in interest and the agency, that

1 the exemption of such records is clearly unnecessary to protect any  
2 individual's right of privacy or any vital governmental function.

3 (4) Agency responses refusing, in whole or in part, inspection of  
4 any public record shall include a statement of the specific exemption  
5 authorizing the withholding of the record (or part) and a brief  
6 explanation of how the exemption applies to the record withheld.

7 **Sec. 34.** RCW 42.17.319 and 1989 c 312 s 7 are each amended to read  
8 as follows:

9 Notwithstanding the provisions of RCW 42.17.260 through 42.17.340,  
10 no financial or proprietary information supplied by investors or  
11 entrepreneurs under chapter (~~(43.31)~~) 43.-- RCW (sections 1 through 8,  
12 10 through 14, and 76 of this act) shall be made available to the  
13 public.

14 **Sec. 35.** RCW 43.17.065 and 1991 c 314 s 28 are each amended to  
15 read as follows:

16 (1) Where power is vested in a department to issue permits,  
17 licenses, certifications, contracts, grants, or otherwise authorize  
18 action on the part of individuals, businesses, local governments, or  
19 public or private organizations, such power shall be exercised in an  
20 expeditious manner. All departments with such power shall cooperate  
21 with officials of the business assistance center of the department of  
22 (~~(trade and)~~) economic and community development, and any other state  
23 officials, when such officials request timely action on the part of the  
24 issuing department.

25 (2) After August 1, 1991, any agency to which subsection (1) of  
26 this section applies shall, with regard to any permits or other actions  
27 that are necessary for economic development in timber impact areas, as  
28 defined in RCW 43.31.601, respond to any completed application within  
29 forty-five days of its receipt; any response, at a minimum, shall  
30 include:

31 (a) The specific steps that the applicant needs to take in order to  
32 have the application approved; and

33 (b) The assistance that will be made available to the applicant by  
34 the agency to expedite the application process.

35 (3) The agency timber task force established in RCW 43.31.621 shall  
36 oversee implementation of this section.

1 (4) Each agency shall define what constitutes a completed  
2 application and make this definition available to applicants.

3 **Sec. 36.** RCW 43.20A.750 and 1992 c 21 s 4 are each amended to read  
4 as follows:

5 (1) The department of social and health services shall help  
6 families and workers in timber impact areas make the transition through  
7 economic difficulties and shall provide services to assist workers to  
8 gain marketable skills. The department, as a member of the agency  
9 timber task force and in consultation with the economic recovery  
10 coordination board, and, where appropriate, under an interagency  
11 agreement with the department of economic and community development,  
12 shall provide grants through the office of the secretary for services  
13 to the unemployed in timber impact areas, including providing direct or  
14 referral services, establishing and operating service delivery  
15 programs, and coordinating delivery programs and delivery of services.  
16 These grants may be awarded for family support centers, reemployment  
17 centers, or other local service agencies.

18 (2) The services provided through the grants may include, but need  
19 not be limited to: Credit counseling; social services including  
20 marital counseling; psychotherapy or psychological counseling; mortgage  
21 foreclosures and utilities problems counseling; drug and alcohol abuse  
22 services; medical services; and residential heating and food  
23 acquisition.

24 (3) Funding for these services shall be coordinated through the  
25 economic recovery coordination board which will establish a fund to  
26 provide child care assistance, mortgage assistance, and counseling  
27 which cannot be met through current programs. No funds shall be used  
28 for additional full-time equivalents for administering this section.

29 (4)(a) Grants for family support centers are intended to provide  
30 support to families by responding to needs identified by the families  
31 and communities served by the centers. Services provided by family  
32 support centers may include parenting education, child development  
33 assessments, health and nutrition education, counseling, and  
34 information and referral services. Such services may be provided  
35 directly by the center or through referral to other agencies  
36 participating in the interagency team.

37 (b) The department shall consult with the council on child abuse or  
38 neglect regarding grants for family support centers.

1 (5) "Timber impact area" means:

2 (a) A county having a population of less than five hundred  
3 thousand, or a city or town located within a county having a population  
4 of less than five hundred thousand, and meeting two of the following  
5 three criteria, as determined by the employment security department,  
6 for the most recent year such data is available: (i) A lumber and wood  
7 products employment location quotient at or above the state average;  
8 (ii) projected or actual direct lumber and wood products job losses of  
9 one hundred positions or more, except counties having a population  
10 greater than two hundred thousand but less than five hundred thousand  
11 must have direct lumber and wood products job losses of one thousand  
12 positions or more; or (iii) an annual unemployment rate twenty percent  
13 or more above the state average; or

14 (b) Additional communities as the economic recovery coordinating  
15 board, established in RCW 43.31.631, designates based on a finding by  
16 the board that each designated community is socially and economically  
17 integrated with areas that meet the definition of a timber impact area  
18 under (a) of this subsection.

19 **Sec. 37.** RCW 43.31.057 and 1986 c 183 s 2 are each amended to read  
20 as follows:

21 The department of (~~trade and~~) economic and community development  
22 is directed to develop and promote means to stimulate the expansion of  
23 the market for Washington products and shall have the following powers  
24 and duties:

25 (1) To develop a pamphlet for state-wide circulation which will  
26 encourage the purchase of items produced in the state of Washington;

27 (2) To include in the pamphlet a listing of products of Washington  
28 companies which individuals can examine when making purchases so they  
29 may have the opportunity to select one of those products in support of  
30 this program;

31 (3) To distribute the pamphlets on the broadest possible basis  
32 through local offices of state agencies, business organizations,  
33 chambers of commerce, or any other means the department deems  
34 appropriate;

35 (4) In carrying out these powers and duties the department shall  
36 cooperate and coordinate with other agencies of government and the  
37 private sector.

1       **Sec. 38.** RCW 43.31.085 and 1989 c 430 s 2 are each amended to read  
2 as follows:

3       The business assistance center shall:

4       (1) Serve as the state's lead agency and advocate for the  
5 development and conservation of businesses.

6       (2) Coordinate the delivery of state programs to assist businesses.

7       (3) Provide comprehensive referral services to businesses requiring  
8 government assistance.

9       (4) Serve as the business ombudsman within state government and  
10 advise the governor and the legislature of the need for new legislation  
11 to improve the effectiveness of state programs to assist businesses.

12       (5) Aggressively promote business awareness of the state's business  
13 programs and distribute information on the services available to  
14 businesses.

15       (6) Develop, in concert with local economic development and  
16 business assistance organizations, coordinated processes that  
17 complement both state and local activities and services.

18       (7) The business assistance center shall work with other federal,  
19 state, and local agencies and organizations to ensure that business  
20 assistance services including small business, trade services, and  
21 distressed area programs are provided in a coordinated and cost-  
22 effective manner.

23       (8) In collaboration with the child care coordinating committee in  
24 the department of social and health services, prepare and disseminate  
25 information on child care options for employers and the existence of  
26 the program. As much as possible, and through interagency agreements  
27 where necessary, such information should be included in the routine  
28 communications to employers from (a) the department of revenue, (b) the  
29 department of labor and industries, (c) ~~((the department of community~~  
30 ~~development, ~~(d))~~)~~ the employment security department, ~~((+e+))~~ (d) the  
31 department of ~~((trade and))~~ economic and community development, ~~((+f+))~~  
32 (e) the small business development center, and ~~((+g+))~~ (f) the  
33 department of social and health services.

34       (9) In collaboration with the child care coordinating committee in  
35 the department of social and health services, compile information on  
36 and facilitate employer access to individuals, firms, organizations,  
37 and agencies that provide technical assistance to employers to enable  
38 them to develop and support child care services or facilities.

1 (10) Actively seek public and private money to support the child  
2 care facility fund described in RCW 43.31.502, staff and assist the  
3 child care facility fund committee as described in RCW 43.31.504, and  
4 work to promote applications to the committee for loan guarantees,  
5 loans, and grants.

6 **Sec. 39.** RCW 43.31.205 and 1992 c 228 s 2 are each amended to read  
7 as follows:

8 In an effort to enhance the economy of the Tri-Cities area, the  
9 department of (~~trade and~~) economic and community development is  
10 directed to promote the existence of the lease between the state of  
11 Washington and the federal government executed September 10, 1964,  
12 covering one thousand acres of land lying within the Hanford  
13 reservation near Richland, Washington, and the opportunity of  
14 subleasing the land to entities for nuclear-related industry, in  
15 agreement with the terms of the lease. When promoting the existence of  
16 the lease, the department shall work in cooperation with any associate  
17 development organization(~~s~~) located in or near the Tri-Cities area.

18 **Sec. 40.** RCW 43.31.409 and 1989 c 312 s 3 are each amended to read  
19 as follows:

20 There is created in the business assistance center of the  
21 department of (~~trade and~~) economic and community development the  
22 Washington investment opportunities office.

