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**SUBSTITUTE SENATE BILL 6547**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By** Senate Economic Development, Trade & Innovation (originally sponsored by Senators Pridemore and Shin; by request of Washington State Department of Commerce)

READ FIRST TIME 02/03/12.

1 AN ACT Relating to the microenterprise development program; and  
2 amending RCW 43.330.290.

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

4 **Sec. 1.** RCW 43.330.290 and 2009 c 565 s 15 are each amended to  
5 read as follows:

6 The microenterprise development program is established in the  
7 department of commerce. In implementing the program, the department:

8 (1) Shall provide organizational support to a statewide  
9 microenterprise association to the extent funds are appropriated by the  
10 legislature for that purpose and shall contract with the association  
11 for the delivery of services and distribution of grants;

12 (a) The association shall serve as the department's agent in  
13 carrying out the purpose and service delivery requirements of this  
14 section;

15 (b) The association's contract with the department shall specify  
16 that in administering the funds provided for under subsection (3) of  
17 this section, the association may use no greater than ten percent of  
18 the funds to cover administrative expenses;

1 (2) Shall provide funds for capacity building for the statewide  
2 microenterprise association and microenterprise development  
3 organizations throughout the state;

4 (3) Shall provide grants to microenterprise development  
5 organizations for the delivery of training and technical assistance  
6 services;

7 (4) Shall identify and facilitate the availability of state,  
8 federal, and private sources of funds which may enhance microenterprise  
9 development in the state;

10 (5) Shall develop with the statewide microenterprise association  
11 criteria for the distribution of grants to microenterprise development  
12 organizations. Such criteria may include:

13 (a) The geographic representation of all regions of the state,  
14 including both urban and rural communities;

15 (b) The ability of the microenterprise development organization to  
16 provide business development services in low-income communities;

17 (c) The scope of services offered by a microenterprise development  
18 organization and their efficiency in delivery of such services;

19 (d) The ability of the microenterprise development organization to  
20 monitor the progress of its customers and identify technical and  
21 financial assistance needs;

22 (e) The ability of the microenterprise development organization to  
23 work with other organizations, public entities, and financial  
24 institutions to meet the technical and financial assistance needs of  
25 its customers;

26 (f) The sufficiency of operating funds for the microenterprise  
27 development organization; and

28 (g) Such other criteria as agreed by the department and the  
29 association;

30 (6) Shall require the statewide microenterprise association and any  
31 microenterprise development organization receiving funds through the  
32 microenterprise development program to raise and contribute to the  
33 effort funded by the microenterprise development program an amount  
34 equal to twenty-five percent of the microenterprise development program  
35 funds received. Such matching funds may come from private foundations,  
36 federal or local sources, financial institutions, or any other source  
37 other than funds appropriated from the legislature;

1           (7) Shall require under its contract with the statewide  
2 microenterprise association an annual accounting of program outcomes,  
3 including job creation, access to capital, leveraging of nonstate  
4 funds, and other outcome measures specified by the department(~~(.—By~~  
5 ~~January 1, 2012, the joint legislative audit and review committee shall~~  
6 ~~use these outcome data and other relevant information to evaluate the~~  
7 ~~program's effectiveness)); and~~

8           (8) May adopt rules as necessary to implement this section.

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