
HOUSE BILL 2337

State of Washington

54th Legislature

1996 Regular Session

By Representatives Schoesler, Sheldon, Foreman, Grant, Sheahan, Mastin, Honeyford, Basich, Johnson and Mulliken

Read first time 01/10/96. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to distressed county designation; amending RCW
2 43.160.210, 43.165.010, and 43.168.020; and providing an effective
3 date.

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

5 **Sec. 1.** RCW 43.160.210 and 1991 c 314 s 25 are each amended to
6 read as follows:

7 (1) Except as authorized to the contrary under subsection (2) of
8 this section, from all funds available to the board for loans and
9 grants, the board shall spend at least twenty percent for grants and
10 loans for projects in distressed counties. For purposes of this
11 section, the term "distressed counties" includes any county, in which:
12 (a) The average level of unemployment for the three years before the
13 year in which an application for a loan or grant is filed, exceeds the
14 average state employment for those years by twenty percent; (b) the
15 average median household income for the three years before the year in
16 which an application for a loan or grant is filed, is less than
17 seventy-five percent of the state median household income for the same
18 three-year period.

1 (2) If at any time during the last six months of a biennium the
2 board finds that the actual and anticipated applications for qualified
3 projects in distressed counties are clearly insufficient to use up the
4 twenty percent allocation, then the board shall estimate the amount of
5 the insufficiency and during the remainder of the biennium may use that
6 amount of the allocation for loans and grants for projects not located
7 in distressed counties.

8 **Sec. 2.** RCW 43.165.010 and 1995 c 399 s 91 are each amended to
9 read as follows:

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

12 (1) "Department" means the department of community, trade, and
13 economic development.

14 (2) "Director" means the director of the department.

15 (3) "Distressed area" means: (a) A county that has an unemployment
16 rate that is twenty percent above the state-wide average for the
17 previous three years; ~~((e))~~ (b) a county that has a median household
18 income that is less than seventy-five percent of the state median
19 household income for the previous three years; or (c) a community or
20 area that has experienced sudden and severe or long-term and severe
21 loss of employment, or erosion of its economic base due to decline of
22 its dominant industries; or ~~((e))~~ (d) an area within a county which
23 area: (i) Is composed of contiguous census tracts; (ii) has a minimum
24 population of five thousand persons; (iii) has at least seventy percent
25 of its families and unrelated individuals with incomes below eighty
26 percent of the county's median income for families and unrelated
27 individuals; and (iv) has an unemployment rate which is at least forty
28 percent higher than the county's unemployment rate. For purposes of
29 this definition, "families and unrelated individuals" has the same
30 meaning that is ascribed to that term by the federal department of
31 housing and urban development in its regulations authorizing action
32 grants for economic development and neighborhood revitalization
33 projects.

34 (4) "Economic development revolving loan funds" means a local, not-
35 for-profit or governmentally sponsored business loan program.

36 (5) "Team" means the community revitalization team.

37 (6) "Technical assistance" includes, but is not limited to,
38 assistance with strategic planning, market research, business plan

1 development review, organization and management development, accounting
2 and legal services, grant and loan packaging, and other assistance
3 which may be expected to contribute to the redevelopment and economic
4 well-being of a distressed area.

5 **Sec. 3.** RCW 43.168.020 and 1995 c 226 s 27 are each amended to
6 read as follows:

7 Unless the context clearly requires otherwise, the definitions in
8 this section apply throughout this chapter.

9 (1) "Committee" means the Washington state development loan fund
10 committee.

11 (2) "Department" means the department of community, trade, and
12 economic development.

13 (3) "Director" means the director of community, trade, and economic
14 development.

15 (4) "Distressed area" means: (a) A county which has an
16 unemployment rate which is twenty percent above the state average for
17 the immediately previous three years; (b) a county that has a median
18 household income that is less than seventy-five percent of the state
19 median household income for the previous three years; (c) a
20 metropolitan statistical area, as defined by the office of federal
21 statistical policy and standards, United States department of commerce,
22 in which the average level of unemployment for the calendar year
23 immediately preceding the year in which an application is filed under
24 this chapter exceeds the average state unemployment for such calendar
25 year by twenty percent. Applications under this subsection (4) ~~((b))~~
26 ~~(c)~~ shall be filed by April 30, 1989; ~~((e))~~ ~~(d)~~ an area within a
27 county, which area: (i) Is composed of contiguous census tracts; (ii)
28 has a minimum population of five thousand persons; (iii) has at least
29 seventy percent of its families and unrelated individuals with incomes
30 below eighty percent of the county's median income for families and
31 unrelated individuals; and (iv) has an unemployment rate which is at
32 least forty percent higher than the county's unemployment rate; or
33 ~~((d))~~ ~~(e)~~ a county designated as a rural natural resources impact
34 area under RCW 43.31.601 if an application is filed by July 1, 1993.
35 For purposes of this definition, "families and unrelated individuals"
36 has the same meaning that is ascribed to that term by the federal
37 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 NEW SECTION. **Sec. 4.** Section 1 of this act shall take effect June
14 30, 1997.

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