23 **Sec. 41.** RCW 43.31.411 and 1989 c 312 s 4 are each amended to read  
24 as follows:

25 The Washington investment opportunities office shall:

26 (1) Maintain a list of all entrepreneurs engaged in manufacturing,  
27 wholesaling, transportation services, development of destination  
28 tourism resorts, or traded services throughout the state seeking  
29 capital resources and interested in the services of the investment  
30 opportunities office.

31 (2) Maintain a file on each entrepreneur which may include the  
32 entrepreneur's business plan and any other information which the  
33 entrepreneur offers for review by potential investors.

34 (3) Assist entrepreneurs in procuring the managerial and technical  
35 assistance necessary to attract potential investors. Such assistance  
36 shall include the automatic referral to the small business innovators

1 opportunity program of any entrepreneur with a new product meriting the  
2 services of the program.

3 (4) Provide entrepreneurs with information about potential  
4 investors and provide investors with information about those  
5 entrepreneurs which meet the investment criteria of the investor.

6 (5) Promote small business securities financing.

7 (6) Remain informed about investment trends in capital markets and  
8 preferences of individual investors or investment firms throughout the  
9 nation through literature surveys, conferences, and private meetings.

10 (7) Publicize the services of the investment opportunities office  
11 through public meetings throughout the state, appropriately targeted  
12 media, and private meetings. Whenever practical, the office shall use  
13 the existing services of local associate development organizations in  
14 outreach and identification of entrepreneurs and investors.

15 (8) Report to the ways and means committees and (~~commerce and~~  
16 ~~labor~~) appropriate economic development committees of the senate and  
17 the house of representatives by December 1, 1989, and each year  
18 thereafter, on the accomplishments of the office. Such reports shall  
19 include:

20 (a) The number of entrepreneurs on the list referred to in  
21 subsection (1) of this section, segregated by standard industrial  
22 classification codes;

23 (b) The number of investments made in entrepreneurs, segregated as  
24 required by (a) of this subsection, as a result of contact with the  
25 investment opportunities office, the dollar amount of each such  
26 investment, the source, by state or nation, of each investment, and the  
27 number of jobs created as a result of each investment;

28 (c) The number of entrepreneurs on the list referred to in  
29 subsection (1) of this section segregated by counties, the number of  
30 investments, the dollar amount of investments, and the number of jobs  
31 created through investments in each county as a result of contact with  
32 the investment opportunities office;

33 (d) A categorization of jobs created through investments made as a  
34 result of contact with the investment opportunities office, the number  
35 of jobs created in each such category, and the average pay scale for  
36 jobs created in each such category;

37 (e) The results of client satisfaction surveys distributed to  
38 entrepreneurs and investors using the services of the investment  
39 opportunities office; and

1 (f) Such other information as the managing director finds  
2 appropriate.

3 **Sec. 42.** RCW 43.31.422 and 1991 c 272 s 19 are each amended to  
4 read as follows:

5 The Hanford area economic investment fund is established in the  
6 custody of the state treasurer. Moneys in the fund shall only be used  
7 pursuant to the recommendations of the committee created in RCW  
8 43.31.425 and the approval of the director of the department of (~~trade~~  
9 ~~and~~) economic and community development for Hanford area revolving  
10 loan funds, Hanford area infrastructure projects, or other Hanford area  
11 economic development and diversification projects, but may not be used  
12 for government or nonprofit organization operating expenses. Up to  
13 five percent of moneys in the fund may be used for program  
14 administration. For the purpose of this chapter "Hanford area" means  
15 Benton and Franklin counties. Disbursements from the fund shall be on  
16 the authorization of the director of (~~trade and~~) economic and  
17 community development or the director's designee after an affirmative  
18 vote of at least six members of the committee created in RCW 43.31.425  
19 on any recommendations by the committee created in RCW 43.31.425. The  
20 fund is subject to the allotment procedures under chapter 43.88 RCW,  
21 but no appropriation is required for disbursements. The legislature  
22 intends to establish similar economic investment funds for areas that  
23 develop low-level radioactive waste disposal facilities.

24 **Sec. 43.** RCW 43.31.504 and 1989 c 430 s 4 are each amended to read  
25 as follows:

26 The child care facility fund committee is established within the  
27 business assistance center of the department of (~~trade and~~) economic  
28 and community development. The committee shall administer the child  
29 care facility fund, with review by the director of the department of  
30 (~~trade and~~) economic and community development.

31 (1) The committee shall have five members. The director of the  
32 department of (~~trade and~~) economic and community development shall  
33 appoint the members, who shall include:

34 (a) Two persons experienced in investment finance and having skills  
35 in providing capital to new businesses, in starting and operating  
36 businesses, and providing professional services to small or expanding  
37 businesses;

1 (b) One person representing a philanthropic organization with  
2 experience in evaluating funding requests;

3 (c) One child care services expert; and

4 (d) One early childhood development expert.

5 In making these appointments, the director shall give careful  
6 consideration to ensure that the various geographic regions of the  
7 state are represented and that members will be available for meetings  
8 and are committed to working cooperatively to address child care needs  
9 in Washington state.

10 (2) The committee shall elect officers from among its membership  
11 and shall adopt policies and procedures specifying the lengths of  
12 terms, methods for filling vacancies, and other matters necessary to  
13 the ongoing functioning of the committee.

14 (3) Committee members shall serve without compensation, but may  
15 request reimbursement for travel expenses as provided in RCW 43.03.050  
16 and 43.03.060.

17 (4) Committee members shall not be liable to the state, to the  
18 child care facility fund, or to any other person as a result of their  
19 activities, whether ministerial or discretionary, as members except for  
20 willful dishonesty or intentional violation of the law. The department  
21 of (~~trade and~~) economic and community development may purchase  
22 liability insurance for members and may indemnify these persons against  
23 the claims of others.

24 **Sec. 44.** RCW 43.31.522 and 1990 c 57 s 2 are each amended to read  
25 as follows:

26 Unless the context clearly requires otherwise, the definitions in  
27 this section apply throughout RCW 43.31.524 and 43.31.526:

28 (1) "Department" means the department of (~~trade and~~) economic and  
29 community development.

30 (2) "Center" means the business assistance center established under  
31 RCW 43.31.083.

32 (3) "Director" means the director of (~~trade and~~) economic and  
33 community development.

34 (4) "Local nonprofit organization" means a local nonprofit  
35 organization organized to provide economic development or community  
36 development services, including but not limited to associate  
37 development organizations, economic development councils, and community  
38 development corporations.

1       **Sec. 45.** RCW 43.31.524 and 1990 c 57 s 3 are each amended to read  
2 as follows:

3       There is established a Washington marketplace program within the  
4 business assistance center established under RCW 43.31.083. The  
5 program shall assist businesses to competitively meet their needs for  
6 goods and services within Washington state by providing information  
7 relating to the replacement of imports or the fulfillment of new  
8 requirements with Washington products produced in Washington state.  
9 The program shall place special emphasis on strengthening rural  
10 economies in economically distressed areas of the state meeting the  
11 criteria of an "eligible area" as defined in RCW 82.60.020(3). ((The  
12 Washington marketplace program shall consult with the community  
13 revitalization team established pursuant to chapter 43.165 RCW.))

14       **Sec. 46.** RCW 43.31.526 and 1990 c 57 s 4 are each amended to read  
15 as follows:

16       (1) The department shall contract with local nonprofit  
17 organizations in at least three economically distressed areas of the  
18 state that meet the criteria of an "eligible area" as defined in RCW  
19 82.60.020(3) to implement the Washington marketplace program in these  
20 areas. The department, in order to foster cooperation and linkages  
21 between distressed and nondistressed areas and urban and rural areas,  
22 may enter into joint contracts with multiple nonprofit organizations.  
23 Contracts with economic development organizations to foster cooperation  
24 and linkages between distressed and nondistressed areas and urban and  
25 rural areas shall be structured by the department and the distressed  
26 area marketplace programs. Contracts with economic development  
27 organizations shall:

28       (a) Award contracts based on a competitive bidding process,  
29 pursuant to chapter 43.19 RCW;

30       (b) Give preference to nonprofit organizations representing a broad  
31 spectrum of community support; and

32       (c) Ensure that each location contain sufficient business activity  
33 to permit effective program operation.

34       The department may require that contractors contribute at least  
35 twenty percent local funding.

36       (2) The contracts with local nonprofit organizations shall be for,  
37 but not limited to, the performance of the following services for the  
38 Washington marketplace program:

1 (a) Contacting Washington state businesses to identify goods and  
2 services they are currently buying or are planning in the future to buy  
3 out-of-state and determine which of these goods and services could be  
4 purchased on competitive terms within the state;

5 (b) Identifying locally sold goods and services which are currently  
6 provided by out-of-state businesses;

7 (c) Determining, in consultation with local business, goods and  
8 services for which the business is willing to make contract agreements;

9 (d) Advertising market opportunities described in (c) of this  
10 subsection; and

11 (e) Receiving bid responses from potential suppliers and sending  
12 them to that business for final selection.

13 (3) Contracts may include provisions for charging service fees of  
14 businesses that profit as a result of participation in the program.

15 (4) The center shall also perform the following activities in order  
16 to promote the goals of the program:

17 (a) Prepare promotional materials or conduct seminars to inform  
18 communities and organizations about the Washington marketplace program;

19 (b) Provide technical assistance to communities and organizations  
20 interested in developing an import replacement program;

21 (c) Develop standardized procedures for operating the local  
22 component of the Washington marketplace program;

23 (d) Provide continuing management and technical assistance to local  
24 contractors; and

25 (e) Report by December 31 of each year to the ~~((senate))~~  
26 appropriate economic development ~~((and labor committee and to))~~  
27 committees of the senate and the house of representatives ~~((trade and~~  
28 ~~economic development committee))~~ describing the activities of the  
29 Washington marketplace program.

30 **Sec. 47.** RCW 43.31.621 and 1991 c 314 s 4 are each amended to read  
31 as follows:

32 (1) There is established the agency timber task force. The task  
33 force shall be chaired by the timber recovery coordinator. It shall be  
34 the responsibility of the coordinator that all directives of chapter  
35 314, Laws of 1991 are carried out expeditiously by the agencies  
36 represented in the task force. The task force shall consist of the  
37 directors, or representatives of the directors, of the following  
38 agencies: The department of ~~((trade and))~~ economic ~~((development,~~

1 ~~department—of~~) and community development, employment security  
2 department, department of social and health services, state board for  
3 community college education, state board for vocational education, or  
4 its replacement entity, department of natural resources, department of  
5 transportation, state energy office, department of wildlife, University  
6 of Washington center for international trade in forest products, and  
7 department of ecology. The task force may consult and enlist the  
8 assistance of the following: The higher education coordinating board,  
9 University of Washington college of forest resources, Washington State  
10 University school of forestry, Northwest policy center, state  
11 superintendent of public instruction, the Evergreen partnership,  
12 Washington association of counties, and rural development council.

13 (2) This section shall expire June 30, 1993.

14 **Sec. 48.** RCW 43.31.641 and 1991 c 314 s 7 are each amended to read  
15 as follows:

16 The department of (~~trade and~~) economic and community development,  
17 as a member of the agency timber task force and in consultation with  
18 the board, shall:

19 (1) Implement an expanded value-added forest products development  
20 industrial extension program. The department shall provide technical  
21 assistance to small and medium-sized forest products companies to  
22 include:

23 (a) Secondary manufacturing product development;

24 (b) Plant and equipment maintenance;

25 (c) Identification and development of domestic market  
26 opportunities;

27 (d) Building products export development assistance;

28 (e) At-risk business development assistance;

29 (f) Business network development; and

30 (g) Timber impact area industrial diversification.

31 (2) Provide local contracts for small and medium-sized forest  
32 product companies, start-ups, and business organizations for business  
33 feasibility, market development, and business network contracts that  
34 will benefit value-added production efforts in the industry.

35 (3) Contract with local business organizations in timber impact  
36 areas for development of programs to promote industrial  
37 diversification. (~~In addition, the department shall develop an~~  
38 ~~interagency agreement with the department of community development for~~

1 ~~local capacity building grants to local governments and community based~~  
2 ~~organizations in timber impact areas, which may include long range~~  
3 ~~planning and needs assessments.))~~

4 (4) Implement a community assistance program to enable communities  
5 to build local capacity for sustainable economic development efforts.  
6 The program shall provide resources and technical assistance to timber  
7 impact areas.

8 (5) Develop and administer a program for local capacity-building  
9 grants for local governments and community-based organizations in  
10 timber impact areas that may include assistance for long-range planning  
11 and needs assessments.

12 For the 1991-93 biennium, the department of (~~trade and~~) economic  
13 and community development shall use funds appropriated for this section  
14 for contracts and for no more than two additional staff positions.

15 **Sec. 49.** RCW 43.31.830 and 1987 c 195 s 7 are each amended to read  
16 as follows:

17 (1) It shall be the duty of the director of economic and community  
18 development to certify, from the applications received, the state  
19 international trade fair or fairs qualified and entitled to receive  
20 funds under RCW ((43.31.790 through 43.31.850 and)) 67.16.100, ((as now  
21 or hereafter amended)) and under rules established by the director.

22 (2) To be eligible for state financed aid an organization shall:

23 (a) Have had at least two or more years of experience in the  
24 presentation of or participation in state international trade fairs;  
25 and

26 (b) Be able to provide, from its own resources derived from general  
27 admission or otherwise, funds sufficient to match at least one-half of  
28 the amount of state financial aid allotted.

29 (3) The director shall make annual allotments to state  
30 international trade fairs determined qualified to be entitled to  
31 participate in the state trade fair fund and shall fix times for the  
32 division of and payment from the state trade fair fund: PROVIDED, That  
33 total payment to any one state international trade fair shall not  
34 exceed sixty thousand dollars in any one year, where participation or  
35 presentation occurs within the United States, and eighty thousand  
36 dollars in any one year, where participation or presentation occurs  
37 outside the United States: PROVIDED FURTHER, That a state  
38 international trade fair may qualify for the full allotment of funds

1 under either category. Upon certification of the allotment and  
2 division of fair funds by the director (~~(of trade and economic~~  
3 ~~development)~~) the treasurer shall proceed to pay the same to carry out  
4 the purposes of RCW (~~(43.31.790 through 43.31.850 and)~~) 67.16.100(~~(, as~~  
5 ~~now or hereafter amended)~~)).

6 **Sec. 50.** RCW 43.31.840 and 1975 1st ex.s. c 292 s 6 are each  
7 amended to read as follows:

8 The director of economic and community development shall at the end  
9 of each year for which an annual allotment has been made, (~~cause to be~~  
10 ~~conducted,~~) conduct a post audit of all of the books and records of  
11 each state international trade fair participating in the state trade  
12 fair fund. The purpose of such post audit shall be to determine how  
13 and to what extent each participating state international trade fair  
14 has expended all of its funds.

15 The audit required by this section shall be a condition to future  
16 allotments of money from the state international trade fair fund, and  
17 the director shall make a report of the findings of each post audit and  
18 shall use such report as a consideration in an application for any  
19 future allocations.

20 **Sec. 51.** RCW 43.31.850 and 1987 c 195 s 9 are each amended to read  
21 as follows:

22 State international trade fair as used in RCW (~~(43.31.790 through~~  
23 ~~43.31.840 and)~~) 67.16.100(~~(, as now or hereafter amended,~~) shall mean  
24 a fair supported by public agencies basically for the purpose of  
25 introducing and promoting the sale of manufactured or cultural products  
26 and services of a given area, whether presented in this state, the  
27 United States or its territories, or in a foreign country.

28 **Sec. 52.** RCW 43.160.020 and 1992 c 21 s 3 are each amended to read  
29 as follows:

30 Unless the context clearly requires otherwise, the definitions in  
31 this section apply throughout this chapter.

32 (1) "Board" means the community economic revitalization board.

33 (2) "Bond" means any bond, note, debenture, interim certificate, or  
34 other evidence of financial indebtedness issued by the board pursuant  
35 to this chapter.

1 (3) "Department" means the department of (~~trade and~~) economic and  
2 community development (~~or its successor with respect to the powers~~  
3 ~~granted by this chapter~~)).

4 (4) "Financial institution" means any bank, savings and loan  
5 association, credit union, development credit corporation, insurance  
6 company, investment company, trust company, savings institution, or  
7 other financial institution approved by the board and maintaining an  
8 office in the state.

9 (5) "Industrial development facilities" means "industrial  
10 development facilities" as defined in RCW 39.84.020.

11 (6) "Industrial development revenue bonds" means tax-exempt revenue  
12 bonds used to fund industrial development facilities.

13 (7) "Local government" means any port district, county, city, or  
14 town.

15 (8) "Sponsor" means any of the following entities which customarily  
16 provide service or otherwise aid in industrial or other financing and  
17 are approved as a sponsor by the board: A bank, trust company, savings  
18 bank, investment bank, national banking association, savings and loan  
19 association, building and loan association, credit union, insurance  
20 company, or any other financial institution, governmental agency, or  
21 holding company of any entity specified in this subsection.

22 (9) "Umbrella bonds" means industrial development revenue bonds  
23 from which the proceeds are loaned, transferred, or otherwise made  
24 available to two or more users under this chapter.

25 (10) "User" means one or more persons acting as lessee, purchaser,  
26 mortgagor, or borrower under a financing document and receiving or  
27 applying to receive revenues from bonds issued under this chapter.

28 (11) "Timber impact area" means:

29 (a) A county having a population of less than five hundred  
30 thousand, or a city or town located within a county having a population  
31 of less than five hundred thousand, and meeting two of the following  
32 three criteria, as determined by the employment security department,  
33 for the most recent year such data is available: (i) A lumber and wood  
34 products employment location quotient at or above the state average;  
35 (ii) projected or actual direct lumber and wood products job losses of  
36 one hundred positions or more, except counties having a population  
37 greater than two hundred thousand but less than five hundred thousand  
38 must have direct lumber and wood products job losses of one thousand

1 positions or more; or (iii) an annual unemployment rate twenty percent  
2 or more above the state average; or

3 (b) Additional communities as the economic recovery coordinating  
4 board, established in RCW 43.31.631, designates based on a finding by  
5 the board that each designated community is socially and economically  
6 integrated with areas that meet the definition of a timber impact area  
7 under (a) of this subsection.

8 **Sec. 53.** RCW 43.168.020 and 1991 c 314 s 19 are each amended to  
9 read as follows:

10 Unless the context clearly requires otherwise, the definitions in  
11 this section apply throughout this chapter.

12 (1) "Committee" means the Washington state development loan fund  
13 committee.

14 (2) "Department" means the department of economic and community  
15 development.

16 (3) "Director" means the director of the department of economic and  
17 community development.

18 (4) "Distressed area" means: (a) A county which has an  
19 unemployment rate which is twenty percent above the state average for  
20 the immediately previous three years; (b) a metropolitan statistical  
21 area, as defined by the office of federal statistical policy and  
22 standards, United States department of commerce, in which the average  
23 level of unemployment for the calendar year immediately preceding the  
24 year in which an application is filed under this chapter exceeds the  
25 average state unemployment for such calendar year by twenty percent.  
26 Applications under this subsection (4)(b) shall be filed by April 30,  
27 1989; (c) an area within a county, which area: (i) Is composed of  
28 contiguous census tracts; (ii) has a minimum population of five  
29 thousand persons; (iii) has at least seventy percent of its families  
30 and unrelated individuals with incomes below eighty percent of the  
31 county's median income for families and unrelated individuals; and (iv)  
32 has an unemployment rate which is at least forty percent higher than  
33 the county's unemployment rate; or (d) a county designated as a timber  
34 impact area under RCW 43.31.601 if an application is filed by July 1,  
35 1993. For purposes of this definition, "families and unrelated  
36 individuals" has the same meaning that is ascribed to that term by the  
37 federal department of housing and urban development in its regulations

1 authorizing action grants for economic development and neighborhood  
2 revitalization projects.

3 (5) "Fund" means the Washington state development loan fund.

4 (6) "Local development organization" means a nonprofit organization  
5 which is organized to operate within an area, demonstrates a commitment  
6 to a long-standing effort for an economic development program, and  
7 makes a demonstrable effort to assist in the employment of unemployed  
8 or underemployed residents in an area.

9 (7) "Project" means the establishment of a new or expanded business  
10 in an area which when completed will provide employment opportunities.  
11 "Project" also means the retention of an existing business in an area  
12 which when completed will provide employment opportunities.

13 **Sec. 54.** RCW 43.210.110 and 1991 c 314 s 12 are each amended to  
14 read as follows:

15 (1) The small business export finance assistance center has the  
16 following powers and duties when exercising its authority under RCW  
17 43.210.100(3):

18 (a) Solicit and accept grants, contributions, and any other  
19 financial assistance from the federal government, federal agencies, and  
20 any other public or private sources to carry out its purposes;

21 (b) Offer comprehensive export assistance and counseling to  
22 manufacturers relatively new to exporting with gross annual revenues  
23 less than twenty-five million dollars. As close to ninety percent as  
24 possible of each year's new cadre of clients must have gross annual  
25 revenues of less than five million dollars at the time of their initial  
26 contract. At least fifty percent of each year's new cadre of clients  
27 shall be from timber impact areas as defined in RCW 43.31.601.  
28 Counseling may include, but not be limited to, helping clients obtain  
29 debt or equity financing, in constructing competent proposals, and  
30 assessing federal guarantee and/or insurance programs that underwrite  
31 exporting risk; assisting clients in evaluating their international  
32 marketplace by developing marketing materials, assessing and selecting  
33 targeted markets; assisting firms in finding foreign customers by  
34 conducting foreign market research, evaluating distribution systems,  
35 selecting and assisting in identification of and/or negotiations with  
36 foreign agents, distributors, retailers, and by promoting products  
37 through attending trade shows abroad; advising companies on their  
38 products, guarantees, and after sales service requirements necessary to

1 compete effectively in a foreign market; designing a competitive  
2 strategy for a firm's products in targeted markets and methods of  
3 minimizing their commercial and political risks; securing for clients  
4 specific assistance as needed, outside the center's field of expertise,  
5 by referrals to other public or private organizations. The Pacific  
6 Northwest export assistance project shall focus its efforts on  
7 facilitating export transactions for its clients, and in doing so,  
8 provide such technical services as are appropriate to accomplish its  
9 mission either with staff or outside consultants;

10 (c) Sign three-year counseling agreements with its clients that  
11 provide for termination if adequate funding for the Pacific Northwest  
12 export assistance project is not provided in future appropriations.  
13 Counseling agreements shall not be renewed unless there are compelling  
14 reasons to do so, and under no circumstances shall they be renewed for  
15 more than two additional years. A counseling agreement may not be  
16 renewed more than once. The counseling agreements shall have mutual  
17 performance clauses, that if not met, will be grounds for releasing  
18 each party, without penalty, from the provisions of the agreement.  
19 Clients shall be immediately released from a counseling agreement with  
20 the Pacific Northwest export assistance project, without penalty, if a  
21 client wishes to switch to a private export management service and  
22 produces a valid contract signed with a private export management  
23 service, or if the president of the small business export finance  
24 assistance center determines there are compelling reasons to release a  
25 client from the provisions of the counseling agreement;

26 (d) May contract with private or public international trade  
27 education services to provide Pacific Northwest export assistance  
28 project clients with training in international business. The president  
29 and board of directors shall decide the amount of funding allocated for  
30 educational services based on the availability of resources in the  
31 operating budget of the Pacific Northwest export assistance project;

32 (e) May contract with the Washington state international trade fair  
33 to provide services for Pacific Northwest export assistance project  
34 clients to participate in one trade show annually. The president and  
35 board of directors shall decide the amount of funding allocated for  
36 trade fair assistance based on the availability of resources in the  
37 operating budget of the Pacific Northwest export assistance project;

38 (f) Provide biennial assessments of its performance. Project  
39 personnel shall work with the department of revenue and employment

1 security department to confidentially track the performance of the  
2 project's clients in increasing tax revenues to the state, increasing  
3 gross sales revenues and volume of products destined to foreign  
4 clients, and in creating new jobs for Washington citizens. A biennial  
5 report shall be prepared for the governor and legislature to assess the  
6 costs and benefits to the state from creating the project. The  
7 president of the small business export finance assistance center shall  
8 design an appropriate methodology for biennial assessments in  
9 consultation with the director of the department of (~~trade and~~)  
10 economic and community development and the director of the Washington  
11 state department of agriculture. The department of revenue and the  
12 employment security department shall provide data necessary to complete  
13 this biennial evaluation, if the data being requested is available from  
14 existing data bases. Client-specific information generated from the  
15 files of the department of revenue and the employment security  
16 department for the purposes of this evaluation shall be kept strictly  
17 confidential by each department and the small business export finance  
18 assistance center;

19 (g) Take whatever action may be necessary to accomplish the  
20 purposes set forth in RCW 43.210.070 and 43.210.100 through 43.210.120;  
21 and

22 (h) Limit its assistance to promoting the exportation of value-  
23 added manufactured goods. The project shall not provide counseling or  
24 assistance, under any circumstances, for the importation of foreign  
25 made goods into the United States.

26 (2) The Pacific Northwest export assistance project shall not,  
27 under any circumstances, assume ownership or take title to the goods of  
28 its clients.

29 (3) The Pacific Northwest export assistance project may not use any  
30 Washington state funds which come from the public treasury of the state  
31 of Washington to make loans or to make any payment under a loan  
32 guarantee agreement. Under no circumstances may the center use any  
33 funds received under RCW 43.210.050 to make or assist in making any  
34 loan or to pay or assist in paying any amount under a loan guarantee  
35 agreement. Debts of the center shall be center debts only and may be  
36 satisfied only from the resources of the center. The state of  
37 Washington shall not in any way be liable for such debts.

38 (4) The Pacific Northwest export assistance project shall make  
39 every effort to seek nonstate funds to supplement its operations.

1 (5) The Pacific Northwest export assistance project shall take  
2 whatever steps are necessary to provide its services, if requested, to  
3 the states of Oregon, Idaho, Montana, Alaska, and the Canadian  
4 provinces of British Columbia and Alberta. Interstate services shall  
5 not be provided by the Pacific Northwest export assistance project  
6 during its first biennium of operation. The provision of services may  
7 be temporary and subject to the payment of fees, or each state may  
8 request permanent services contingent upon a level of permanent funding  
9 adequate for services provided. Temporary services and fees may be  
10 negotiated by the small business export finance assistance center's  
11 president subject to approval of the board of directors. The president  
12 of the small business export finance assistance center may enter into  
13 negotiations with neighboring states to contract for delivery of the  
14 project's services. Final contracts for providing the project's  
15 counseling and services outside of the state of Washington on a  
16 permanent basis shall be subject to approval of the governor,  
17 appropriate legislative oversight committees, and the small business  
18 export finance assistance center's board of directors.

19 (6) The small business export finance assistance center may receive  
20 such gifts, grants, and endowments from public or private sources as  
21 may be made from time to time, in trust or otherwise, for the use and  
22 benefit of the purposes of the Pacific Northwest export assistance  
23 project and expend the same or any income therefrom according to the  
24 terms of the gifts, grants, or endowments.

25 (7) The president of the small business export finance assistance  
26 center, in consultation with the board of directors, may use the  
27 following formula in determining the number of clients that can be  
28 reasonably served by the Pacific Northwest export assistance project  
29 relative to its appropriation. Divide the amount appropriated for  
30 administration of the Pacific Northwest export assistance project by  
31 the marginal cost of adding each additional Pacific Northwest export  
32 assistance project client. For the purposes of this calculation, and  
33 only for the first biennium of operation, the biennial marginal cost of  
34 adding each additional Pacific Northwest export assistance project  
35 client shall be fifty-seven thousand ninety-five dollars. The biennial  
36 marginal cost of adding each additional client after the first biennium  
37 of operation shall be established from the actual operating experience  
38 of the Pacific Northwest export assistance project.

1 (8) All receipts from the Pacific Northwest export assistance  
2 project shall be deposited into the general fund.

3 **Sec. 55.** RCW 43.63A.066 and 1990 c 33 s 579 are each amended to  
4 read as follows:

5 The department of economic and community development shall have  
6 primary responsibility for providing child abuse and neglect prevention  
7 training to preschool age children participating in the federal head  
8 start program or the early childhood education and assistance program  
9 established under RCW 28A.215.010 through 28A.215.200 and 28A.215.900  
10 through 28A.215.908.

11 **Sec. 56.** RCW 43.63A.075 and 1985 c 466 s 53 are each amended to  
12 read as follows:

13 The department shall establish a community development finance  
14 program. Pursuant to this program, the department shall: (1) Develop  
15 expertise in federal, state, and local community and economic  
16 development programs; and (2) assist communities and businesses to  
17 secure available financing(~~(; and (3) work closely with the department~~  
18 ~~of trade and economic development on financial and technical assistance~~  
19 ~~programs available to small and medium sized businesses)). To the~~  
20 extent permitted by federal law, the department is encouraged to use  
21 federal community block grant funds to make urban development action  
22 grants to communities which have not been eligible to receive such  
23 grants prior to June 30, 1984.

24 **Sec. 57.** RCW 43.63A.115 and 1990 c 156 s 1 are each amended to  
25 read as follows:

26 (1) The community action agency network, established initially  
27 under the federal economic opportunity act of 1964 and subsequently  
28 under the federal community services block grant program of 1981, as  
29 amended, shall be a delivery system for federal and state anti-poverty  
30 programs in this state, including but not limited to the community  
31 services block grant program, the low-income energy assistance program,  
32 and the federal department of energy weatherization program.

33 (2) Local community action agencies comprise the community action  
34 agency network. The community action agency network shall serve low-  
35 income persons in the counties. Each community action agency and its  
36 service area shall be designated in the state federal community service

1 block grant plan as prepared by the department of economic and  
2 community development.

3 (3) Funds for anti-poverty programs may be distributed to the  
4 community action agencies by the department of economic and community  
5 development and other state agencies in consultation with the  
6 authorized representatives of community action agency networks.

7 **Sec. 58.** RCW 43.63A.155 and 1989 c 225 s 5 are each amended to  
8 read as follows:

9 The department of economic and community development shall retain  
10 the bond information it receives under RCW 39.44.210 and 39.44.230 and  
11 shall publish summaries of local government bond issues at least once  
12 a year.

13 The department of economic and community development shall adopt  
14 rules under chapter 34.05 RCW to implement RCW 39.44.210 and 39.44.230.

15 **Sec. 59.** RCW 43.63A.220 and 1987 c 505 s 34 are each amended to  
16 read as follows:

17 (1) The department of economic and community development is  
18 directed to undertake a study as to the best means of providing  
19 encouragement and assistance to the formulation of employee stock  
20 ownership plans providing for the partial or total acquisition, through  
21 purchase, distribution in lieu of compensation, or a combination of  
22 these means or any other lawful means, of shares of stock or other  
23 instruments of equity in facilities by persons employed at these  
24 facilities in cases in which operations at these facilities would,  
25 absent employee equity ownership, be terminated, relocated outside of  
26 the state, or so reduced in volume as to entail the permanent layoff of  
27 a substantial number of the employees.

28 (2) In conducting its study, the department shall:

29 (a) Consider federal and state law relating directly or indirectly  
30 to plans proposed under subsection (1) of this section, and to the  
31 organization and operation of any trusts established pursuant to the  
32 plans, including but not limited to, the federal internal revenue code  
33 and any regulations promulgated under the internal revenue code, the  
34 federal securities act of 1933 as amended and other federal statutes  
35 providing for regulation of the issuance of securities, the federal  
36 employee retirement income and security act of 1974 as amended, the  
37 Chrysler loan guarantee legislation enacted by the United States

1 congress in 1979, and other federal and state laws relating to  
2 employment, compensation, taxation, and retirement;

3 (b) Consult with relevant persons in the public sector, relevant  
4 persons in the private sector, including trustees of any existing  
5 employee stock ownership trust, and employees of any firm operating  
6 under an employee stock ownership trust, and with members of the  
7 academic community and of relevant branches of the legal profession;

8 (c) Examine the experience of trusts organized pursuant to an  
9 employee stock ownership plan in this state or in any other state; and

10 (d) Make other investigations as it may deem necessary in carrying  
11 out the purposes of this section.

12 (3) Pursuant to the findings and conclusions of the study conducted  
13 under subsection (2) of this section, the department of community  
14 development shall develop a plan to encourage and assist the  
15 formulation of employee stock ownership plans providing for the  
16 acquisition of stock by employees of facilities in this state which are  
17 subject to closure or drastically curtailed operation. The department  
18 shall determine the amount of any costs of implementing the plan.

19 (4) The director of economic and community development shall,  
20 within one year of July 28, 1985, report the findings and conclusion of  
21 the study, together with details of the plan developed pursuant to the  
22 study, to the legislature, and shall include in the report any  
23 recommendations for legislation which the director deems appropriate.

24 (5) The department of economic and community development shall  
25 carry out its duties under this section using available resources.

26 **Sec. 60.** RCW 43.63A.230 and 1988 c 186 s 17 are each amended to  
27 read as follows:

28 (1) The department of economic and community development shall  
29 integrate an employee ownership program within its existing technical  
30 assistance programs. The employee ownership program shall provide  
31 technical assistance to cooperatives authorized under chapter 23.78 RCW  
32 and conduct educational programs on employee ownership and self-  
33 management. The department shall include information on the option of  
34 employee ownership wherever appropriate in its various programs.

35 (2) The department shall maintain a list of firms and individuals  
36 with expertise in the field of employee ownership and utilize such  
37 firms and individuals, as appropriate, in delivering and coordinating  
38 the delivery of technical, managerial, and educational services. In

1 addition, the department shall work with and rely on the services of  
2 (~~the department of trade and economic development,~~) the employment  
3 security department(~~(7)~~) and state institutions of higher education to  
4 promote employee ownership.

5 (3) The department shall report to the governor, the (~~trade and~~)  
6 appropriate economic development (~~committee of~~) committees of the  
7 senate and the house of representatives, (~~the commerce and labor~~  
8 ~~committee of the senate,~~) and the ways and means committees of each  
9 house by December 1 of 1988, and each year thereafter, on the  
10 accomplishments of the employee-ownership program. Such reports shall  
11 include the number and types of firms assisted, the number of jobs  
12 created by such firms, the types of services, the number of workshops  
13 presented, the number of employees trained, and the results of client  
14 satisfaction surveys distributed to those using the services of the  
15 program.

16 (4) For purposes of this section, an employee stock ownership plan  
17 qualifies as a cooperative if at least fifty percent, plus one share,  
18 of its voting shares of stock are voted on a one-person-one-vote basis.

19 **Sec. 61.** RCW 43.63A.245 and 1992 c 63 s 2 are each amended to read  
20 as follows:

21 Unless the context clearly requires otherwise, the definitions in  
22 this section apply throughout RCW 43.63A.240 through 43.63A.270.

23 "Agency" means one of the agencies or organizations participating  
24 in the activities of the senior environmental corps.

25 "Coordinator" means the person designated by the director of the  
26 department of economic and community development with the advice of the  
27 council to administer the activities of the senior environmental corps.

28 "Corps" means the senior environmental corps.

29 "Council" means the senior environmental corps coordinating  
30 council.

31 "Department" means the department of economic and community  
32 development.

33 "Director" means the director of the department of economic and  
34 community development or the director's authorized representative.

35 "Representative" means the person who represents an agency on the  
36 council and is responsible for the activities of the senior  
37 environmental corps in his or her agency.

38 "Senior" means any person who is fifty-five years of age or over.

1 "Volunteer" means a person who is willing to work without  
2 expectation of salary or financial reward, and who chooses where he or  
3 she provides services and the type of services he or she provides.

4 **Sec. 62.** RCW 43.63A.247 and 1992 c 63 s 3 are each amended to read  
5 as follows:

6 The senior environmental corps is created within the department of  
7 economic and community development. The departments of agriculture,  
8 economic and community development, employment security, ecology,  
9 fisheries, health, natural resources, and wildlife, the parks and  
10 recreation commission, and the Puget Sound water quality authority  
11 shall participate in the administration and implementation of the corps  
12 and shall appoint representatives to the council.

13 **Sec. 63.** RCW 43.63A.260 and 1992 c 63 s 5 are each amended to read  
14 as follows:

15 The department shall convene a senior environmental corps  
16 coordinating council to meet as needed to establish and assess  
17 policies, define standards for projects, evaluate and select projects,  
18 develop recruitment, training, and placement procedures, receive and  
19 review project status and completion reports, and provide for  
20 recognition of volunteer activity. The council shall include  
21 representatives appointed by the departments of agriculture, economic  
22 and community development, ecology, fisheries, health, natural  
23 resources, and wildlife, the parks and recreation commission, and the  
24 Puget Sound water quality authority. The council shall develop bylaws,  
25 policies and procedures to govern its activities.

26 The council shall advise the director on distribution of available  
27 funding for corps activities.

28 **Sec. 64.** RCW 43.63A.275 and 1992 c 65 s 2 are each amended to read  
29 as follows:

30 (1) Each biennium the department of economic and community  
31 development shall distribute such funds as are appropriated for retired  
32 senior volunteer programs (RSVP) as follows:

33 (a) At least sixty-five percent of the moneys may be distributed  
34 according to formulae and criteria to be determined by the department  
35 of economic and community development in consultation with the RSVP  
36 directors association.

1 (b) Up to twenty percent of the moneys may be distributed by  
2 competitive grant process to develop RSVP projects in counties not  
3 presently being served, or to expand existing RSVP services into  
4 counties not presently served.

5 (c) Ten percent of the moneys may be used by the department of  
6 economic and community development for administration, monitoring of  
7 the grants, and providing technical assistance to the RSVP projects.

8 (d) Up to five percent of the moneys may be used to support  
9 projects that will benefit RSVPs state-wide.

10 (2) Grants under subsection (1) of this section shall give priority  
11 to programs in the areas of education, tutoring, English as a second  
12 language, combating of and education on drug abuse, housing and  
13 homeless, and respite care, and shall be distributed in accordance with  
14 the following:

15 (a) None of the grant moneys may be used to displace any paid  
16 employee in the area being served.

17 (b) Grants shall be made for programs that focus on:

18 (i) Developing new roles for senior volunteers in nonprofit and  
19 public organizations with special emphasis on areas targeted in section  
20 1, chapter 65, Laws of 1992. The roles shall reflect the diversity of  
21 the local senior population and shall respect their life experiences;

22 (ii) Increasing the expertise of volunteer managers and RSVP  
23 managers in the areas of communication, recruitment, motivation, and  
24 retention of today's over-sixty population;

25 (iii) Increasing the number of senior citizens recruited, referred,  
26 and placed with nonprofit and public organizations; and

27 (iv) Providing volunteer support such as: Mileage to and from the  
28 volunteer assignment, recognition, and volunteer insurance.

29 **Sec. 65.** RCW 43.63A.300 and 1986 c 266 s 54 are each amended to  
30 read as follows:

31 The legislature finds that fire protection services at the state  
32 level are provided by different, independent state agencies. This has  
33 resulted in a lack of a comprehensive state-level focus for state fire  
34 protection services, funding, and policy. It is the intent of the  
35 legislature to consolidate fire protection services into a single state  
36 agency and to create a state board with the responsibility of (1)  
37 establishing a comprehensive state policy regarding fire protection  
38 services and (2) advising the director of economic and community

1 development and the director of fire protection on matters relating to  
2 their duties under state law. It is also the intent of the legislature  
3 that the fire protection services program created herein will assist  
4 local fire protection agencies in program development without  
5 encroaching upon their historic autonomy.

6 **Sec. 66.** RCW 43.63A.320 and 1986 c 266 s 56 are each amended to  
7 read as follows:

8 Except for matters relating to the statutory duties of the director  
9 of economic and community development which are to be carried out  
10 through the director of fire protection, the board shall have the  
11 responsibility of developing a comprehensive state policy regarding  
12 fire protection services. In carrying out its duties, the board shall:

- 13 (1) Adopt a state fire protection master plan;
- 14 (2) Monitor fire protection in the state and develop objectives and  
15 priorities to improve fire protection for the state's citizens;
- 16 (3) Establish and promote state arson control programs and ensure  
17 development of local arson control programs;
- 18 (4) Provide representation for local fire protection services to  
19 the governor in state-level fire protection planning matters such as,  
20 but not limited to, hazardous materials;
- 21 (5) Seek and solicit grants, gifts, bequests, devices, and matching  
22 funds for use in furthering the objectives and duties of the board, and  
23 establish procedures for administering them;
- 24 (6) Promote mutual aid and disaster planning for fire services in  
25 this state;
- 26 (7) Assure the dissemination of information concerning the amount  
27 of fire damage including that damage caused by arson, and its causes  
28 and prevention;
- 29 (8) Submit annually a report to the governor containing a statement  
30 of its official acts pursuant to this chapter, and make such studies,  
31 reports, and recommendations to the governor and the legislature as are  
32 requested;
- 33 (9) Adopt a state fire training and education master plan;
- 34 (10) Develop and adopt a master plan for the construction,  
35 equipping, maintaining, and operation of necessary fire service  
36 training and education facilities, but the authority to construct,  
37 equip, and maintain such facilities is subject to chapter 43.19 RCW;

1 (11) Develop and adopt a master plan for the purchase, lease, or  
2 other acquisition of real estate necessary to establish and operate  
3 fire service training and education facilities in a manner provided by  
4 law;

5 (12) Adopt standards for state-wide fire service training and  
6 education courses including courses in arson detection and  
7 investigation for personnel of fire, police, and prosecutor's  
8 departments;

9 (13) Assure the administration of any legislation enacted by the  
10 legislature in pursuance of the aims and purposes of any acts of  
11 Congress insofar as the provisions thereof may apply;

12 (14) Cooperate with the common schools, community colleges,  
13 institutions of higher education, and any department or division of the  
14 state, or of any county or municipal corporation in establishing and  
15 maintaining instruction in fire service training and education in  
16 accordance with any act of Congress and legislation enacted by the  
17 legislature in pursuance thereof and in establishing, building, and  
18 operating training and education facilities.

19 This section does not apply to forest fire service personnel and  
20 programs. Industrial fire departments and private fire investigators  
21 may participate in training and education programs under this chapter  
22 for a reasonable fee established by rule.

23 **Sec. 67.** RCW 43.63A.330 and 1986 c 266 s 57 are each amended to  
24 read as follows:

25 In regards to the statutory duties of the director of economic and  
26 community development which are to be carried out through the director  
27 of fire protection, the board shall serve in an advisory capacity in  
28 order to enhance the continuity of state fire protection services. In  
29 this capacity, the board shall:

30 (1) Advise the director of economic and community development and  
31 the director of fire protection on matters pertaining to their duties  
32 under law; and

33 (2) Advise the director of economic and community development and  
34 the director of fire protection on all budgeting and fiscal matters  
35 pertaining to the duties of the director of fire protection and the  
36 board.

1       **Sec. 68.** RCW 43.63A.340 and 1986 c 266 s 58 are each amended to  
2 read as follows:

3       (1) Wherever the term state fire marshal appears in the Revised  
4 Code of Washington or the Washington Administrative Code it shall mean  
5 the director of fire protection.

6       (2) The director of economic and community development shall  
7 appoint an assistant director who shall be known as the director of  
8 fire protection. The board, after consulting with the director, shall  
9 prescribe qualifications for the position of director of fire  
10 protection. The board shall submit to the director a list containing  
11 the names of three persons whom the board believes meet its  
12 qualifications. If requested by the director, the board shall submit  
13 one additional list of three persons whom the board believes meet its  
14 qualifications. The appointment shall be from one of the lists of  
15 persons submitted by the board.

16       (3) The director of fire protection may designate one or more  
17 deputies and may delegate to those deputies his or her duties and  
18 authorities as deemed appropriate.

19       (4) The director of economic and community development, through the  
20 director of fire protection, shall, after consultation with the board,  
21 prepare a biennial budget pertaining to fire protection services. Such  
22 biennial budget shall be submitted as part of the department's budget  
23 request.

24       (5) The director of economic and community development, through the  
25 director of fire protection, shall implement and administer, within the  
26 constraints established by budgeted resources, the policies of the  
27 board and all duties of the director of economic and community  
28 development which are to be carried out through the director of fire  
29 protection.

30       (6) The director of economic and community development, through the  
31 director of fire protection, shall seek the advice of the board in  
32 carrying out his or her duties under law.

33       **Sec. 69.** RCW 43.63A.400 and 1987 c 308 s 2 are each amended to  
34 read as follows:

35       The department of economic and community development shall  
36 distribute grants to eligible public radio and television broadcast  
37 stations under RCW 43.63A.410 and 43.63A.420 to assist with  
38 programming, operations, and capital needs.

1       **Sec. 70.** RCW 43.63A.410 and 1987 c 308 s 3 are each amended to  
2 read as follows:

3       (1) Eligibility for grants under this section shall be limited to  
4 broadcast stations which are:

5       (a) Licensed to Washington state organizations, nonprofit  
6 corporations, or other entities under section 73.621 of the regulations  
7 of the federal communications commission; and

8       (b) Qualified to receive community service grants from the  
9 federally chartered corporation for public broadcasting. Eligibility  
10 shall be established as of February 28th of each year.

11       (2) The formula in this subsection shall be used to compute the  
12 amount of each eligible station's grant under this section.

13       (a) Appropriations under this section shall be divided into a radio  
14 fund, which shall be twenty-five percent of the total appropriation  
15 under this section, and a television fund, which shall be seventy-five  
16 percent of the total appropriation under this section. Each of the two  
17 funds shall be divided into a base grant pool, which shall be fifty  
18 percent of the fund, and an incentive grant pool, which shall be the  
19 remaining fifty percent of the fund.

20       (b) Each eligible participating public radio station shall receive  
21 an equal share of the radio base grant pool, plus a share of the radio  
22 incentive grant pool equal to the proportion its nonfederal financial  
23 support bears to the sum of all participating radio stations'  
24 nonfederal financial support as most recently reported to the  
25 corporation for public broadcasting.

26       (c) Each eligible participating public television station shall  
27 receive an equal share of the television base grant pool, plus a share  
28 of the television incentive grant pool equal to the proportion its  
29 nonfederal financial support bears to the sum of all participating  
30 television stations' nonfederal financial support as most recently  
31 reported to the corporation for public broadcasting.

32       (3) Annual financial reports to the corporation for public  
33 broadcasting by eligible stations shall also be submitted by the  
34 stations to the department of economic and community development.

35       **Sec. 71.** RCW 43.63A.440 and 1989 c 424 s 7 are each amended to  
36 read as follows:

37       (1) The department of economic and community development shall  
38 provide technical and financial assistance to communities adversely

1 impacted by reductions in timber harvested from federal lands. This  
2 assistance shall include the formation and implementation of community  
3 economic development plans. The department of economic and community  
4 development shall utilize existing state technical and financial  
5 assistance programs, and shall aid communities in seeking private and  
6 federal financial assistance for the purposes of this section. The  
7 department may contract for services provided for under this section.

8 (2) The sum of four hundred fifty thousand dollars, or as much  
9 thereof as may be necessary, is appropriated from the general fund to  
10 the department of economic and community development for the biennium  
11 ending June 30, 1991, for the purposes of subsection (1) of this  
12 section.

13 **Sec. 72.** RCW 43.63A.450 and 1990 c 278 s 2 are each amended to  
14 read as follows:

15 The community diversification program is created in the department  
16 of economic and community development. The program shall include:

17 (1) The monitoring and forecasting of shifts in the economic  
18 prospects of major defense employers in the state. This shall include  
19 but not be limited to the monitoring of defense contract expenditures,  
20 other federal contracts, defense employment shifts, the aircraft and  
21 aerospace industry, computer products, and electronics;

22 (2) The identification of cities, counties, or regions within the  
23 state that are primarily dependent on defense or other federal  
24 contracting and the identification of firms dependent on federal  
25 defense contracts;

26 (3) Assistance to communities in broadening the local economic base  
27 through the provision of management assistance, assistance in  
28 financing, entrepreneurial training, and assistance to businesses in  
29 using off-the-shelf technology to start new production processes or  
30 introduce new products;

31 (4) Formulating a state plan for diversification in defense  
32 dependent communities in collaboration with the employment security  
33 department(~~(, the department of trade and economic development,)~~) and  
34 the office of financial management. The plan shall use the information  
35 made available through carrying out subsections (1) and (2) of this  
36 section; and

37 (5) The identification of diversification efforts conducted by  
38 other states, the federal government, and other nations, and the

1 provision of information on these efforts, as well as information  
2 gained through carrying out subsections (1) and (2) of this section, to  
3 firms, communities, and (~~workforces~~) work forces that are defense  
4 dependent.

5 The department shall, beginning January 1, 1992, report annually to  
6 the governor and the legislature on the activities of the community  
7 diversification program.

8 **Sec. 73.** RCW 43.63A.460 and 1990 c 176 s 2 are each amended to  
9 read as follows:

10 Beginning on July 1, 1991, the department of economic and community  
11 development shall be responsible for performing all the consumer  
12 complaint and related functions of the state administrative agency that  
13 are required for purposes of complying with the regulations established  
14 by the federal department of housing and urban development for  
15 manufactured housing, including the preparation and submission of the  
16 state administrative plan.

17 The department of economic and community development may enter into  
18 state or local interagency agreements to coordinate site inspection  
19 activities with record monitoring and complaint handling. The  
20 interagency agreement may also provide for the reimbursement for cost  
21 of work that an agency performs. The department may include other  
22 related areas in any interagency agreements which are necessary for the  
23 efficient provision of services.

24 The department of labor and industries shall transfer all records,  
25 files, books, and documents necessary for the department of economic  
26 and community development to assume these new functions.

27 The directors of the department of economic and community  
28 development and the department of labor and industries shall  
29 immediately take such steps as are necessary to ensure that this act is  
30 implemented on June 7, 1990.

31 **Sec. 74.** RCW 43.63A.600 and 1991 c 315 s 23 are each amended to  
32 read as follows:

33 (1) The department of economic and community development, as a  
34 member of the agency timber task force and in consultation with the  
35 economic recovery coordination board, shall establish and administer  
36 the emergency mortgage and rental assistance program. The department  
37 shall identify the communities most adversely affected by reductions in

1 timber harvest levels and shall prioritize assistance under this  
2 program to these communities. The department shall work with the  
3 department of social and health services and the timber recovery  
4 coordinator to develop the program in timber impact areas.  
5 Organizations eligible to receive funds for distribution under the  
6 program are those organizations that are eligible to receive assistance  
7 through the Washington housing trust fund.

8 (2) The goals of the program are to:

9 (a) Provide temporary emergency mortgage or rental assistance loans  
10 on behalf of dislocated forest products workers in timber impact areas  
11 who are unable to make current mortgage or rental payments on their  
12 permanent residences and are subject to immediate eviction for  
13 nonpayment of mortgage installments or nonpayment of rent;

14 (b) Prevent the dislocation of individuals and families from their  
15 permanent residences and their communities; and

16 (c) Maintain economic and social stability in timber impact areas.

17 **Sec. 75.** RCW 43.105.020 and 1990 c 208 s 3 are each amended to  
18 read as follows:

19 As used in this chapter, unless the context indicates otherwise,  
20 the following definitions shall apply:

21 (1) "Department" means the department of information services;

22 (2) "Board" means the information services board;

23 (3) "Local governments" includes all municipal and quasi municipal  
24 corporations and political subdivisions, and all agencies of such  
25 corporations and subdivisions authorized to contract separately;

26 (4) "Director" means the director of the department;

27 (5) "Purchased services" means services provided by a vendor to  
28 accomplish routine, continuing, and necessary functions. This term  
29 includes, but is not limited to, services acquired for equipment  
30 maintenance and repair, operation of a physical plant, security,  
31 computer hardware and software installation and maintenance, data  
32 entry, keypunch services, programming services, and computer time-  
33 sharing;

34 (6) "Backbone network" means the shared high-density portions of  
35 the state's telecommunications transmission facilities. It includes  
36 specially conditioned high-speed communications carrier lines,  
37 multiplexors, switches associated with such communications lines, and

1 any equipment and software components necessary for management and  
2 control of the backbone network;

3 (7) "Telecommunications" means the transmission of information by  
4 wire, radio, optical cable, electromagnetic, or other means;

5 (8) "Information processing" means the electronic capture,  
6 collection, storage, manipulation, transmission, retrieval, and  
7 presentation of information in the form of data, text, voice, or image  
8 and includes telecommunications and office automation functions;

9 (9) "Information services" means data processing,  
10 telecommunications, and office automation;

11 (10) "Equipment" means the machines, devices, and transmission  
12 facilities used in information processing, such as computers, word  
13 processors, terminals, telephones, and cables;

14 (11) "Proprietary software" means that software offered for sale or  
15 license;

16 (12) "Video telecommunications" means the electronic  
17 interconnection of two or more sites for the purpose of transmitting  
18 and/or receiving visual and associated audio information. Video  
19 telecommunications shall not include existing public television  
20 broadcast stations as currently designated by the department of  
21 economic and community development under chapter ((43.63A)) 43.-- RCW  
22 (sections 1 through 8, 10 through 14, and 76 of this act).

23 NEW SECTION. Sec. 76. (1) All references to the director or  
24 department of community development in the Revised Code of Washington  
25 shall be construed to mean the director or department of economic and  
26 community development.

27 (2) All references to the director or department of trade and  
28 economic development in the Revised Code of Washington shall be  
29 construed to mean the director or department of economic and community  
30 development.

31 NEW SECTION. Sec. 77. The following acts or parts of acts are  
32 each repealed:

33 (1) RCW 43.31.005 and 1990 1st ex.s. c 17 s 68 & 1985 c 466 s 1;

34 (2) RCW 43.31.015 and 1985 c 466 s 2;

35 (3) RCW 43.31.025 and 1987 c 348 s 8 & 1985 c 466 s 3;

36 (4) RCW 43.31.035 and 1990 1st ex.s. c 17 s 69 & 1985 c 466 s 4;

37 (5) RCW 43.31.045 and 1985 c 466 s 5;

- 1 (6) RCW 43.31.055 and 1985 c 466 s 6;
- 2 (7) RCW 43.31.065 and 1985 c 466 s 9;
- 3 (8) RCW 43.31.075 and 1985 c 466 s 10;
- 4 (9) RCW 43.31.095 and 1985 c 466 s 12;
- 5 (10) RCW 43.31.097 and 1990 1st ex.s. c 17 s 71;
- 6 (11) RCW 43.31.105 and 1985 c 466 s 13;
- 7 (12) RCW 43.31.115 and 1985 c 466 s 14;
- 8 (13) RCW 43.31.130 and 1975-'76 2nd ex.s. c 34 s 110 & 1965 c 8 s
- 9 43.31.130;
- 10 (14) RCW 43.31.135 and 1987 c 505 s 30 & 1985 c 466 s 17;
- 11 (15) RCW 43.31.373 and 1988 c 35 s 1, 1985 c 466 s 24, & 1984 c 175
- 12 s 1;
- 13 (16) RCW 43.31.375 and 1985 c 466 s 25 & 1984 c 175 s 2;
- 14 (17) RCW 43.31.377 and 1988 c 35 s 2, 1985 c 466 s 26, & 1984 c 175
- 15 s 3;
- 16 (18) RCW 43.31.379 and 1988 c 35 s 3, 1985 c 466 s 27, & 1984 c 175
- 17 s 4;
- 18 (19) RCW 43.31.381 and 1988 c 35 s 4, 1985 c 466 s 28, & 1984 c 175
- 19 s 5;
- 20 (20) RCW 43.31.383 and 1985 c 466 s 29 & 1984 c 175 s 6;
- 21 (21) RCW 43.31.387 and 1985 c 466 s 31 & 1984 c 175 s 8;
- 22 (22) RCW 43.31.430 and 1989 c 423 s 2;
- 23 (23) RCW 43.31.432 and 1989 c 423 s 3;
- 24 (24) RCW 43.31.434 and 1989 c 423 s 6;
- 25 (25) RCW 43.31.436 and 1989 c 423 s 7;
- 26 (26) RCW 43.31.438 and 1989 c 423 s 8;
- 27 (27) RCW 43.31.440 and 1989 c 423 s 9;
- 28 (28) RCW 43.31.442 and 1989 c 423 s 10;
- 29 (29) RCW 43.31.651 and 1991 c 314 s 9;
- 30 (30) RCW 43.31.790 and 1975 1st ex.s. c 292 s 2 & 1965 c 148 s 1;
- 31 (31) RCW 43.31.800 and 1987 c 195 s 4 & 1965 c 148 s 2;
- 32 (32) RCW 43.31.810 and 1987 c 195 s 5, 1975 1st ex.s. c 292 s 3, &
- 33 1965 c 148 s 3;
- 34 (33) RCW 43.31.820 and 1987 c 195 s 6, 1975 1st ex.s. c 292 s 4, &
- 35 1965 c 148 s 4;
- 36 (34) RCW 43.63A.020 and 1986 c 266 s 136, 1984 c 125 s 2, & 1967 c
- 37 74 s 2;
- 38 (35) RCW 43.63A.030 and 1984 c 125 s 1 & 1967 c 74 s 3;

- 1 (36) RCW 43.63A.040 and 1984 c 125 s 3, 1975 c 40 s 10, & 1967 c 74  
2 s 4;
- 3 (37) RCW 43.63A.050 and 1967 c 74 s 5;
- 4 (38) RCW 43.63A.060 and 1987 c 505 s 32, 1984 c 125 s 4, & 1967 c  
5 74 s 6;
- 6 (39) RCW 43.63A.065 and 1992 c 198 s 7, 1990 1st ex.s. c 17 s 70,  
7 1986 c 266 s 137, & 1984 c 125 s 5;
- 8 (40) RCW 43.63A.078 and 1987 c 505 s 33 & 1984 c 125 s 7;
- 9 (41) RCW 43.63A.095 and 1984 c 125 s 8;
- 10 (42) RCW 43.63A.100 and 1984 c 125 s 9 & 1967 c 74 s 10;
- 11 (43) RCW 43.63A.130 and 1983 c 52 s 6, 1981 c 157 s 6, & 1967 c 74  
12 s 13;
- 13 (44) RCW 43.63A.140 and 1967 c 74 s 14;
- 14 (45) RCW 43.63A.210 and 1985 c 85 s 1;
- 15 (46) RCW 43.63A.560 and 1990 1st ex.s. c 17 s 67;
- 16 (47) RCW 43.165.020 and 1985 c 229 s 2;
- 17 (48) RCW 43.165.030 and 1987 c 195 s 13 & 1985 c 229 s 3;
- 18 (49) RCW 43.165.040 and 1985 c 229 s 4;
- 19 (50) RCW 43.165.050 and 1985 c 229 s 5;
- 20 (51) RCW 43.165.060 and 1985 c 229 s 6;
- 21 (52) RCW 43.165.070 and 1985 c 229 s 7;
- 22 (53) RCW 43.165.080 and 1987 c 195 s 14 & 1985 c 229 s 8;
- 23 (54) RCW 43.165.090 and 1985 c 229 s 9;
- 24 (55) RCW 43.165.100 and 1985 c 229 s 10;
- 25 (56) RCW 43.165.900 and 1985 c 229 s 14; and
- 26 (57) RCW 43.165.901 and 1985 c 229 s 15.

27 NEW SECTION. **Sec. 78.** Sections 1 through 8, 10 through 14, and 76  
28 of this act shall constitute a new chapter in Title 43 RCW.

29 NEW SECTION. **Sec. 79.** Sections 1 through 8 and 10 through 78 of  
30 this act shall take effect July 1, 1994.

31 NEW SECTION. **Sec. 80.** If any provision of this act or its  
32 application to any person or circumstance is held invalid, the  
33 remainder of the act or the application of the provision to other  
34 persons or circumstances is not affected.

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